

MANDATORY CONDITIONAL CASH OFFER

by

UOBKayHian

UOB KAY HIAN PRIVATE LIMITED
(Company Registration No.: 197000447W)
(Incorporated in the Republic of Singapore)
(the “Offer”)

for and on behalf of

WANG ZHI
(the “Offeror”)

to acquire all the issued and paid-up ordinary shares in the capital of

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

excluding treasury shares and other than shares already owned, controlled or
agreed to be acquired by the Offeror

**DESPATCH OF NOTIFICATION OF ELECTRONIC DISSEMINATION (THE “NOTIFICATION”) OF
OFFER DOCUMENT (THE “OFFER DOCUMENT”) AND RELATED DOCUMENTS**

1. INTRODUCTION

UOB Kay Hian Private Limited (“**UOBKH**”) refers to the mandatory conditional cash offer announcement dated 5 May 2020 issued by UOBKH for and on behalf of the Offeror.

Unless otherwise defined herein or if the context otherwise requires, all capitalized terms not defined in this announcement (“**Announcement**”) shall have the meanings ascribed to them in the Offer Document.

2. DESPATCH OF THE NOTIFICATION, THE FAA AND/OR THE FAT

UOBKH wishes to announce, for and on behalf of the Offeror, that the Notification containing the address and instructions for the electronic retrieval of the Offer Document and related documents, the Form of Acceptance and Authorisation (the “**FAA**”) and/or the Form of Acceptance and Transfer (the “**FAT**”), have been despatched today to all Shareholders. The Offer Document dated 26 May 2020 contains, *inter alia*, the terms and conditions of the Offer.

An electronic copy of the Notification, the Offer Document, the FAA and FAT are available on the website of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) at www.sgx.com.

3. ACCEPTANCE FORMS

The following documents are included with the Notification, as may be applicable:

- (a) a FAA and a pre-addressed envelope, for Shareholders holding Shares which are deposited with CDP (“**Depositors**”); and/or
- (b) a FAT and a pre-addressed envelope, for Shareholders holding Shares in scrip form (“**Scrip Holders**”).

4. PROCEDURES FOR ACCEPTANCE

The procedures for acceptance of the Offer are set out in Appendix 2 of the Offer Document and the FAA and/or FAT, as the case may be. Shareholders who wish to accept the Offer may do so by completing and returning the FAA and/or FAT before the Closing Date as set out in paragraph 8 below.

5. REQUEST FOR OFFER DOCUMENT, THE FAA AND/OR FAT

If you are a Shareholder and have not received the Notification containing the address and instructions for the electronic retrieval of the Offer Document and related documents, and the FAA and/or FAT, as the case may be, within a week from the date hereof, please contact CDP (if you are a Depositor) or the Registrar (if you are a Scrip Holder), as the case may be, immediately at the following address:

**The Central Depository
(Pte) Limited**
11 North Buona Vista Drive
#01-19/20 The Metropolis, Tower 2
Singapore 138589

**Boardroom Corporate & Advisory
Services Pte. Ltd.**
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

6. OVERSEAS SHAREHOLDERS

6.1. Overseas Jurisdictions

The Offer Document does not constitute an offer to sell or the solicitation of an offer to subscribe for or buy any security, nor is it a solicitation of any vote or approval in any jurisdiction, nor shall there be any sale, issuance or transfer of the securities referred to in the Offer Document in any jurisdiction in contravention of applicable laws. The Offer will be made solely by the Offer Document and the relevant form(s) of acceptance, which will contain the full terms and conditions of the Offer, including details of how the Offer may be accepted.

The release, publication or distribution of the Offer Document in certain jurisdictions may be restricted by law and therefore persons in any such jurisdictions into which the Offer Document is released, published or distributed should inform themselves about and observe such restrictions.

Copies of the Offer Document and any other formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any jurisdiction where the making of or the acceptance of the Offer would violate the law and regulations of that jurisdiction (the “**Restricted Jurisdiction**”) and the Offer will not be made to, nor will the Offer be capable of acceptance by, any person within any

Restricted Jurisdiction if the offer to and/or acceptance by such person will violate the laws of the Restricted Jurisdiction. Persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

The Offer (unless otherwise determined by the Offeror and permitted by applicable laws and regulations) will not be made, directly or indirectly, in or into, or by the use of mails of, or by any means or instrumentality (including, without limitation, telephonically or electronically) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities.

Overseas Shareholders may, nonetheless, obtain copies of the Notification (containing the address and instructions for the electronic retrieval of the Offer Document and related documents), the FAA and/or the FAT and any related documents, by writing in to:

- (a) Wang Zhi c/o The Central Depository (Pte) Limited at 11 North Buona Vista Drive, #01-19/20 The Metropolis Tower 2, Singapore 138589 (if she/he is a Depositor); or
- (b) Wang Zhi c/o Boardroom Corporate & Advisory Services Pte. Ltd. at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 (if she/he is a scrip holder), to be sent to an address in Singapore by ordinary post at her/his own risk, up to five (5) Market Days prior to the Closing Date.

6.2. Overseas Shareholder

The availability of the Offer to Shareholders whose mailing addresses are outside of Singapore as shown on the register of members of the Company or in the records of CDP (as the case may be) (each, an “**Overseas Shareholder**”) may be affected by laws and regulations of the relevant overseas jurisdictions. Accordingly, Overseas Shareholders should inform themselves of, and observe, any applicable legal requirements in the relevant overseas jurisdictions. Overseas Shareholders should also exercise caution in relation to the Offer, as the Offer Document, the FAA and the FAT have not been reviewed by any regulatory authority in any overseas jurisdiction. Where there are potential restrictions on sending the Offer Document, the FAA and/or the FAT to any overseas jurisdiction, each of the Offeror and UOBKH reserves the right not to send these documents to any overseas jurisdiction. **For the avoidance of doubt, the Offer is open to all Shareholders holding Offer Shares, including those to whom the Offer Document, the FAA and/or the FAT have not been or may not be, mailed or otherwise forwarded, distributed or sent.**

It is the responsibility of any Overseas Shareholder who wishes to (a) request for the Offer Document, the FAA and/or the FAT and/or any related documents, or (b) accept the Offer, to satisfy herself/ himself as to the full observance of the laws of the relevant jurisdiction in that connection, including the obtaining of any governmental or other consent which may be required, and compliance with all necessary formalities or legal requirements and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable and the Offeror and any person acting on his behalf (including UOBKH) shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror and/or any person acting on his behalf (including UOBKH) may be required to pay. In (i) requesting for the Offer Document, the FAA and/or the FAT and any related documents and/or (ii) accepting the Offer, the Overseas

Shareholder represents and warrants to the Offeror and UOBKH that she/he is in full observance of the laws of the relevant jurisdiction in that connection, and that she/he is in full compliance with all necessary formalities or legal requirements.

Any Overseas Shareholder who is in any doubt about her/his position should consult her/his professional adviser in the relevant jurisdiction.

The Offeror and UOBKH each reserves the right to notify any matter, including the fact that the Offer has been made, to any or all Overseas Shareholders by announcement to the SGX-ST or notice and if necessary, by paid advertisement in a newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement, notice or advertisement.

7. INFORMATION RELATING TO CPFIS INVESTORS AND SRS INVESTORS

Investors who have purchased Shares using their Central Provident Fund (“**CPF**”) contributions pursuant to the CPF Investment Scheme (“**CPFIS**”, and such investors, “**CPFIS Investors**”) or pursuant to the Supplementary Retirement Scheme (“**SRS**”, and such investors, “**SRS Investors**”) should receive further information on how to accept the Offer from their respective agent banks included under the CPFIS (“**CPFIS Agent Banks**”) and SRS (“**SRS Agent Banks**”) directly. CPFIS Investors and SRS Investors are advised to consult their respective CPF Agent Banks and SRS Agent Banks should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors and SRS Investors should seek independent professional advice. CPFIS Investors and SRS Investors who wish to accept the Offer are to reply to their respective CPF Agent Banks and SRS Agent Banks by the deadline stated in the letter from their respective CPF Agent Banks and SRS Agent Banks, which may be earlier than the Closing Date. Subject to the Offer becoming or being declared unconditional in all respects, CPFIS Investors and SRS Investors will receive the Offer Price payable in respect of their Offer Shares validly tendered in acceptance of the Offer through appropriate intermediaries in their respective CPF investment accounts and SRS investment accounts.

8. CLOSING DATE

As stated in the Offer Document, acceptances of the Offer must be received by no later than the Closing Date, being **5.30 p.m. (Singapore time) on 23 June 2020**.

9. INDEPENDENT ADVICE

UOBKH is acting for and on behalf of the Offeror and does not purport to advise the Shareholders. In preparing the Offer Document for and on behalf of the Offeror, UOBKH has not had regard to the general or specific investment objectives, tax position, risk profiles, financial situation or particular needs and constraints of any Shareholder. You must make your own decision as to whether to tender your Shares. If you are in doubt as to the action you should take, you should immediately seek your own advice from your relevant financial, legal or tax advisers or other independent financial adviser(s).

The views and recommendation(s) of the directors of the Offeree who are considered independent for the purposes of the Offer (the “Independent Directors”) and the independent financial adviser to the Independent Directors on the Offer will be made available to the Shareholders in due course and in any event, the Independent Directors are required under the Code to despatch their views within 14 days of the posting of the

Offer Document. Shareholders may wish to consider their advice before taking any action in relation to the Offer.

10. CAUTIONARY STATEMENT

SHAREHOLDERS AND POTENTIAL INVESTORS SHOULD EXERCISE CAUTION WHEN TRADING IN THE SHARES, AND WHERE IN DOUBT AS TO THE ACTION THEY SHOULD TAKE, THEY SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

11. RESPONSIBILITY STATEMENT

The Offeror (who may have delegated detailed supervision of this Announcement) has taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that there are no material facts that have been omitted from this Announcement, the omission of which would make any statement in this Announcement misleading, and accepts responsibility accordingly.

Where any information has been extracted or reproduced from published or publicly available sources or obtained from the Company (including without limitation, information relating to the Company or the Group), the sole responsibility of the Offeror has been to ensure, through reasonable enquiries, that such information is accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

Issued by
UOB KAY HIAN PRIVATE LIMITED

For and on behalf of
MR. WANG ZHI
26 May 2020

Any enquiries relating to this Announcement or the Offer should be directed during office hours to:

UOB Kay Hian Private Limited

Mr Ding Hock Chai
Senior Director
Tel: (65) 6590 6881

Mr Alvin Soh Eng San
Senior Vice President
Tel: (65) 6590 6881

Forward-Looking Statements

All statements other than statements of historical fact included in the Offer Document are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “aim”, “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “potential”, “strategy”, “forecast”, “possible”, “probable” and similar expressions or future or

conditional verbs such as “**if**”, “**will**”, “**would**”, “**should**”, “**could**”, “**may**” or “**might**”. These statements reflect the Offeror’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information. Such forward-looking statements are not guarantees of future results, performance, events or achievements and involve known and unknown risks and uncertainties. Accordingly, actual future results, performance, events or achievements may differ materially from those described in such forward-looking statements. Given the risks and uncertainties involved, Shareholders and investors should not place undue reliance on such forward-looking statements and information. Neither the Offeror nor UOBKH undertakes any obligation to update any of those forward-looking statements or publicly announce any revisions to those forward-looking statements, subject to compliance with all applicable laws and regulations and/or rules of the SGX-ST and/or any other regulatory or supervisory body or agency.