

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

**EXTENSION OF LONG-STOP DATE FOR THE PROPOSED ACQUISITION OF 60% OF THE
TOTAL EQUITY INTEREST IN THE REGISTERED CAPITAL OF WUHAN KAIDI WATER
SERVICES CO., LTD. (武汉凯迪水务有限公司) ("WUHAN KAIDI")**

The board of directors ("**Board**") of Darco Water Technologies Limited (the "**Company**") refers to its announcements dated 11 August 2015 and 13 August 2015 in relation to the conditional sale and purchase agreement ("**SPA**") entered into by the Company with Wuhan Liankai Investment Co., Ltd (武汉联凯投资有限公司), Hong Kong Meidi Investments Holdings Co., Ltd. (香港美地投资(控股)有限公司) and Mr. Zhang Zhengda as the vendors (the "**Vendors**") in respect of the proposed acquisition by the Company of 60% of the total equity interest in the registered capital of Wuhan Kaidi (the "**Proposed Acquisition**"). Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as defined in the SPA.

The Board wishes to announce that on 28 December 2015, the Company and the Vendors have entered into a supplemental agreement to the SPA, to extend the Long Stop Date for the satisfaction of the conditions precedent set out in Clause 3.1 of the SPA, from 31 December 2015 to 31 March 2016.

The Company will make the appropriate announcements on any further developments in respect of the SPA and the Proposed Acquisition.

By Order of the Board

Thye Kim Meng
Chairman, Managing Director and Chief Executive Officer
28 December 2015