

DARCO WATER TECHNOLOGIES LIMITED

(Incorporated in Singapore)
(Registration No. 200106732C)

INCORPORATION OF SUBSIDIARY

The Board of Directors of Darco Water Technologies Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce the Company has incorporated a wholly-owned subsidiary company in Vietnam (“**Subsidiary**”). The details of the Subsidiary are as follows:-

Name of company: Darco Environment Vietnam Co., Ltd.

Issued and paid-up share capital: VND2.2 billion
(equivalent to US\$100,000)

Percentage of issued and paid-up capital held by Company: 100%

Principal activities: Technical consulting service including choosing and using water treatment equipment, equipment installation, water treatment equipment in construction work

The incorporation of Darco Environment Vietnam Co., Ltd. is funded through internal resources and is not expected to have any material impact on the net tangible assets and earnings per share of the Company for the financial year ending 31 December 2017.

None of the Directors, controlling shareholders or substantial shareholder of the Company has any interest, direct or indirect, in the incorporation of Darco Environment Vietnam Co., Ltd., save for their shareholdings in the Company.

By Order of the Board

Thye Kim Meng
Chairman, Managing Director and Chief Executive Officer
21 February 2017