

Our Ref: UT/HYF/2020/09/30

Date: 30 September 2020

To: Hyflux Limited
80, Bendemeer Road, Hyflux Innovation Centre
Singapore 339949
For the attention of: Board of Directors

CC: Hogan Lovells Lee & Lee
(For and on behalf of the UWG)

Akin Gump Strauss Hauer & Feld LLP
(For and on behalf of the MTN holders)

Allen & Gledhill LLP
(For and on behalf of DBS Bank Limited)

Drew & Napier LLC
(for and on behalf of SIAS)

Dear Sir/ Madam,

We refer to our binding offer dated July 23, 2020, extension letters dated July 31, 2020 and September 9, 2020 and the letter received from your end dated September 14, 2020.

We re-iterate that Utico has always acted in good faith with a bona fide intent, in terms of finding a solution that is acceptable to all the relevant stakeholders of Hyflux and is the only suitor to provide a binding offer to the holders of P & P.

We note with disappointment your comment on our queries being termed as speculative. We would like to bring to your kind attention the relevant facts and the basis of our requests to you, to facilitate receipt of required responses, to enable us to close the transaction process. In specific,

1. We note that your reply doesn't seem to address our position on P & P holders. Our request through you to SIAS, to solicit response from P&P holders, to understand their amenability for a cash offer (albeit at a reduced level) was based on SIAS public announcements to suitors like Pison & Aqua Munda.

Given that you are the principal obligor to these counter parties, it is natural that only Hyflux can solicit this response from SIAS. We seek your feedback on the foregoing and do not subscribe to the view that this may lead to misunderstanding or confusion.

2. In regard to our request to seek your position vis a vis other suitors ie Aqua Munda & Pison Investments, our queries again, were based on public information made available by the respective counter parties. Both Aqua Munda and Pison offers have expired and not renewed. Please confirm.

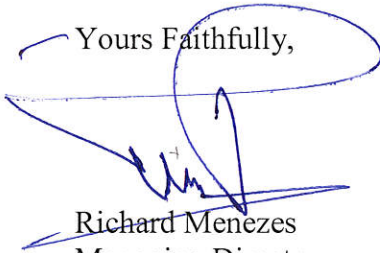
In a situation like this wherein Utico is significantly invested into the transaction since April 2019, it is but natural for us to seek your response on your position vis a vis other offers. It is critical for us to understand your position on these proposals (with your objective to provide highest possible recovery to creditors) & their respective validity, as Utico's offer (till date) presents the widest spectrum of creditor coverage with best recoveries possible.

As you can evidence from our replies above, our requests on the letter dated September 9, 2020 were based on publicly available information, which we believe is critical for Hyflux to clarify in the interest of all the stakeholders.

Therefore we urge you to put our proposal to P&P and SIAS officially with this letter as SGX announcement and revert to us before the expiry of our offer. This especially since the P&P have no other offer made by any other party as of to-date and there being no offer being made to P&P by Aqua Munda or Pison, inspite of SIAS many requests for the same.

This letter and any dispute or claim arising from or in connection with this letter, shall be governed by and construed in accordance with the laws of Singapore.

Yours Faithfully,



Richard Menezes
Managing Director
For and on behalf of Utico FZC

