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

CLOSURE TO NOTICE OF ARBITRATION

The Board of Directors of Hyflux Ltd ("**Hyflux**" or the "**Group**") refers to the announcement entitled "Notice of Arbitration" dated 28 February 2012 in respect of the Arbitration Notice (the "**Notice**") by the China International Economic and Trade Arbitration Commission, of an arbitration ("Arbitration") commenced by 宁夏昊凯生物科技有限公司 (the "**Claimant**") for certain non-water industrial project works carried out by Hyflux NewSpring Construction Engineering (Shanghai) Co., Ltd., Hydrochem Engineering (Shanghai) Co., Ltd and Hydrochem (S) Pte Ltd for the Claimant.

A global full and final settlement agreement ("**Settlement Agreement**") has been reached in relation to the Arbitration, pursuant to which the Claimant has agreed to irrevocably withdraw the Arbitration.

The execution of the Settlement Agreement is not expected to have any impact on the Group's financial performance and position for the financial year ending 31 December 2018.

BY ORDER OF THE BOARD

LIM POH FONG
COMPANY SECRETARY

SUBMITTED ON 28 MARCH 2018 TO SGX-ST