HYFLUX LTD
Company Registration No.: 200002722Z
(Incorporated in the Republic of Singapore)

S$300,000,000 5.75% PERPETUAL CAPITAL SECURITIES
(THE "CAPITAL SECURITIES")

In Hyflux Ltd's ("Hyflux") Offering Circular dated 20 January 2014 ("Offering Circular") issued in connection with the offering of the Capital Securities, reference was made to an advance tax ruling application to the Inland Revenue Authority of Singapore ("IRAS") to confirm whether the Capital Securities would be regarded as "debt securities" for the purpose of Income Tax Act, Chapter 134 of Singapore, such that holders of the Capital Securities may enjoy the tax concessions and exemptions available for qualifying debt securities ("QDS") under the QDS scheme, provided that the relevant conditions are met.

The Board of Directors of Hyflux wishes to announce that, based on such ruling which has been obtained from the IRAS, the Capital Securities are regarded as QDS and holders of the Capital Securities will therefore be able to enjoy the tax concessions and exemptions under the QDS scheme subject to satisfying the governing conditions for QDS as well as other conditions set out in the section "Singapore Taxation" of the Offering Circular. The ruling obtained from the IRAS is based on the facts presented and IRAS' current interpretation and application of the existing tax law. The ruling will automatically not apply from the date of any future changes in the tax laws which have a direct impact on the ruling or from the date of any future change in the interpretation of the tax laws.

BY ORDER OF THE BOARD
LIM POH FONG
COMPANY SECRETARY
SUBMITTED ON 18 JULY 2014 TO SGX-ST