

DARCO WATER TECHNOLOGIES LIMITED

(Company Registration No. 200106732C)

Incorporated in the Republic of Singapore

PROPOSED PLACEMENT OF 5,000,000 NEW ORDINARY SHARES IN THE CAPITAL OF DARCO WATER TECHNOLOGIES LIMITED

– RECEIPT OF IN-PRINCIPLE APPROVAL FROM SGX-ST

The Board of Directors (the “**Board**”) of Darco Water Technologies Limited (the “**Company**”) refers to the announcement made by on 26 January 2017 and 21 February 2017 (the “**Announcements**”). Where capitalised terms used in this announcement are not otherwise defined, such capitalised terms shall bear the same meanings as ascribed to them in the Announcements.

Further to the Announcements, the Board wishes to announce that the SGX-ST had on 4 April 2017 granted its in-principle approval (the “**AIP**”) for the listing and quotation of the 5,000,000 Placement Shares on the Main Board of the SGX-ST.

The SGX-ST has granted the AIP subject to the following conditions:

- (a) compliance with the SGX-ST’s listing requirements;
- (b) Shareholders’ approval in respect of the Robert Stone Placement;
- (c) submission of the following documents:
 - (i) a written undertaking from the Company that it will comply with Rule 704(30) and Rule 1207(20) of the Listing Rules in relation to the use of proceeds from the Proposed Placement, and where proceeds are to be used for working capital purposes, the Company will disclose a breakdown with specific details on the use of proceeds for the working capital in the Company’s announcements on the use of proceeds and in the annual report of the Company;
 - (ii) a written undertaking from the Company that it will ensure that the Company will comply with Rule 803 of the Listing Rules; and
 - (iii) a written undertaking from the Company that it will ensure that the Company will comply with Rule 812 of the Listing Rules.

The AIP is not to be taken as an indication of the merits of the Proposed Placement, the Placement Shares, the Company and/or its subsidiaries.

A circular to Shareholders to convene an EGM to seek Shareholders’ approval for the Robert Stone Placement will be dispatched in due course.

BY ORDER OF THE BOARD

Thye Kim Meng
Chairman, Managing Director and Chief Executive Officer
4 April 2017