NEWS RELEASE

HYFLUX SIGNS MOU TO DEVELOP THREE DESALINATION PLANTS IN THE KINGDOM OF SAUDI ARABIA

Singapore, 13 February 2017 - Hyflux Ltd (Hyflux), through its wholly-owned subsidiary Hydrochem Saudi Limited, signed a Memorandum of Understanding (MOU) with the state-owned Saline Water Conversion Corporation (SWCC) following a public tender to design, build, supply, test and commission three seawater reverse osmosis desalination plants in Duba, Wajh and Haql, along the Red Sea coast in the western region of the Kingdom of Saudi Arabia.

The desalination plants, valued at a combined estimate of SAR 687 million (approximately USD 180 million), will each have a designed capacity of 16,000 cubic metres per day. The plants will employ reverse osmosis membrane technologies to treat the seawater into water suitable for potable use. Construction of these plants will commence upon finalisation of contracts.

The MOU signing ceremony in Riyadh, Saudi Arabia, was witnessed by Mr Abdulrahman bin Abdulmohsen Al-Fadhli, Minister of Environment, Water and Agriculture of Saudi Arabia, and Mr Masagos Zulkifli bin Masagos Mohamad, Minister of Environment and Water Resources of Singapore.

These projects are expected to have a material financial impact on Hyflux pending finalisation of the contracts.

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About Hyflux

Hyflux is a global leader in sustainable 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 optimisation 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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