

DE.MEM ANNOUNCES STRATEGIC DISTRIBUTION AGREEMENT FOR KEY ASIAN MARKETS; ACHIEVES FIRST REVENUES FOR SALES OF DOMESTIC WATER TREATMENT PRODUCTS INTO CHINA

11 February 2025: Australian headquartered, international water technology company De.mem Ltd (ASX:DEM) (“De.mem” or “the Company”) is pleased to announce a new strategic distribution agreement with Firmbase Pte Ltd, Singapore (“Firmbase Singapore”). This partnership marks a significant step in expanding De.mem’s presence in the Asian markets, specifically targeting China, Indonesia and Japan.

KEY HIGHLIGHTS

- **New Distribution Partnership for China, Indonesia and Japan.**
- **Promoting De.mem’s innovative compact Ultrafiltration Systems, with the Company’s National Sanitation Foundation (NSF) certified Graphene Oxide enhanced membrane being the key component.**
- **First commercial order for sales into China received, highlighting market entry into the approximately US\$2 billion Chinese home water filtration market.**

New Distribution Agreement Signed, Targeting China, Indonesia and Japan

De.mem is pleased to announce that it has signed a new distribution agreement with Firmbase Singapore. Under the agreement, Firmbase Singapore will have non-exclusive rights to distribute De.mem’s standardized filtration systems (please see below for further information) to customers in China, Indonesia and Japan.

Firmbase is a Singapore-based company, operating since 2011, with the self-described mission to “explore development opportunities in advanced materials to meet the growing needs on water, energy, and infrastructure” (source: www.firmbase-group.com). Firmbase Singapore has an extensive network in Asian markets, particularly across China, Indonesia and Japan.

The agreement is non-exclusive and can be terminated by De.mem with 60 days written notice.

First Commercial Order Received

De.mem has received its first order from Firmbase Singapore worth approximately \$15,000 in revenues.

This order is for De.mem's compact Ultrafiltration systems, to be sold by Firmbase Singapore to customers in China. While the order is not material relative to De.mem's annual revenues, it is a significant milestone as it marks successful entry into the substantial Chinese market.

The Chinese home water filtration unit market generated revenue of approximately US\$ 1.6 billion in 2022, growing at an expected compound annual growth rate of 10.7% from 2023 to 2030, and is expected to reach US\$ 3.6 billion by 2030 (source: Grand View Research, China home water filtration unit market size and outlook, 2018-2030).

De.mem's Standardized Ultrafiltration Membrane Systems Product Range

De.mem's new range of small, standardized Ultrafiltration membrane systems was introduced to the market on 13 November 2024 (see ASX release, "*De.mem advances membrane technology product offering*").

The unique elements of the new Ultrafiltration (UF) systems are:

- Deploying De.mem's NSF certified Graphene Oxide (GO) enhanced Ultrafiltration membrane as their key component. De.mem's GO enhanced membrane cartridges have recently received American National Sanitation Foundation (NSF) certification. For further details, please refer to ASX releases dated 15 April 2024 and 9 May 2024.
- Compact design thanks to high throughput of membrane.
- Robust and easy to install and use.
- Designed for residential, municipal and small industrial applications.
- All components are fully NSF certified.
- Accelerated volume treatment rates, of up to 1m³ (1,000 liters) of water per hour.

Alternatively, for industrial waste water treatment applications which do not require NSF approval, a super hydrophilic PVDF membrane can be deployed. This membrane is well suited for waste water with high oil & grease content as it integrates additives provided and developed by Firmbase.

These systems cater to both residential drinking water and industrial wastewater applications, ensuring versatile solutions for diverse market needs.

IMAGE 1: De.mem compact Ultrafiltration Membrane System (Series 10) for deployment under the kitchen sink



IMAGE 2: De.mem compact Ultrafiltration System (Series 20) for larger volumes of up to 1,000l/hr



Management Commentary

Mr. David Chua, Managing Director of De.mem Pte Ltd, Singapore, stated: *"The partnership with Firmbase, Singapore, will be instrumental in our strategic growth across Asia. We look forward to combining our technological strengths with Firmbase's market expertise and network to provide exceptional water treatment solutions."*

Mr. Pung Choong Theng, Founder and Managing Director of Firmbase Pte Ltd, Singapore, remarked: *"We are excited to offer De.mem's innovative systems to our customers. This collaboration represents a significant opportunity to address regional water treatment needs with state-of-the-art membrane technology."*

Mr Andreas Kroell, CEO of De.mem, stated *"We are excited to work with Firmbase, Singapore, to expand our distribution capabilities across Asia. De.mem's world-leading technology and complete product & services range, combined with Firmbase's extensive distribution network, is an excellent combination that will allow us to service more customers in more markets and grow De.mem revenues for shareholders"*.

This release was authorized by the Company's CEO, Andreas Kroell, on behalf of the Board.

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De.mem Limited (ASX:DEM) is an Australian headquartered, international decentralized 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 offers a "one-stop-shop" of equipment, services, chemicals and consumables to its clients, for the ongoing operations of their water and wastewater treatment plants.

De.mem's technology to treat water and wastewater is among the most advanced globally. The Company commercialises an array of innovative proprietary hollow-fibre membrane technologies. De.mem has been partnering with Nanyang Technological University (NTU) in Singapore, a world leader in membrane and water research.

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.

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