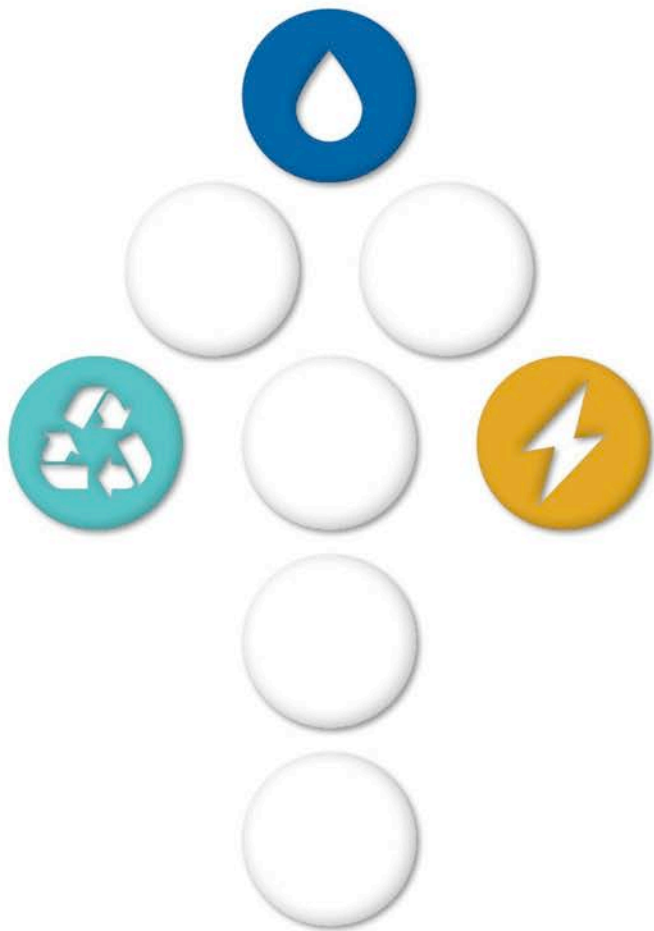


Hyflux Ltd

Informal Stakeholders Meetings
19 & 20 July 2018



Important Notice

- This informal meeting is being convened for the purpose of providing the Group's securities holders with an overview of the financial position of the Group and to engage in a discussion with the securities holders in anticipation of the Group's cash flow challenges going forward.
- Kindly note that:
 - The informal meeting is not intended to and does not amount to a meeting under or in connection with the Trust Deed relating to the securities;
 - The informal meeting has been called solely for the dissemination of information and no decisions or voting will be made at the informal meeting;
 - The informal meeting is private and confidential and will be held on an entirely without prejudice basis; and
 - In addition to the securities holders on the records of The Central Depository (Pte) Limited who presently are recognised as securities holders under the terms of the Trust Deed and the securities, there may be persons holding the underlying beneficial interest who may also attend the informal meeting, and the reason why these persons have been allowed to attend is not in recognition of their status as securities holders but solely as a practical measure to facilitate the dissemination of information to such persons whom nominee securities holders having rights may take instructions from.

Disclaimer

- Certain statements in this presentation may constitute forward looking statements. Forward looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The words “believe”, “anticipate”, “intend”, “estimate”, “forecast”, “project”, “plan”, “potential”, “may”, “should”, “expect”, “pending” and similar expressions identify forward looking statements. However, these words are not the exclusive means of identifying forward-looking statements.
- All statements regarding the expected financial position, business strategy, plans and prospects of the Company and/or the Group (including statements as to the Company’s and/or the Group’s revenue and profitability, prospects, future plans and other matters discussed in this presentation regarding matters that are not historical facts and including the financial forecasts, profit projections, statements as to the expansion plans of the Company and/or the Group, expected growth in the Company and/or the Group and other related matters), if any, are forward-looking statements and accordingly, are only predictions.
- Forward looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company and/or the Group to be materially different from any future results, performance or achievements expressed or implied by such forward- looking statements. These factors include, among others, changes in general political, social and economic conditions, changes in currency exchange and interest rates, demographic changes, changes in competitive conditions and other factors beyond the control of the Company and the Group. For further information, please see the documents and reports that we file with the Singapore Exchange Securities Trading Limited.

Disclaimer (continued)

- Given the risks and uncertainties that may cause the actual future results, performance or achievements of the Company or the Group to be materially different from the results, performance or achievements expected, expressed or implied by the financial forecasts, profit projections and other forward-looking statements in this presentation, undue reliance must not be placed on those forecasts, projections and statements. The Company does not represent or warrant that the actual future results, performance or achievements of the Company or the Group will be as discussed in those statements. Unless legally required, the Company disclaims any responsibility, and undertakes no obligation, to update or revise any forward-looking statements contained herein to reflect any changes in the expectations with respect thereto after the date of this presentation or to reflect any change in events, conditions or circumstances on which any such statements are based.
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Meeting Protocol

- Without prejudice
- Informal meeting
- No recording and photo taking
- Identification for Q&A



Chronology of events

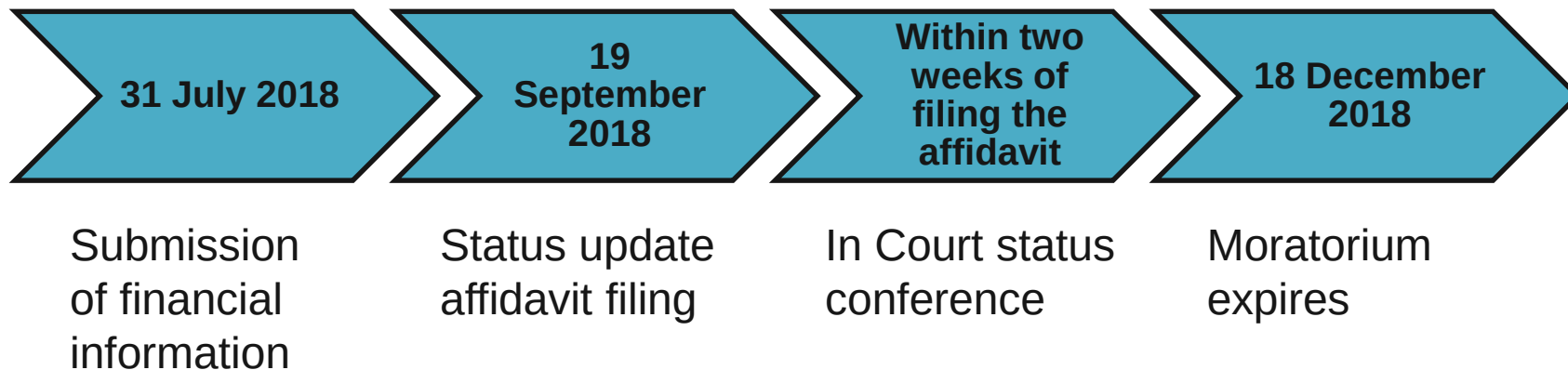
Moratorium under s211B

- 14 May – EY and Wong Partnership appointed advisors to Hyflux
- 22 May – s211B filing and automatic moratorium effective for 30 days
- Scope of the moratorium:
 - Limited to 5 companies (the “Applicants”) of the Hyflux Group
 - No legal proceedings can be commenced or continued against the Applicants
 - No enforcement steps can be taken against the Applicants or their assets
- Why the moratorium was needed:
 - Shortage of near term available liquidity
 - Provide the Group with protection and breathing space to assess its options
 - Preserve value for all stakeholders

Actions taken since 22nd May

- 19 June – Court extended the moratorium until 18 December 2018
- Stabilisation of the business and preserving liquidity through only paying critical expenses
- Sourcing new liquidity
- Stakeholder management – financial and trade creditors, project stakeholders
- Exploring potential options for:
 - Strategic investors
 - Asset sales
 - Rescue financing

Key milestones ordered by the Court





Getting to know Hyflux better

Hyflux[®]

Global Leader in Sustainable Solutions

Focusing on water and energy



Desalination



Water
Recycling



Wastewater
Treatment



Water
Treatment



Power
Waste-to-Energy

More than **1.5 mil** m³/day Owned SWRO Capacity*

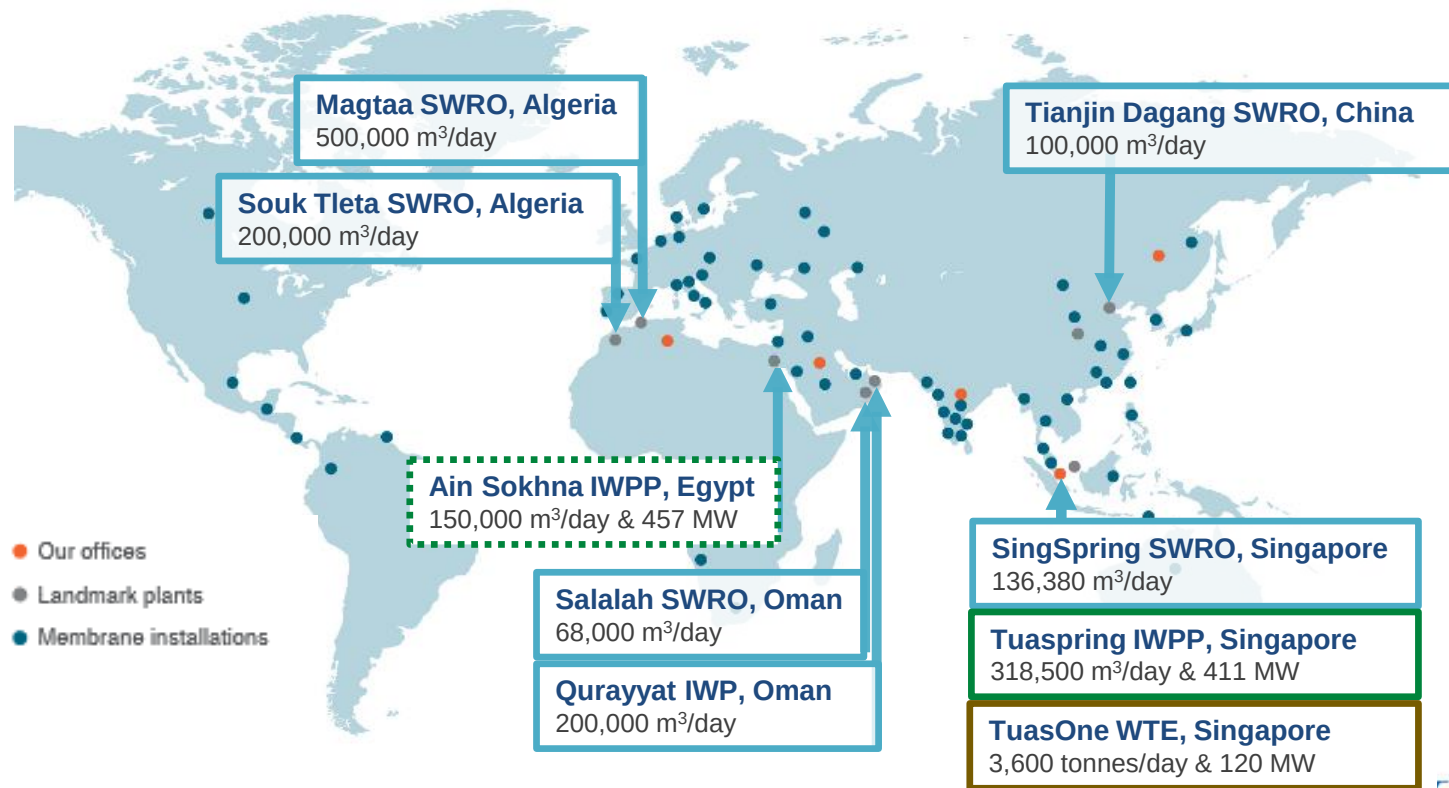
531 MW Power Generation Capacity

3,600 tonnes per day Incineration Capacity

Hyflux[®]

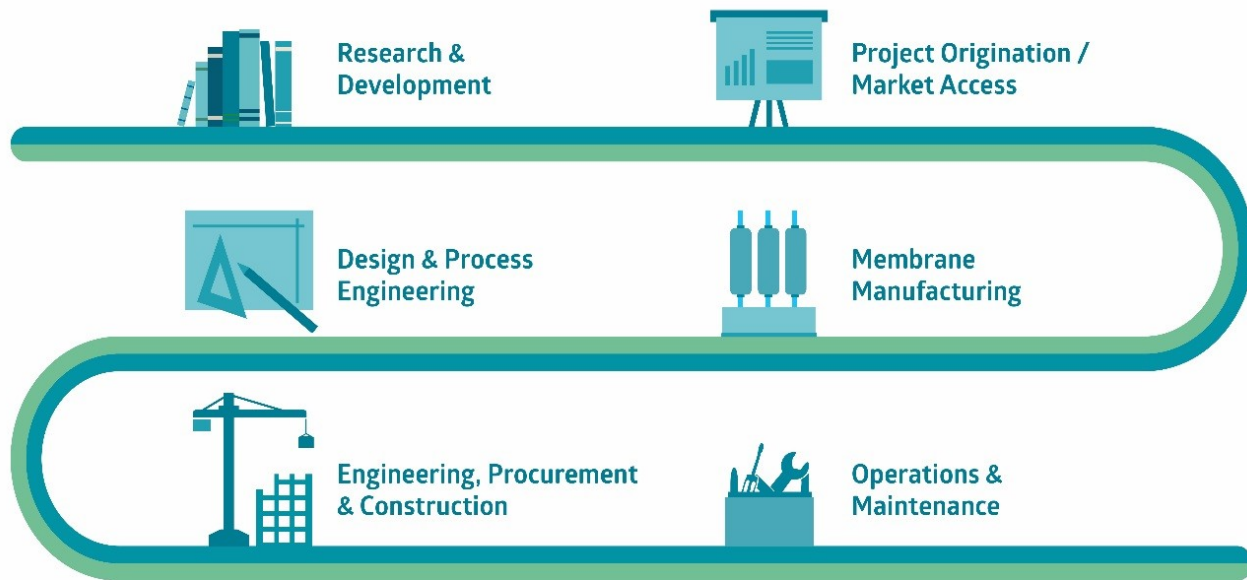
* Includes Singspring, Tuaspring, Souk Tleta, Magtaa, Tianjin Dagang & Qurayyat Desalination Plants

Landmark Projects form Important Track Record



Core Capabilities across the Value Chain

Fully integrated solutions provider



Business Model

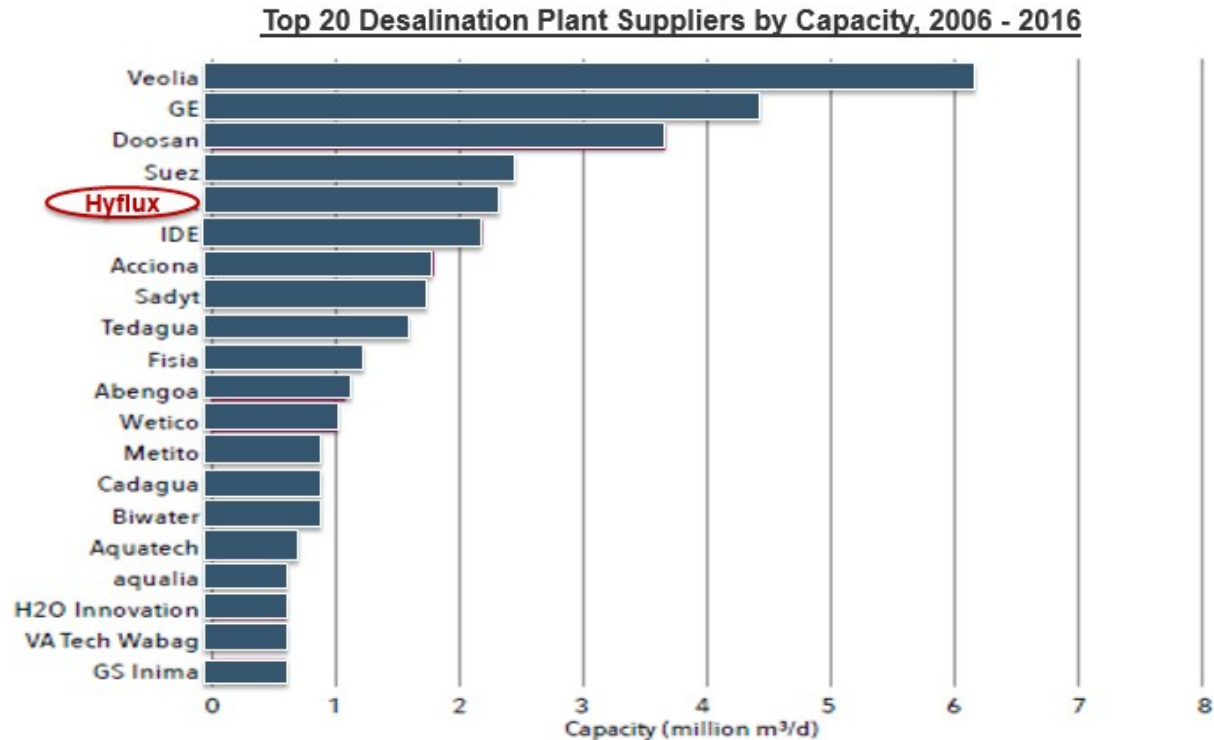
- EPC
- System sales
- Membrane sales
- Operations and maintenance
- Asset Ownership (PPP/BOT)



Strategic Sell Down of Ownership over time – “asset light model”

Among World's Top Desalination EPC Suppliers

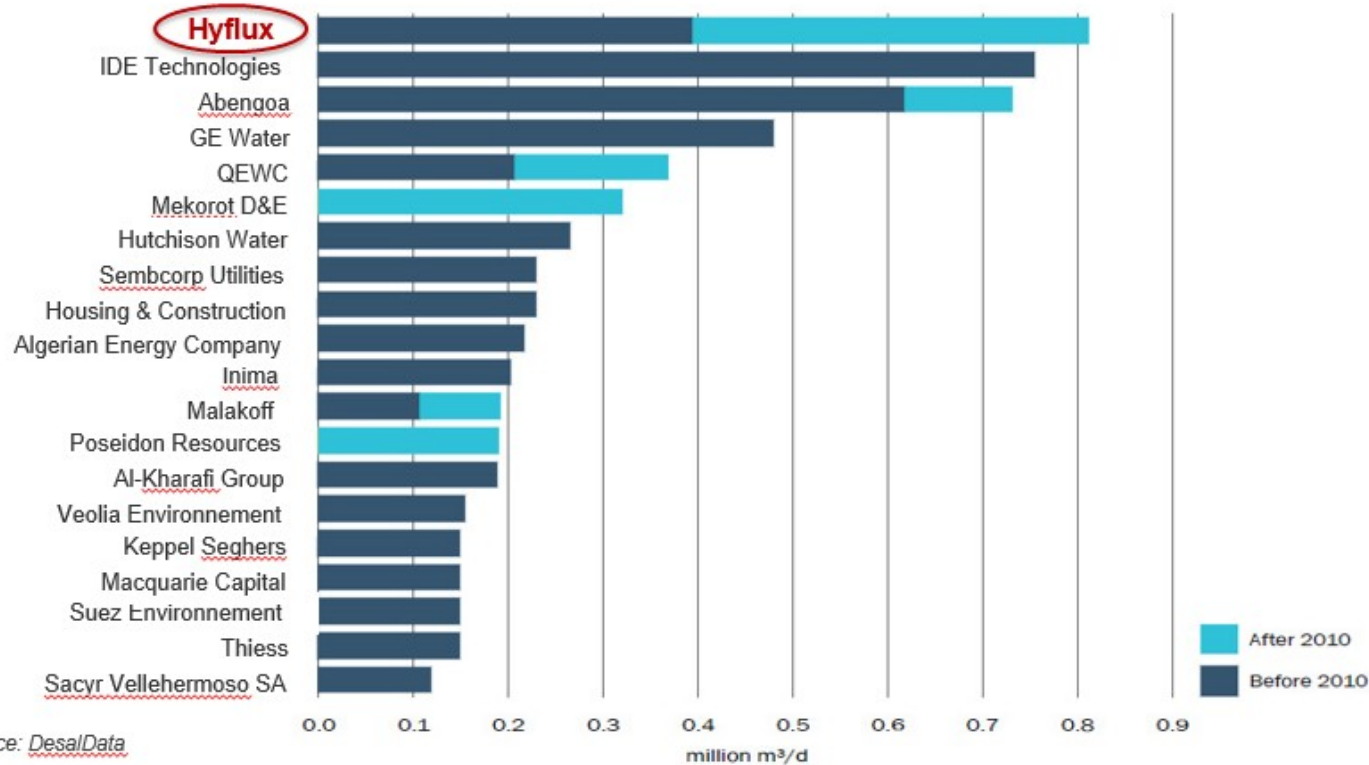
Ranked 5th largest desalination plant supplier by capacity



Source: Global Water Intelligence Magazine, Sept 2016

Ranked First by BOO/BOT Desalination Capacity

Biggest by market share for projects >50,000 m³/day



Source: DesalData

Favourable long-term outlook

Macro trends will drive demand for desalination

Economic Growth



Higher water demand as **78% of jobs** in the global workforce are **water-dependent**

Demographics



Population growth to drive **~40% increase** in global demand for drinking water **by 2030**

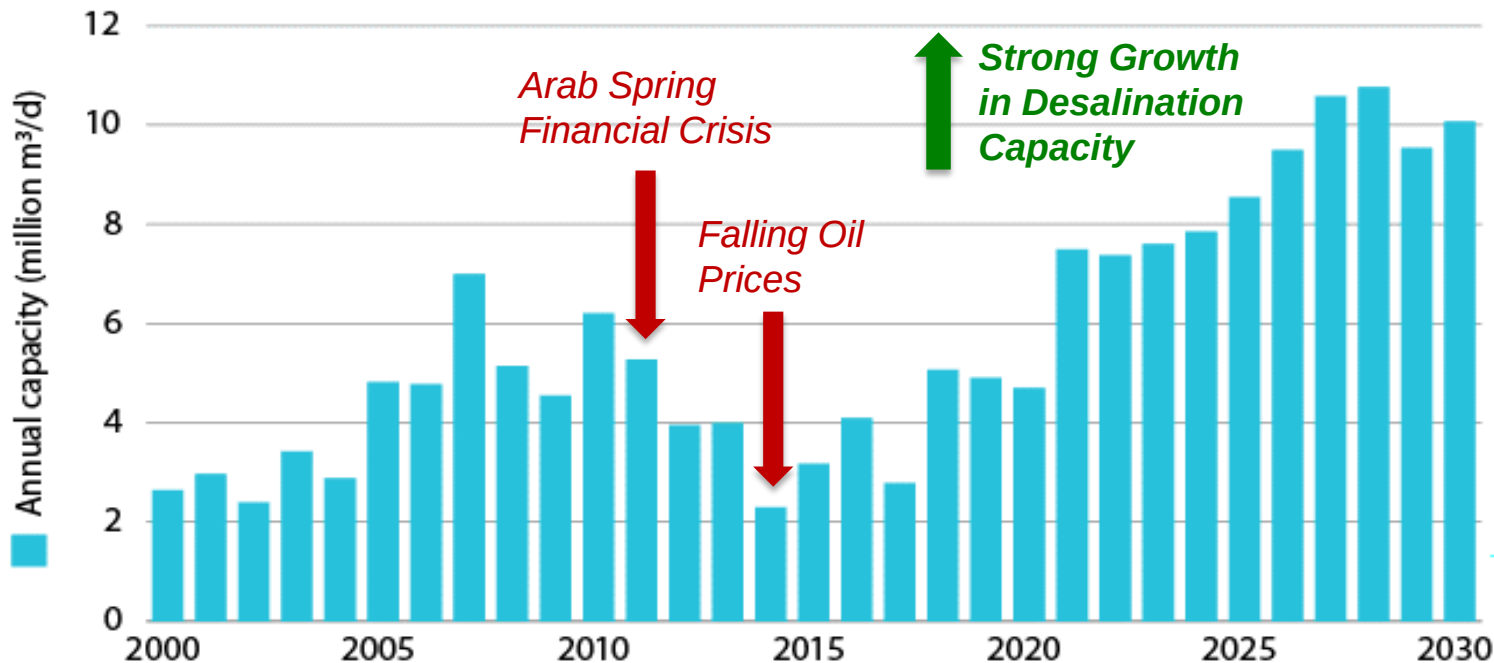
Climate Change



1°C of global warming can result in a **20% decrease** of renewable water resources

Strong Growth in Desalination Capacity

Historical and forecast desalination capacity (2000-2030)

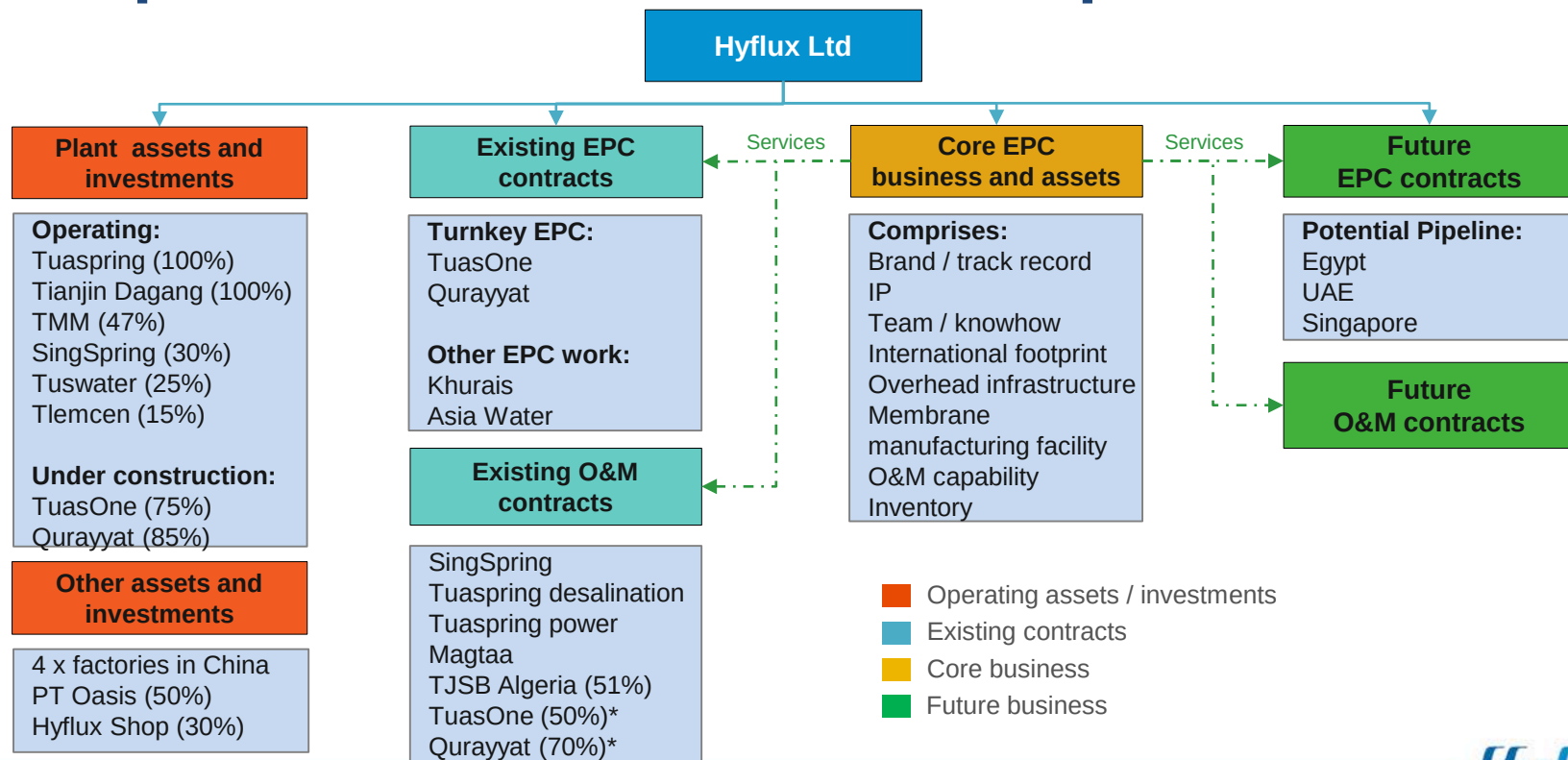


Source: GWI Desalination Markets Report, 2016

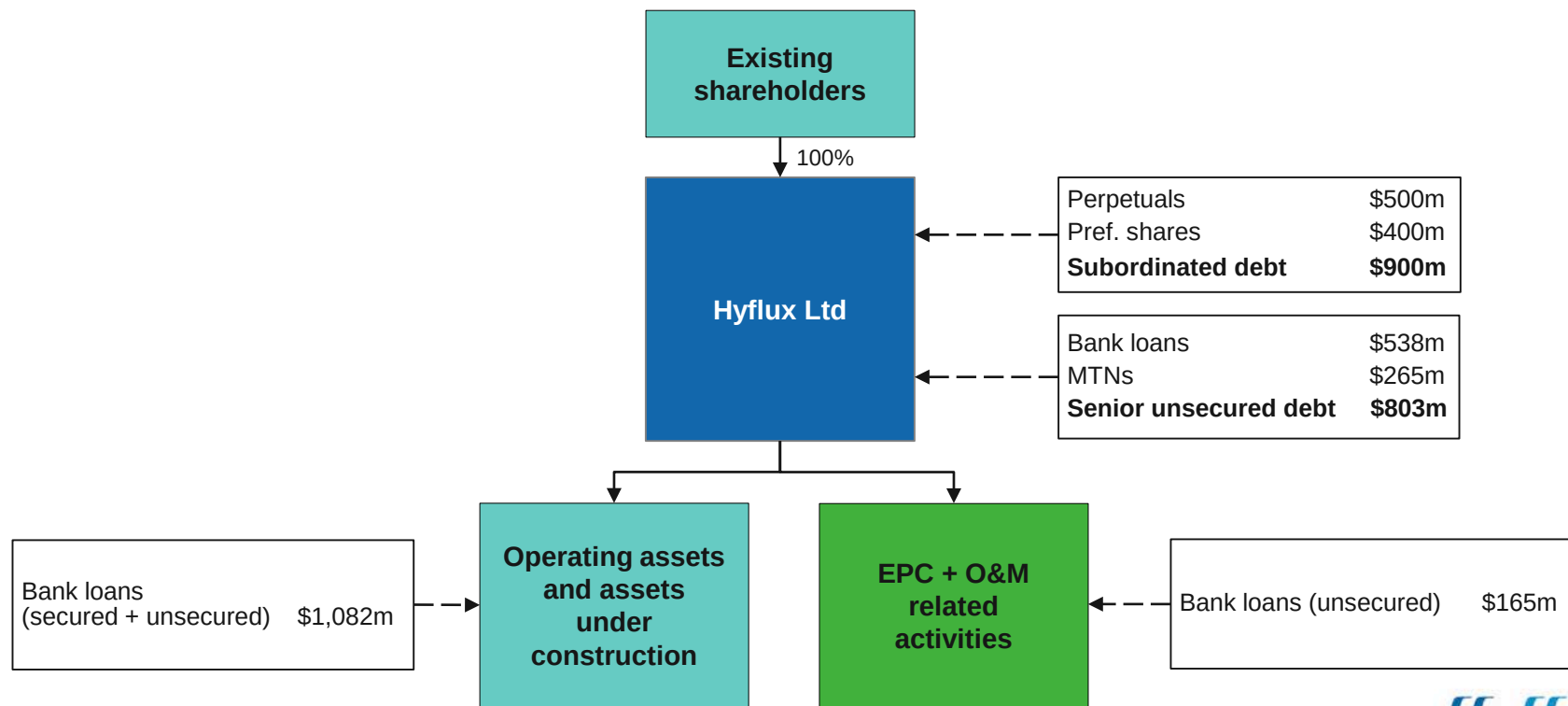


Overview of the financial situation

Simplified overview of the Group



Overview of the Group's capital structure



Note: Includes debt of consolidated subsidiaries as at 31 March 2018 and face value of the respective instruments. Excludes contingent liabilities, such as performance bonds and mark-to-market positions of derivative contracts, and trade creditors.

Summary of Key Projects and Investments

No.	Name	Ownership	Location	Status	Book Value 31 March 2018	Cash self sufficiency
1	Tuaspring	100%	Singapore	Completed	S\$1,470m	
2	Tianjin Dagang	100%	China	Completed	S\$219m	
3	Qurayyat	85%	Oman	Under construction	S\$374m	
4	TuasOne	75%	Singapore	Under construction	S\$717m	
5	Associates and JVs	Various	Various	Completed / N/A	S\$189m	
					S\$2,969m	

Note: In addition to the above, the Group has other assets including trade receivables, cash, fixed assets



Action Plan and Next Steps

The Group's Action Plan

Ongoing Stabilization

- Short term liquidity management
- Sourcing new liquidity for construction projects
- Cost reduction actions

Investor Options

- Rescue financing
- Interested parties in assets
- Strategic investors

Capital Structure

- Explore restructuring options
- Develop restructuring plan
- Engage all stakeholders proactively for early resolution



Q&A – moderated by SIAS

Hyflux®



Thank You!