



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

UPDATES ON REORGANISATION PROCESS – RECEIPT OF NON-BINDING LETTER OF INTENT FOR INVESTMENT OF S\$400 MILLION FROM UTICO FZC

Hyflux Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to its ongoing court-supervised reorganisation process and its announcement on 25 April 2019 in relation to the receipt of a non-binding letter of intent, from an investor based in the Middle East, for a possible injection of S\$400 million to be used for equity and working capital purposes and possible urgent interim funding.

Pursuant to further discussions with this investor, the Company has obtained its consent to disclose its identity as Utico FZC (“**Utico**”), a UAE entity which is the largest private full service utility and developer in the Middle East. Utico possesses a reputable track record in the water and power industries which is anchored by a spirit of innovation, strong funding and a diversified investment and projects portfolio including municipal partnerships. Its shareholders and investors include sovereign institutions of the governments of Oman, Saudi Arabia, Bahrain and Brunei.

The Company’s legal and financial advisors are currently engaged in active discussions with Utico’s legal and financial advisors on the terms of Utico’s investment, to be set out in a binding term sheet for execution. In this regard, Utico has informed the Company that it is aware of the urgency of the restructuring, and that it intends to on a win-win basis:

- (a) invest in the Group on the basis of preservation of the Group’s key entities so that these entities (including the Company) remain intact and operational;
- (b) retain the Group’s current management; and
- (c) reach an amicable deal with the Group’s creditors and investors.

The Company is also in concurrent discussions with several other parties interested in investing in the business of the Group, and will make the appropriate announcements as and when there are any further material developments on the matters herein.

Please monitor SGXNet and the Company’s website for any announcements or updates on the Company’s reorganisation process. If you are a holder of any securities of the Company and wish to receive email alerts providing these updates, please register your request at <http://investors.hyflux.com/contacts.html>. Otherwise, all information and updates will be disseminated via SGXNet and/or the Company’s website (<https://www.hyflux.com/financial-reorganisation-exercise/>).

Shareholders and holders of securities issued by the Company are advised to exercise caution at all times when dealing in the shares and/or securities, and should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD
Lim Poh Fong
Company Secretary
Submitted to SGX-ST on 3 May 2019