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

GRANT OF WAIVERS FROM RULE 705(1), 705(2), AND 707(1) OF THE LISTING MANUAL

Hyflux Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to its announcements on:

(a) 19 June 2018 in relation to the High Court of Singapore granting orders pursuant to Section 211B(1) of the Singapore Companies Act for a six-month moratorium ("**Moratorium**") following applications filed by the Company and certain Group subsidiaries (the "**Hyflux Applicants**");

(b) 28 June 2019 in relation to the approval of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") for extensions of deadlines for the Company to:

(i) announce the unaudited financial statements of the Group for the financial year ended 31 December 2018 ("**FY2018 Financial Statements**");

(ii) announce the unaudited financial statements of the Group for the first quarter ended 31 March 2019 ("**1QFY2019 Financial Statements**");

(iii) announce the unaudited financial statements of the Group for the second quarter ended 30 June 2019 ("**2QFY2019 Financial Statements**"); and

(iv) hold the annual general meeting for the financial year ended 31 December 2018 ("**FY2018 AGM**"),

in the light of the ongoing reorganisation process;

(c) 30 September 2019 in relation to the extension of the Moratorium by the High Court of Singapore to 2 December 2019;

(d) 19 November 2019 in relation to the approval of the SGX-ST for further extensions of deadlines for the Company to announce its FY2018 Financial

Statements, 1QFY2019 Financial Statements, 2QFY2019 Financial Statements and to hold its FY2018 AGM; and

(e) 20 February 2020 in relation to the extension of the Moratorium by the High Court of Singapore to 30 April 2020.

Rule 705(1), 705(2) and 707(1) of the Listing Manual

Rule 705(1) of the Listing Manual of the SGX-ST (the "**Listing Manual**") requires the Company to announce:

(a) the FY2018 Financial Statements no later than 1 March 2019 ("**FY2018 Financial Statements Deadline**"); and

(b) the unaudited financial statements of the Group for the financial year ending 31 December 2019 ("**FY2019 Financial Statements**") no later than 1 March 2020 ("**FY2019 Financial Statements Deadline**").

Rule 705(2) of the Listing Manual requires the Company to announce:

(a) the 1QFY2019 Financial Statements no later than 14 May 2019 ("**1QFY2019 Financial Statements Deadline**");

(b) the 2QFY2019 Financial Statements no later than 14 August 2019 ("**2QFY2019 Financial Statements Deadline**"); and

(c) the unaudited financial statements of the Group for the third quarter ended 30 September 2019 ("**3QFY2019 Financial Statements**") no later than 14 November 2019 ("**3QFY2019 Financial Statements Deadline**").

Rule 707(1) of the Listing Manual requires the Company to hold:

(a) the FY2018 AGM no later than 30 April 2019 ("**FY2018 AGM Deadline**"); and

(b) the annual general meeting for the financial year ending 31 December 2019 ("**FY2019 AGM**") no later than 30 April 2020 ("**FY2019 AGM Deadline**").

As announced on 28 June 2019, the Company had written to request approval from the SGX-ST for further extensions in respect of the FY2018 Financial Statements Deadline, FY2018 AGM Deadline, 1QFY2019 Financial Statements Deadline and 2QFY2019 Financial Statements Deadline, all of which were approved subject to the conditions set out in the announcement on 28 June 2019.

As subsequently announced on 19 November 2019, the Company had written to request approval from the SGX-ST for further extensions in respect of the FY2018

Financial Statements Deadline, FY2018 AGM Deadline, 1QFY2019 Financial Statements Deadline, 2QFY2019 Financial Statements Deadline, 3QFY2019 Financial Statements Deadline, FY2019 Financial Statements Deadline and the FY2019 AGM Deadline, all of which were approved subject to the conditions set out in the announcement on 28 June 2019

The Company had, on 30 March 2020, written to request approval from the SGX-ST for the following extensions of time (collectively, the "**Further Extensions**"):

(a) a further three (3)-month extension of the FY2018 AGM Deadline, to hold the FY2018 AGM by 30 June 2020;

(b) a further one (1)-month extension of the FY2018 Financial Statements Deadline, to announce the unaudited FY2018 Financial Statements by 30 April 2020;

(c) a further one (1)-month extension of the 1QFY2019 Financial Statements Deadline, to announce the 1QFY2019 Financial Statements by 30 April 2020;

(d) a further one (1)-month extension of the 2QFY2019 Financial Statements Deadline, to announce the 2QFY2019 Financial Statements by 30 April 2020; and

(e) a further one (1)-month extension of the 3QFY2019 Financial Statements Deadline, to announce the 3QFY2019 Financial Statements by 30 April 2020.

Grant of Further Extensions

The SGX-ST granted the Further Extensions on 8 April 2020, subject to the following conditions:

(a) the Company announces the Further Extensions granted, the reasons for seeking the Further Extensions, the conditions as required under Mainboard Listing Rule 107 and if the conditions for the grant of the Further Extensions have been satisfied. Where the conditions for the grant of the Further Extensions have not been met on the date of this announcement, the Company is to make an update announcement when the conditions have all been met;

(b) the Company submits a written confirmation that it is not aware of any information that will have a material bearing on investors' decisions which has yet to be announced by the Company; and

(c) the Company convenes the FY2018 AGM by 30 June 2020.

Application to ACRA for extension of deadlines

The Company had, on 30 March 2020, also written to request approval from the Accounting and Corporate Regulatory Authority ("**ACRA**") for the following extensions of time under the Companies Act:

(a) a further extension of the FY2018 AGM Deadline to hold the FY2018 AGM by 30 June 2020, and to file the annual return of the Company for the financial year ended 31 December 2018 (the "**FYE 2018 Extensions**") with ACRA by 31 July 2020; and

(b) an extension of time to hold the FY2019 AGM by 30 June 2020, and to file the annual return of the Company for the financial year ended 31 December 2019 with ACRA by 31 July 2020 (the "**FYE 2019 Extensions**").

On 7 April 2020, ACRA granted the FYE 2019 Extensions. The new FY2019 AGM Deadline and FY2019 AR Deadline granted by ACRA are 30 June 2020 and 31 July 2020 respectively.

ACRA has also on 7 April 2020 announced that it will grant a 60-day extension of time for all listed and non-listed companies whose annual general meetings are due during the period 16 April 2020 to 31 July 2020 to hold their AGMs. Companies that had previously been granted extension of time to hold their AGMs within this period will also be given a further 60 days of extension from the last date of extension. The annual return filing due dates for the period 1 May 2020 to 31 August 2020 for all listed and non-listed companies will also be extended for 60 days. Accordingly, the new FY2019 AGM Deadline and FY2019 AR Deadline granted by ACRA are 29 June 2020 and 30 July 2020 respectively.

Reasons for Seeking the Further Extensions

The Moratorium continues to provide the Group with time to reorganise its liabilities and businesses so as to achieve the best possible outcome for all interested parties (the "**Reorganisation**"). As announced on 26 November 2019, the Company has entered into a restructuring agreement with Utico FZC (the "**Investor**").

The timelines for the finalisation of the financial statements of the Group have been prolonged due to the direct impact of the level of certainty in completing the Reorganisation on the Company's and the Group's basis for preparing its financial statements on a going concern basis. Since the entry into the restructuring agreement in November 2019 with the Investor, the Company has been working with its professional advisers, stakeholders and the Investor towards finalising the Reorganisation by way of a scheme of arrangement, under a court-supervised process with the Moratorium in place. As matters currently stand, until the requisite meetings

and due process take place, there is no firm basis for the Company to prepare, or for the auditors to opine on the financial statements on a going concern basis.
On the other hand, preparing and presenting the financial statements on a liquidation basis when the Reorganisation is still in progress and near the tail-end may potentially result in inaccurate and incomplete reflection of the financial position of the Group.

The grant of the Further Extensions will therefore allow the Group to release its FY2018 Financial Statements, 1QFY2019 Financial Statements, 2QFY2019 Financial Statements, 3QFY2019 Financial Statements and FY2019 Financial Statements when more certainty is reached in respect of the Reorganisation, which is in turn premised on the requisite meetings and due process having taken place.

Additionally, in light of the worsening COVID-19 situation, the Company is also in the midst of exploring alternative means of conducting scheme meetings and annual general meetings. Given the ongoing COVID-19 situation and the measures and laws promulgated by the Singapore government as a result, any meeting convened by the Company needs to take into account such measures and laws. Accordingly, this has a bearing on the Company's annual general meetings and it has since become impossible for the Company to physically convene the scheme meetings on 22 and 23 April 2020. This would in turn have a bearing on the preparation of the Financial Statements which are premised on the requisite meetings and due process having taken place, as elaborated above.

Please monitor SGXNet and the Company's website for any announcements or updates on the Reorganisation. If you are a holder of any securities of the Company and wish to receive email alerts providing these updates, please register your request at http://investors.hyflux.com/contacts.html. Otherwise, all information and updates will be disseminated via SGXNet and/or the Company's website (https://www.hyflux.com/financial-reorganisation-exercise/).

Shareholders and holders of securities issued by the Company are advised to exercise caution at all times when dealing in the shares and/or securities, and should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Lim Poh Fong
Company Secretary
Submitted to SGX-ST on 8 April 2020