

DARCO WATER TECHNOLOGIES LIMITED
(Company Registration No. 200106732C)
(Incorporated in the Republic of Singapore)

**CLARIFICATION ANNOUNCEMENT IN RELATION TO THE
RECLASSIFICATION OF THE GROUP'S CASH AND CASH EQUIVALENTS**

The Board of Directors (the “**Board**”) of Darco Water Technologies Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) refers to the announcement dated 27 November 2014 on the reclassification of the Group’s cash and cash equivalents.

The Company wishes to clarify that the short term investments relating to the structured deposits currently placed with a financial institution in the People’s Republic of China that amounts to RMB 11 million would be due for redemption (the “**Redemption**”) on 18 December 2014 instead of 15 December 2014.

The Company will update the shareholders of any material development on the above as and when appropriate.

By Order of the Board

Thye Kim Meng
Managing Director and Chief Executive Officer
12 December 2014