



**SOLUTIONS TO WATER & WASTE**

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

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## **UPDATE REGARDING THE IMPACT OF THE NOVEL CORONAVIRUS OUTBREAK ON THE GROUP'S OPERATIONS IN THE PEOPLE'S REPUBLIC OF CHINA**

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The Board of Directors (the “**Directors**” or the “**Board**”) of Darco Water Technologies Limited (the “**Company**” and together with its subsidiaries, collectively, the “**Group**”) wishes to update shareholders of the impact of the novel coronavirus outbreak (the “**COVID-19 Outbreak**”) on the Group’s operations in the People’s Republic of China (the “**PRC**”).

Since the COVID-19 Outbreak, a number of provinces and municipalities in the PRC have taken emergency public health measures and adopted strict measures to curb the spread of the COVID-19 Outbreak. Wuhan has been in lockdown since before the Chinese Lunar New Year in order to contain the spread of the COVID-19 Outbreak. The latest update provided by the provincial authorities is that, tentatively, the earliest possible date that personnel based in Wuhan will be able to resume work in the office is on 11 March 2020. As such, the personnel of the Group’s subsidiary, Wuhan Kaidi Water Services Co., Ltd. (武汉凯迪水务有限公司) (“**Wuhan Kaidi**”) are unable to return to work in the office and this will temporarily affect the business of Wuhan Kaidi.

Wuhan Kaidi, which has historically contributed approximately 50% of the Group’s revenue, is based in Wuhan, the epicenter of the COVID-19 Outbreak. Hence, the control measures implemented to control the COVID-19 Outbreak are expected to result in significant adverse impact to Wuhan Kaidi’s and the Group’s results for the financial year ending 31 December 2020.

The Company is closely monitoring the situation and will update shareholders of any material developments as and when they arise.

### **BY ORDER OF THE BOARD**

Poh Kok Hong  
Executive Director and Chief Executive Officer

25 February 2020