



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

**COMPLETION OF THE PROPOSED DISPOSAL OF 100% OF THE
CAPITAL CONTRIBUTION OF DARCO REMEDIATION TECHNOLOGIES INC**

1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of Darco Water Technologies Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to the Company’s previous announcement made on 26 November 2020 (the “**Previous Announcement**”) in relation to the entry by the Company’s subsidiary, WWMG Environmental Sdn. Bhd. (the “**Seller**”), into a capital contribution purchase agreement (the “**Agreement**”) with Lin Chiang Ya (林江涯) (the “**Purchaser**”) in respect of the proposed disposal by the Seller of all of the capital contribution owned by the Seller in Darco Remediation Technologies Inc. (“**DRT**”) on the terms and subject to the conditions of the Agreement (the “**Proposed Disposal**”).

Unless otherwise defined, all terms and references used herein shall bear the same meanings ascribed to them in the Previous Announcement.

2. COMPLETION OF THE PROPOSED DISPOSAL

2.1 The Board wishes to update shareholders that instead of paying the Subsidy Amount (as defined in the Previous Announcement) directly to the Purchaser as contemplated by the Agreement, the parties have agreed that the US\$150,000 represented by the Subsidy Amount instead be paid to DRT by way of a US\$150,000 shareholder loan (the “**Shareholder Loan**”), with such US\$150,000 Shareholder Loan waived by the Seller prior to Closing and used to pay off all the debt liabilities of DRT.

2.2 The Board wishes to further update shareholders that:

- (a) the Seller has received the Consideration of US\$1.00;
- (b) the Shareholder Loan has been extended to DRT and waived accordingly; and
- (c) the Conditions Precedent have been fulfilled.

Accordingly, the Seller has completed the Proposed Disposal on 6 September 2021.

2.3 Following completion of the Proposed Disposal, DRT has ceased to be a subsidiary of the Company.



3. CAUTION IN TRADING

Shareholders and potential investors are advised to exercise caution in trading their Shares. Shareholders are advised to read this announcement and any further announcements by the Company carefully, and should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Kong Chee Keong
Executive Director and Chief Executive Officer

7 September 2021