



**DARCO WATER TECHNOLOGIES LIMITED**

(Incorporated in the Republic of Singapore)

(Company Registration No. 200106732C)

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**JOINT STATEMENT BY MR WANG ZHI, SOFOS INFRASTRUCTURE INVESTMENT FUND SPC (“SOFOS”) AND MR ROBERT STONE**

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The board of directors (the “**Board**”) of Darco Water Technologies Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) refers to the joint statement made by certain of the shareholders of the Company (namely, Mr Wang Zhi, Sofos Infrastructure Investment Fund SPC and Mr Robert Stone), a copy whereof has been extended to the Company and annexed to this announcement for Shareholders’ information.

The Board is pleased that Mr Wang, Sofos and Mr Stone who are all important stakeholders of the Company have reached an understanding on their previous differences raised and more critically, parties have reaffirmed their mutual desire for the Company to grow and prosper. The Board looks forward to receiving the continuing support of the Company’s Shareholders and will work towards the Company’s continued success together with the Management.

**BY ORDER OF THE BOARD**

Kong Chee Keong  
Executive Director and Chief Executive Officer

20 December 2021

**JOINT STATEMENT BY WANG ZHI, SOFOS INFRASTRUCTURE INVESTMENT FUND SPC (“SOFOS”) AND ROBERT STONE**

Mr Wang Zhi, Sofos and Mr Robert Stone wish to announce that they have reached an amicable resolution and reconciled their differences in relation to the conduct and business of Darco Water Technologies Ltd (“**Darco**”).

Sofos and Mr Robert Stone had raised complaints and allegations to the Commercial Affairs Department, Securities Investor Association (Singapore) and SGX RegCo relating to Mr Wang Zhi. Their allegations against Mr Wang Zhi include (a) applying undue influence over the board of directors; (b) conflicts of interests and gratuitous payments relating to services provided by Qarah Consultancy Pte Ltd; (c) the circumstances relating to Wang Zhi’s alleged involvement in Darco’s 2020 intended placement exercise; (d) the circumstances surrounding Mr Wang’s proposed transfer of his interests in a 30-year concession or water treatment plant located in Hebei Province, Gaoyi County, China; (e) Mr Wang’s introduction of the Nambo waste management project in Bogor Regency and Depok City in Indonesia to Darco; (f) the circumstances surrounding the mandatory conditional cash offer made by Mr Wang on 26 May 2020; and (g) Mr Wang’s alleged involvement in the cessation of Mr Tay Von Kian’s non-executive independent directorship in Darco.

Minority shareholders of Darco, including Sofos and Mr Robert Stone, filed an application to the Singapore High Court for permission to commence legal proceedings in the name of Darco against Mr Wang Zhi in relation to some of these allegations, but the application was dismissed by the Court on 14 September 2021. Mr Wang has also commenced legal proceedings against Sofos and Mr Robert Stone for defamation before the Singapore High Court.

Sofos and Mr Robert Stone now recognise that Mr Wang Zhi has at all material times sought to act in the best interests of Darco, and that Darco stands to benefit from his positive contributions in the future.

Parties have reaffirmed their mutual desire for Darco to grow and prosper and look forward to working to ensure Darco’s continued success.