

**DARCO WATER TECHNOLOGIES LIMITED**  
(Incorporated in Singapore)  
(Registration No. 200106732C)

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**DARCO SECURES S\$13 MILLION PNEUMATIC WASTE CONVEYANCE SYSTEM  
CONTRACTS IN SINGAPORE**

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The Board of Directors of Darco Water Technologies Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that its wholly-owned subsidiary, PV Vacuum Engineering Pte Ltd (“**PV Vacuum**”), had secured four contracts with an aggregate worth of S\$13.1 million to supply and maintain Pneumatic Waste Conveyance System (“**PWCS**”) in Singapore.

The PWCS, when used in housing estates, is an automated domestic waste collection system that uses high-speed vacuum technology to transport domestic waste via an underground pipe network to a Centralised Bin Centre. The entire waste collection process is enclosed and automated, thereby reducing manpower requirement and reducing waste spillage onto common areas, foul smells and issues with pests. If integrated with PV Vacuum’s waste segregation system to salvage recyclable waste, it will pave the way towards zero solid waste disposals in the future.

Two of the four contracts, which contributed 89% of the total contract value, were awarded by the Housing & Development Board to Design, Build, Operate and Maintain PWCS’s in recently announced housing projects, including Bidadari HDB housing. These two contracts will form a recurring income stream for the Group over the next 10 years.

The award of contracts is expected to have a positive impact on the consolidated net tangible assets per share and consolidated earnings per share of the Group for the financial year ending 31 December 2016.

**By Order of the Board**

Thye Kim Meng  
Chairman, Managing Director and Chief Executive Officer  
3 May 2016