



## **HYFLUX LTD**

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

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# **ACQUISITION OF REMAINING STAKE IN H.J. NEWSRING LIMITED AND H.J. TECHNICAL CONSULTANT PTE LTD**

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## **1. INTRODUCTION**

The Board of Directors of Hyflux Ltd (the “Company”, and together with its subsidiaries, the “Group”) wishes to announce that its wholly-owned subsidiary, Spring China Utility Ltd, has today entered into a sale and purchase agreement with JGC Corporation (“JGC”) to acquire JGC’s entire equity interests (the “Sale Shares”) in H.J. NewSpring Limited (“H.J. NewSpring”) and H.J. Technical Consultant Pte Ltd (“H.J. Technical”) as part of a portfolio rationalisation (the “Transaction”).

Both H.J. NewSpring and H.J. Technical are 50:50 joint ventures held by JGC and the Group. H.J. Newspring is the investment holding company of the Tianjin Dagang Desalination Plant in China and H.J. Technical is inactive. Upon completion of this Transaction, H.J. NewSpring and H.J. Technical will become wholly-owned subsidiaries of the Group.

## **2. PURCHASE CONSIDERATION AND FINANCIAL EFFECT**

The aggregate consideration for the Sale Shares, payable in cash, is US\$30 million (equivalent to S\$40 million) and was determined on an arm’s length basis, taking into account, amongst other things, future prospects of the business.

The Transaction will be funded through internal resources and is expected to contribute to the consolidated net tangible assets and earnings of the Group. The Transaction would be accounted in the Group’s consolidated financial statements for the year ending 31 December 2015. For the purpose of the Transaction, an independent qualified accounting firm would be appointed to conduct the valuation.



### **3. DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS**

None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the abovementioned Transaction, save for their shareholdings in the Company.

By Order of the Board

**Lim Poh Fong**

Company Secretary

30 July 2015