

## De.mem welcomes strategic water fund and a range of institutional funds as investors

### Highlights:

- Received commitments for more than \$5m from leading strategic and institutional investors through a placement of ordinary equity at \$0.25 per share
- Welcomes water sector investment specialist Pathfinder Asset Management from Auckland, New Zealand as strategic, value-adding investor
- The additional capital is primarily intended to fund the expansion of the Company's Build, Own, Operate and services segment

**5 December 2019:** Water and wastewater treatment company **De.mem Limited (ASX:DEM)** ("De.mem" or "the Company") is pleased to announce that it has received commitments for over \$5m of new equity investment by a group of high quality institutional investors, family offices and other investors, led by cornerstone strategic, value-adding investor Pathfinder Asset Management, which is based in Auckland, New Zealand.

### Capital Raising

De.mem advises that it has received firm commitments for over \$5m of new equity investment at 25 cents per share through a placement of ordinary equity in the Company. De.mem shall issue ordinary DEM shares once the committed capital has all been received (anticipated 6 December 2019), utilising the Company's existing placement capacity available under 7.1 of the ASX Listing Rules.

The Company would like to thank existing investors who have added to their investments, particularly substantial shareholder Perennial Value Smaller Companies for their follow-on investment, and welcomes new investors including well-known family offices and institutional funds managers.

De.mem is particularly pleased to welcome new investors from New Zealand, given that the Company sees substantial opportunities to secure new clients in the New Zealand food & beverage and agricultural market in light of the New Zealand Government's focus on waste water treatment as a national priority.

### Strategic, Value-Adding Investors

De.mem is delighted to welcome ethical, institutional investor Pathfinder Asset Management ("Pathfinder") as a cornerstone investor in this capital raising.

Established in 2009, Pathfinder is a specialist ethical (Environment, Social, Governance) funds manager based in Auckland, New Zealand. Pathfinder's Global Water Fund focuses on companies involved in trying

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to solve the global water crisis, and recently won the *Good Returns/Research IP* Alternatives Fund of the Year Award for 2019.

### **Use of Funds**

The additional capital is primarily intended to finance expansion of the Company's Build-Own-Operate ("BOO"), equipment leasing and services offering. Part of the additional capital raised may also be used for general working capital purposes and to fund other organic growth initiatives.

De.mem's BOO and service offering is based on the Company's membrane technology portfolio and backed by the extended range of equipment, chemicals and consumables supplied combined with its operations & maintenance capability. BOO and service contracts will provide long-term, stable and recurring revenues to De.mem.

The BOO and service offering also deepens the Company's engagement and long-term relationships with key industrial customers. For example, the Company recently announced a \$1.7m BOO contract with Givaudan, who has been a long-term customer of De.mem (see ASX release dated 25 November 2019).

### **CEO Commentary**

De.mem CEO Andreas Kroell said: "We are pleased to complete this capital raising, allowing us to further drive the growth of our BOO and services business and facilitate our entry into the New Zealand market.

We welcome investment from such a high-quality group of investors, with each investor known to be a long-term supporter of high-quality growth businesses. We are particularly delighted to welcome Pathfinder Asset Management and other New Zealand investors to our Company's shareholder's register, coinciding with our move into New Zealand and the Pacific region, with their strong food & beverage and agricultural industry segments.

With our world-leading, innovative membrane technology, expanded product range around water treatment chemicals and our proven capability to operate and maintain water treatment plants, De.mem is uniquely positioned as a water and waste water treatment supplier to industrial customers in Australia, Singapore and internationally."

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### **For further information, please contact:**

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**De.mem Limited (ASX:DEM)** is an Australian-Singaporean 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](http://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.

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