



NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OR TO U.S. PERSONS

## NEWS RELEASE

### HYFLUX'S 6.0% P.A.<sup>1</sup> PERPETUAL CAPITAL SECURITIES OFFERING OVERSUBSCRIBED; ISSUE SIZE UPSIZED TO THE MAXIMUM OF S\$500 MILLION

- *Public Offer increased to approximately S\$329 million following strong demand*
- *The Securities are expected to commence trading on SGX-ST at 9.00 a.m. on 30 May 2016*

**Singapore, 26 May 2016** – Hyflux Ltd (凯发有限公司) (“**Hyflux**”, the “**Issuer**” or the “**Group**”), a global leader in sustainable solutions, focusing on the areas of water and energy, announced today that its retail offering (the “**Offer**”) of 6.0% p.a.<sup>1</sup> perpetual capital securities (the “**Securities**”) was oversubscribed, and the total issue size was increased to the maximum of S\$500 million from the original offer size of up to S\$300 million.

The Public Offer (as defined herein) and the offer to institutional and other investors (the “**Placement**”) <sup>2</sup> had opened for subscription at 9.00 a.m. on 18 May 2016. The Placement closed at 6.00 p.m. on the same day, after having received valid applications of S\$217 million, reflecting a subscription rate of more than four times of the original offer size of S\$50 million in respect of the Securities under the Placement.

As a result of the strong demand, S\$115 million in aggregate principal amount of Securities from the offer of up to S\$230 million in aggregate principal amount of Securities to the public in Singapore (the “**Public Offer**”) was reallocated to the Placement such that S\$115 million and S\$165 million in aggregate principal amounts of Securities were offered under the Public Offer and the Placement, respectively.

---

<sup>1</sup> Subject to reset/step-up from and including 27 May 2020 and each successive date falling every four years thereafter.

<sup>2</sup> Up to S\$50 million in aggregate principal amount of Securities offered to institutional and other investors which are non-U.S. persons, outside the United States in offshore transactions (in each case as defined in Regulation S under the U.S. Securities Act of 1933, as amended, respectively) in reliance on Regulation S.





NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OR TO U.S. PERSONS

In addition, approximately S\$6 million in aggregate principal amount of Securities was allocated to directors, management and employees of Hyflux and its subsidiaries (the “**Reserve Offer**”). The Reserve Offer closed at 5.00 p.m. on 20 May 2016.

The Public Offer remained open until 12 noon on 25 May 2016, and received approximately S\$368 million of valid applications, representing a subscription rate of more than three times of the offer size of S\$115 million in respect of Securities under the Public Offer.

In view of the strong interest, the issue size under the Public Offer was increased to approximately S\$329 million in aggregate principal amount of Securities, which includes a reallocation of approximately S\$14 million in aggregate principal amount of Securities from the Reserve Offer.

In view of the above, the original total issue size of the Offer of up to S\$300 million in aggregate principal amount of Securities was increased to the maximum of S\$500 million, comprising of approximately S\$329 million under the Public Offer, S\$165 million under the Placement and approximately S\$6 million under the Reserve Offer.

Ms Olivia Lum (林爱莲), Executive Chairman and Group CEO of Hyflux, said, “We would like to thank investors for the enthusiastic subscription for the Offer, and thereby believing and participating in our growth as we continue to execute our strategies and strengthen our global leadership position in providing sustainable solutions in the areas of water and energy.”

DBS Bank Ltd. is the Sole Lead Manager and Bookrunner for the Offer.





NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OR TO U.S. PERSONS

The Securities are expected to be issued on 27 May 2016 and are expected to commence trading on the Mainboard of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) at 9.00 a.m. on 30 May 2016 under the trading name “**Hyflux 6% PerCapSec**”. The SGX-ST stock code for the Securities is “**BTWZ**”.

The Securities will each carry a distribution rate of 6.0% p.a. for the first four years<sup>3</sup>, payable in arrear semi-annually, with the first payment scheduled on 27 November 2016.

A material part of the proceeds from the Offer is presently intended to be used for the repayment of (i) the S\$100 million in aggregate principal amount of 3.50% outstanding notes due 2016 issued under Hyflux's S\$1.5 billion multicurrency debt issuance programme established on 3 July 2008 and updated on 7 January 2016 and (ii) the S\$175 million in aggregate principal amount of 4.80% outstanding perpetual capital securities, whilst the remaining will be used to pay for costs and expenses incurred in connection with the Offer and the issue of the Securities and for general corporate purposes, including the repayment and/or refinancing of existing borrowings, redemptions of outstanding perpetual capital securities, financing of working capital and/or capital expenditure requirements of Hyflux or the Group.

– End –

---

<sup>3</sup> 6.0% p.a. being the rate of distribution applicable for the period from, and including the Issue Date to, but excluding 27 May 2020. In respect of the period from, and including, 27 May 2020 and each successive date falling every four years thereafter (each, including 27 May 2020, a “**Reset Date**”) to, but excluding, the immediately following Reset Date, the applicable rate of distribution is the Reset Distribution Rate (as defined in the terms and conditions of the Securities (the “**Terms and Conditions**”)).





NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OR TO U.S. PERSONS

## **About Hyflux Ltd**

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](http://www.hyflux.com).

## **Important Notice**

*Investors should note that the Securities are perpetual in nature and, unlike plain vanilla bonds, do not have a fixed redemption date. Investors will only receive all or part of their investment amount if the Securities are (i) redeemed at the option of the Issuer in accordance with the Terms and Conditions, in which case investors should receive the principal amount, together with distribution accrued (if any) or (ii) sold in the open market at the prevailing market price, in which case the investor may incur losses if the proceeds from the sale is less than the original investment. In addition, investors should also note that, as with typical perpetual capital securities, payment of distributions under the Securities may also be deferred for an indefinite period and investors have no recourse to the Issuer if such deferral is made in accordance with the Terms and Conditions.*





**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OR TO U.S. PERSONS**

*No communication and no information in respect of this transaction may be distributed to the public in any jurisdiction where a registration or approval is required. No steps have been or will be taken in any jurisdiction (other than Singapore) where such steps would be required. The issue, the subscription for or the purchase of the Securities may be subject to specific legal or regulatory restrictions in certain jurisdictions. The Issuer assumes no responsibility for any violation of any such restrictions by any person.*

*This press release does not constitute or form a part of any offer for sale or solicitation to purchase or subscribe for securities in the United States. The Securities may not be offered, subscribed or sold in the United States, or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "**Securities Act**")), absent registration under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements. The Securities of the Issuer have not been and will not be registered under the Securities Act and the Issuer does not intend to make a public offer of its Securities in the United States. Any public offering of securities to be made in the United States will be made by means of a prospectus that may be obtained from the Issuer and will contain detailed information about the Issuer and management, as well as financial statements.*

*The distribution of this press release in certain countries may constitute a breach of applicable law. This press release is for information purposes only and does not constitute or form part of any offer for sale or invitation to sell or issue, or any solicitation of any offer to subscribe for or acquire, the Securities in any jurisdiction, including the United States, in which such an offer or solicitation is unlawful. No person should subscribe for or acquire any Securities except on the basis of the information contained in the Offer Information Statement (the "**OIS**") and the Product Highlights Sheet (the "**PHS**").*

*This press release may not be published, forwarded or distributed, directly or indirectly, in the United States (including its territories and possessions, any State of the United States, and the District of Columbia).*





NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OR TO U.S. PERSONS

*The information contained in this press release is qualified in its entirety by, and should be read in conjunction with, the full text of the OIS and the PHS. Anyone wishing to subscribe for the Securities should read the OIS in full and must make an application in the manner set out in the OIS. In the event of any ambiguity, discrepancy or omission between this press release and the OIS, the contents of the OIS shall apply and prevail.*

---

ISSUED ON BEHALF OF	:	Hyflux Ltd
BY	:	Citigate Dewe Rogerson, i.MAGE Pte Ltd 55 Market Street #02-01 Singapore 048941
CONTACT	:	Ms Dolores Phua / Ms Amelia Lee at telephone
DURING OFFICE HOURS	:	6534-5122 (Office)
AFTER OFFICE HOURS	:	9750-8237 / 9008-6114 (Handphone)
EMAIL	:	<a href="mailto:dolores.phua@citigatedrimage.com">dolores.phua@citigatedrimage.com</a> / <a href="mailto:amelia.lee@citigatedrimage.com">amelia.lee@citigatedrimage.com</a>

---

May 26, 2016