

**DARCO WATER TECHNOLOGIES LIMITED**  
(Company Registration No. 200106732C)  
(Incorporated in the Republic of Singapore)

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**COMPLETION OF THE PROPOSED ACQUISITION**

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**1. INTRODUCTION**

*Unless otherwise defined in this announcement, all capitalised terms used herein shall have the same meaning as defined in the circular to shareholders of the Company dated 24 February 2016 (the "**Circular**").*

The Board of Directors (the "**Board**") of Darco Water Technologies Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the announcements dated 11 August 2015, 13 August 2015, 28 December 2015, 15 February 2016, 23 February 2016, 17 March 2016, 24 March 2016 and 7 April 2016 in relation to the proposed acquisition of 60% Equity Interest in the registered capital of Wuhan Kaidi Water Services Co., Ltd. (武汉凯迪水务有限公司) (the "**Target**") on the terms of the SPA (the "**Proposed Acquisition**").

**2. COMPLETION OF THE PROPOSED ACQUISITION**

The Board is pleased to announce that, pursuant to the approval of Shareholders obtained at the EGM of the Company held on 17 March 2016 in relation to, *inter alia*, the Proposed Acquisition, the Conditions Precedent in respect of the Proposed Acquisition has been fulfilled and/or waived, and completion of the Proposed Acquisition ("**Completion**") has taken place today, 8 April 2016.

Pursuant to the Completion, the Company has:

- (a) acquired 60% Equity Interest in the registered capital of the Target; and
- (b) allotted and issued the following in satisfaction of the Consideration for the Proposed Acquisition:
  - (i) 13,387,118 Consideration Shares to Wuhan Liankai Investment Co., Ltd. (武汉联凯投资有限公司);
  - (ii) 1,147,467 Consideration Shares to Jilead Technology Co., Ltd.; and
  - (iii) 4,589,869 Consideration Shares to Wah Lee Industrial Corp. (華立企業股份有限公司),

amounting in aggregate to 19,124,454 Consideration Shares, representing approximately 36.55 per cent. (36.55%) of the Enlarged Share Capital of the Company.

### **3. LISTING OF CONSIDERATION SHARES**

Following receipt by the Company of the SGX-ST's in-principle approval on 12 February 2016, the Consideration Shares are expected to be listed and quoted on the Main Board of the SGX-ST on 12 April 2016. Please note that the SGX-ST's in-principle approval is not to be taken as an indication of the merits of the Proposed Acquisition, the Consideration Shares or the Company and/or its subsidiaries.

By Order of the Board

Thye Kim Meng  
Managing Director and Chief Executive Officer  
8 April 2016