

Darco secures S\$4.0 million Innovative Environmentally Friendly PWCS Projects

- PWCS are mandatory in Singapore for new housing development with at least 500 dwellings since 1 April 2018
- Securing PWCS projects adds to recurring income stream
- Remains focused on executing existing orderbook and secure more projects

Singapore – 05 October 2020 – Mainboard-listed Darco Water Technologies Limited (the "Company" or "Darco" or the "Group") is pleased to announce its wholly-owned Singapore subsidiary, PV Vacuum Engineering Pte Ltd. ("PV Vacuum") has recently secured S\$4.0 million worth of Preventive Maintenance Contracts for Districts Pneumatic Waste Conveyance System ("PWCS") in Singapore from Tampines, Jalan Besar and Ang Mo Kio Town Councils respectively.

The PWCS is an automated domestic waste collection system that uses high-speed vacuum technology to transport domestic waste from individual blocks of flat via an underground pipe network to a Centralized Bin Centre. The entire waste collection process is enclosed and automated, thereby reducing manpower requirements and reducing waste spillage onto common areas, odour from garbage and issues with pests which usually associate with the manual process of collection from the individual refuse chute.

PWCS are mandatory in Singapore for new housing development with at least 500 dwellings since 1 April 2018 and is allowed to be deployed on a district level. It was a move to bring sustainable living into public and private housing estates, and provide a cleaner, greener environment for residents as well as increase the efficiency of waste collection.

By implementing PWCS on district level, premises will get to enjoy cost savings due to economies of scale through shared bin centres, air and ventilation equipment and pipe networks, instead of individual collection

points for each development. This will also allow the Centralized Bin Centre to be installed further away from residents' homes and reduce refuse truck traffic within the district as the refuse truck will only require to collect the waste at the Centralized Bin Centre in each district instead of each development.

Mr. Poh Kok Hong, Executive Director and CEO of the Group, said, **“We are pleased to be awarded the contracts by the town councils, representing a testament to the Group’s strong execution capability. The maintenance fee from the contracts will form a recurring income stream for the Group since residents will continue to dispose of daily waste regardless of economic climate, thus enhancing profitability. Moving ahead, the Group remains focused on executing our existing orderbook and secure more projects to maximize shareholders’ value.”**

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About Darco Water Technologies Limited

Established in 1999 and listed on SGX in 2002, Darco Water Technologies designs and delivers engineered solutions for water and wastewater systems for industrial and municipal customers. Its core management team has more than 19 years of experience in water treatment for a wide range of industries. Its markets include Mainland China and Southeast Asia.

For more information, please refer to www.darcowater.com
