NEWS RELEASE

HYFLUX WINS ANOTHER CONTRACT IN SAUDI ARABIA

Singapore, 19 January 2016 – Hydrochem Saudi Ltd, a wholly-owned subsidiary of Hyflux Group (Hyflux), has been awarded a contract by Snamprogetti Saudi Arabia Co Ltd**,** a subsidiary of Saipem S.p.A. (Saipem) to design, manufacture and supply a seawater reverse osmosis and sulphate removal facilities package in Khurais, Saudi Arabia. The project value is approximately US$ 50.4 million.

"This win underscores Hyflux's growing presence in the Middle East region and our expertise in designing high specification plants for industrial customers," said Ms Olivia Lum, Executive Chairman and Group CEO of Hyflux.

The Khurais oil field, is located approximately 150 km northeast of Riyadh. Italian group Saipem is the engineering and construction contractor for the project to expand the daily production capacity at the Khurais Central Processing Facility by 300,000 barrels of oil from the current 1,200,000 barrels.

The contract is to be fulfilled over one year, and is expected to contribute to the financials of Hyflux for the financial year ending 31 December 2016.

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About Hyflux

Hyflux is a global leader in environmental solutions, focusing on the areas of water and energy. Headquartered and listed in Singapore, the Group has operations and projects in Southeast Asia, China, India, the Middle East, Africa and the Americas. Hyflux is committed to providing cost-effective and innovative solutions that contribute to resource optimization and sustainable growth for communities and industries. A specialist in water treatment, Hyflux is distinctive in its ability to address the challenges at every point of the entire water value chain. The Group's track record includes Singapore's first water recycling plant and some of the world's largest seawater reverse osmosis desalination plants in Algeria, China and Singapore.

For more information, please visit www.hyflux.com

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