

DARCO WATER TECHNOLOGIES LIMITED

(Incorporated in Singapore)
(Registration No. 200106732C)

DARCO SECURES S\$19.8M CONTRACTS IN SINGAPORE, MALAYSIA AND CHINA

The Board of Directors of Darco Water Technologies Limited (the “Company”, and together with its subsidiaries, the “Group”) wishes to announce that it has secured an aggregate of S\$19.8 million worth of orders from engineered water systems, pneumatic waste conveyance systems, as well as trading of parts and service contracts.

China:

Notably, Wuhan Kaidi Water Services Co. Ltd (“WHKD”), a subsidiary of the Group, has secured an engineered water system contract amounting to approximately RMB48.7 million (equivalent to approximately S\$9.9 million based on exchange rate of 1 RMB = S\$4.89822) for a 2X670MW ultra-supercritical heating generator Power Plant at Bajiao, located in the Shandong Province, People’s Republic of China (“PRC”). WHKD will apply reverse osmosis seawater desalination technology to remove minerals from seawater to provide fresh water to the power plant.

WHKD has also recently secured several contracts for the sales of trading parts and provision of technical services amounting to RMB15 million (equivalent to approximately S\$3.1 million based on exchange rate of 1 RMB = S\$4.89822).

Malaysia:

Seven Engineered Water Systems amounting to MYR7.3 million (equivalent to approximately S\$2.4 million based on exchange rate of 1 MYR = S\$2.9883) were secured by Darco Industrial Water Sdn. Bhd. and Darco Water Systems Sdn. Bhd. (collectively “Darco Malaysia”) for pure water and wastewater treatment engineering, procurement and construction (“EPC”) projects in Malaysia. These projects involve the upgrading of existing systems to meet the customer’s manufacturing expansion needs.

Singapore:

PV Vacuum Engineering Pte. Ltd., a subsidiary of the Group, has recently secured a pneumatic waste conveyance system (PWCS) project amounting to S\$4.4 million for the transfer of solid waste in HDB’s Sengkang district. This new order is in addition to the various PWCS contracts that were previously announced on 3 May 2016.

Financial Effects

The above Projects are expected to have a positive material impact on the revenue 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
14 September 2016