

Darco Water Technologies Limited

(Incorporated in the Republic of Singapore)
(Company Registration Number 200106732C)
(the "Company")

Minutes of Extraordinary General Meeting

Date : Friday, 27 February 2026
Time : 10.00 a.m.
Place : 143 Cecil St, GB Building #11-03, Singapore 069542
Present : As per Attendance List maintained by the Company
Chairman : Mr Sim Guan Seng

CHAIRMAN OF THE MEETING

Mr Sim Guan Seng, the Lead Independent Director of the Company, presided as the Chairman of the Extraordinary General Meeting ("**EGM**" or "**Meeting**"), and welcomed the shareholders to the EGM.

QUORUM

As a quorum was present, Mr Sim Guan Seng declared the EGM open. Mr Sim Guan Seng noted that the proxy forms lodged have been checked and are found to be in order. Mr Sim Guan Seng then handed the EGM proceedings to a representative of the Company (the "**Representative**"), to carry on the EGM proceedings on his behalf.

NOTICE

The Representative noted that the Notice of EGM together with the Letter to Shareholders dated 12 February 2026 had been circulated to the shareholders and suggested that the Notice of EGM be taken as read.

VOTING

The Representative stated that in accordance with Regulation 80 of the Company's Constitution, the proposed Resolutions put to vote at the EGM were to be decided on a poll.

As Mr Sim Guan Seng was appointed as proxy by some shareholders to vote in accordance with their instructions on their behalf prior to the EGM, the resolutions tabled at the EGM were deemed proposed and seconded.

The Representative stated that Reliance 3P Advisory Pte. Ltd. and Boardroom Corporate & Advisory Services Pte. Ltd. have been appointed as the Scrutineers and Polling Agent respectively.

The Representative stated that the voting instructions in relation to voting by proxy have been circulated together with the proxy form prior to this meeting.

The Proxy Forms lodged have been checked by the Company's Scrutineers and are found to be in order.

COMMENTS, QUERIES AND QUESTIONS FROM SHAREHOLDERS

The Representative stated that shareholders have been given the opportunity to submit comments, queries and questions by 10.00 a.m. on Friday, 20 February 2026. The Company had not received comments, queries and/or questions from shareholders in relation to the proposed resolutions before the stated deadline. Nonetheless, it was noted that shareholders will have the opportunity to ask questions during the course of this EGM.

Only substantial and relevant questions and/or comments relating to the agenda of the Meeting raised by the Shareholders are recorded in these minutes. The responses provided by the Directors and the Management to the said questions and/or comments are summarized as follows:

Question 1 – As the Proposed Acquisition is quite a complicated transaction with options involved, it would be good practice if the Company can explain with presentation slides the main points of the transaction. In addition, what is the significance of this transaction? How significant is it to the Company and how does it affect the Group? (From Shareholder A)

Mr Sim Guan Seng thanked Shareholder A for the suggestion and the questions. As announced by the Company previously, InfraCo VietAqua Pte. Ltd. (“**InfraCo**”) had served a put option on the Company and hence, the Company was contractually obligated to acquire the 49% shareholding interests in Darco InfraCo Vietnam Water Pte. Ltd. (“**DIVW**”).

In response to the put option, the Company went through a period of negotiation with InfraCo and managed to negotiate a lower consideration amount for the acquisition of DIVW as compared to the consideration under the put option. Under the put option, the consideration would have been the amount invested by InfraCo into DIVW plus an annualised yield of 12% compounded daily, and payable in one lump sum. Under the joint venture arrangement, InfraCo has always had the option to exercise the put option which was granted pursuant to the shareholders’ agreement.

Following negotiations with InfraCo, the parties agreed to revise the interest rates to lower tranche-specific rates of 5.5%, 6.0% and 6.5% per annum for the three tranches respectively, with the consideration sum to be paid across three tranches as well.

Management has made its best efforts in negotiating with InfraCo in relation to the acquisition of DIVW to maximise the benefit of the transaction to the Company and its shareholders. The proposal is now being tabled for approval by shareholders at the EGM.

In relation to the second part of the question, there are many potential opportunities in Vietnam and the Company has invested a lot of time and effort in developing its presence in Vietnam. However, operating in Vietnam has not been easy. For example, it can be challenging to obtain government approvals in Vietnam. That said, water is an essential need, and similarly in Vietnam, there is a need for clean water as water sources have been affected by climate change. As such, it is important for the Company to execute its plans well in Vietnam.

Question 2 – I would like to understand under the new Management, what is the Company’s focus going forward. For example, the water treatment industry can be quite competitive but I note that the Company has a pneumatic waste conveyance system (“PWCS**”) in Singapore. This PWCS seems quite unique and in that sense, the Company may have an advantage and potential in that aspect. (From Shareholder A)**

Mr Sim Guan Seng explained that the Company has not changed its direction and remains focused on water and wastewater treatment.

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In Singapore, the Company is one of the largest PWCS players in the industry, and the Management is exploring how the Company can better utilise its current technology. Ultimately, it will depend on the execution of the projects by the Company.

The Company continues to operate in Malaysia and China, and the Management is exploring ways to enhance its operational efficiency. Vietnam is a potential area, and the Company is focusing on the Ba Lai Project. The project is progressing, but it will take time as it is only in its second year since commencement. Based on current projections, it would take approximately three to five years for the Ba Lai Project to connect to households in its concession area.

Question 3 – Are there any plans to go into the data center business for the treatment of their water? (From Shareholder B)

Mr Lai Hock Meng clarified that the Company is in the business of water and wastewater treatment and not cooling systems for data centers, which utilise different technologies.

Question 4 – Could you shed more light on the acquisition of 49% of DIVW? (From Shareholder C)

Mr Sim Guan Seng repeated his explanations provided under Question 1 above. In addition, all the necessary disclosures have been made in the Company's announcements and the Letter to Shareholders.

Question 5 – In the past few years, the Company has not been able to turn a profit but based on the FY2024 Annual Report, the Company managed to turn in a modest profit. So is it appropriate to take on this acquisition when the Company only started to turn in profits? (From Shareholder B)

Mr Sim Guan Seng clarified that this particular venture with InfraCo was entered into prior to 2020 by the previous Management, before any of the current Directors joined the Board. The project has been in place for some time and took a long time to start due to factors such as the COVID-19 pandemic.

Question 6 – How does the Company generate profits in Vietnam? (From Shareholder C)

Mr Sim Guan Seng explained that the Company generates income by treating river water and selling the treated water. The profits would only be recognised once the connections to households are completed and water is supplied.

Mr Lai Hock Meng added that, from a macro perspective, operations in Vietnam are improving. While there are still bureaucratic challenges, the Company has been learning from its past experience in Vietnam. He expressed hope that shareholders would give the Company patience, as the Management is dedicating a lot of time and effort to the operations in Vietnam.

Mr Sim Guan Seng informed that either through the put option or the current acquisition, the Company would have to acquire the 49% shareholding interests in DIVW, with the key difference being the consideration amount. He added that the relationship between the Company and InfraCo has been good, which has allowed the Company to negotiate with them. The acquisition will allow the Company to move forward and continue focusing on its business. In the future, should opportunities arise, the Company may still collaborate with InfraCo on other projects.

Question 7 – What happens if the shareholders do not approve this acquisition? (From Shareholder D)

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Mr Sim Guan Seng explained that the acquisition requires the approval of shareholders pursuant to SGX's Listing Rules. If the acquisition were not approved, InfraCo would have the right to pursue legal action against the Company.

Question 8 – It is good that the shareholders are engaging with the Directors and Management. The main thing is that the Company is a small company. Sometimes the Company may stretch too far and would not be able to handle the projects it takes on. So I think it is important we focus on the most promising projects. Based on the current market capitalization of around S\$8 million, if the Company can make around S\$1-2 million that would be good enough. SGX is now telling Mainboard companies that they have to look at value realization as well. Hence, the Board has a duty to see how to achieve that. I am sure that the Executive Chairman and major shareholders are anxious to see the share price go up, but my point is, let us not go into so many countries. There might be management control issues and difficulties in dealing with so many governments. Maybe the Executive Chairman or the CEO can share their thoughts on this? (From Shareholder A)

Mr Sim Guan Seng responded that the Company is currently very focused on its core business. Since the new Management came in, together with the new Board and new controlling shareholder, the Company has not engaged in any new corporate projects. Rest assured, before the Company enters into any new projects, the Board will conduct the necessary due diligence. Currently, the Company is stabilising its existing business before considering new projects.

Mr Sim Guan Seng added that InfraCo's willingness to negotiate with the Company demonstrates that they have goodwill with the Company. Hence, moving forward, the Company may still engage InfraCo as a business partner for future projects.

Mr Wang Zhi responded that he welcomed the concerns raised by shareholders. As a shareholder himself, all parties share the same interest. Currently, the Company is executing its plans according to the strategic direction set by the Board. He acknowledged that, in the course of business, there will inevitably be ups and downs. In relation to the Vietnam project, the initial years for the project will be the set-up phase, and therefore it will take some time before profits are generated. He added that the Company may encounter different stakeholders with different targets, which is normal. Mr Wang Zhi expressed his appreciation to the partners working with the Company who are willing to make compromises and for collaborating with the Company. Mr Wang Zhi hopes that shareholders will continue to support the Board so that all parties can work together to enhance the Company's projects and generate greater returns.

ORDINARY RESOLUTIONS

1. THE PROPOSED ACQUISITION OF 49% OF DARCO INFRACO VIETNAM WATER PTE. LTD. – ORDINARY RESOLUTION 1

The Meeting noted that Ordinary Resolution 1 is to approve the proposed acquisition of 49% of Darco InfraCo Vietnam Water Pte. Ltd. (the "**Proposed Acquisition**").

Information on the Proposed Acquisition had been set out in the Letter to Shareholders dated 12 February 2026.

The Directors and the Management responded to the shareholders' queries on Ordinary Resolution 1 as set out above.

There being no further questions, the motion was put to vote by way of a poll.

There were 46,200,869 shares voting “FOR” the motion representing 100% of the votes submitted, and 0 shares voting “AGAINST” the motion representing 0% of the votes submitted, and 0 shares abstained from voting on the motion. Accordingly, Mr Sim Guan Seng declared Ordinary Resolution 1 carried by a unanimous vote. It was resolved:

“That:

- (a) the acquisition of an aggregate of 3,697,670 ordinary shares in the share capital of Darco InfraCo Vietnam Water Pte. Ltd. from InfraCo VietAqua Pte. Ltd. (the “**Proposed Acquisition**”) as a major transaction under Chapter 10 of the Listing Rules, and as set out in Section 2 of the Letter be and is hereby approved; and
- (b) the Directors and/or any of them be and are hereby authorised and empowered to approve, complete and do all such acts and things (including approving, modifying, ratifying, signing, sealing, executing and delivering all such agreements, contracts, documents, notices, deeds or instruments as may be required) as they and/or he may consider expedient, desirable or necessary or in the interests of the Company to give effect to the matters considered in this Ordinary Resolution 1.”

2. THE PROPOSED RATIFICATION OF THE GRANT OF PUT OPTION TO INFRACO VIETAQUA PTE. LTD. UNDER THE SHAREHOLDERS’ AGREEMENT DATED 30 NOVEMBER 2018 AND FURTHER AMENDED ON 27 JUNE 2022 ENTERED INTO BETWEEN THE COMPANY AND INFRACO VIETAQUA PTE. LTD. – ORDINARY RESOLUTION 2

The Meeting noted that Ordinary Resolution 2 is to approve the proposed ratification of the grant of put option to Infraco Vietaqua Pte. Ltd. under the Shareholders’ Agreement dated 30 November 2018 and further amended on 27 June 2022 (the “**Proposed Ratification**”).

Information on the Proposed Ratification had been set out in the Letter to Shareholders dated 12 February 2026.

There being no questions, the motion was put to vote by way of a poll.

There were 46,200,869 shares voting “FOR” the motion representing 100% of the votes submitted, and 46,200,869 shares voting “AGAINST” the motion representing 0% of the votes submitted, and 0 shares abstained from voting on the motion. Accordingly, Mr Sim Guan Seng declared Ordinary Resolution 2 carried by a unanimous vote. It was resolved:

“That:

- (a) the grant of the put option in favour of InfraCo pursuant to the shareholders’ agreement dated 30 November 2018 and further amended on 27 June 2022 (the “**Shareholders’ Agreement**”), under which InfraCo has the right to require the Company to purchase all of the shares held by InfraCo in DIVW on the terms set out in the Shareholders’ Agreement (the “**Put Option**”), be and is hereby ratified, confirmed and approved for the purposes of ensuring compliance with the requirements of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) and for all other purposes (the “**Proposed Ratification**”); and
- (b) the Directors and/or any of them be and are hereby authorised and empowered to approve, complete and do all such acts and things (including approving, modifying, ratifying, signing, sealing, executing and delivering all such agreements, contracts, documents, notices, deeds

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or instruments as may be required) as they and/or he may consider expedient, desirable or necessary or in the interests of the Company to give effect to the matters considered in this Ordinary Resolution 2.”

CONCLUSION

There being no other business, Mr Sim Guan Seng thanked the shareholders for their time, engagement, and continued support, and declared the Meeting closed.

Certified as a True Record of Minutes

Sim Guan Seng
Chairman of Meeting