NEWS RELEASE

HYFLUX SECURES WASTE-TO-ENERGY PROJECT IN SINGAPORE

Singapore, 15 September 2015 - Hyflux Ltd (Hyflux), together with its consortium partner Mitsubishi Heavy Industries, Ltd. (MHI), has been named the preferred bidder by Singapore's National Environment Agency (NEA) to develop a waste-to-energy (WTE) plant in Tuas under a Design-Build-Own-Operate scheme and to provide waste treatment services exclusively to NEA for a period of 25 years.

The new WTE plant, Singapore's sixth plant, will be able to process 3,600 tonnes of waste per day and generate 120 MW of clean and renewable electricity. It will have one of the best land utilisation factors in terms of incineration capacity per unit floor area and will also be one of the most efficient in terms of energy recovery per unit waste incinerated in the world.

The project, valued at an estimated S$750 million, is expected to be completed by 2019. Hyflux and MHI will respectively hold 75% and 25% of the shares in the project company. Hyflux will undertake engineering, procurement and construction works worth S$636 million while MHI will provide the technology. In addition, Hyflux and MHI will jointly manage, operate and maintain the WTE plant over the concession period.

"We are pleased that NEA has entrusted us and our partner, MHI, with this project. This win is significant because it is our first WTE project and demonstrates our ability to put together a solution that both Singapore and NEA can be proud of. The plant sets new benchmarks for land utilisation and energy recovery efficiency for Singapore. With the growing importance of resource optimisation to urban cities and industries, the development of alternative sources of water as well as the recovery of energy from waste has become crucial. Our business is evolving in response to this global trend. We are committed to delivering sustainable and innovative environmental solutions for municipalities and industries worldwide to address the global resource challenge," said Ms Olivia Lum, Executive Chairman and Group CEO of Hyflux.

The WTE plant will be situated on a 4.8-hectare site next to the Tuaspring Integrated Water and Power Project, a seawater reverse osmosis desalination plant with a designed capacity of 318,500 cubic metres per day and a co-located combined-cycle gas turbine power plant of 411 MW that was also developed by Hyflux.

The project is not expected to have a material impact on the financials of Hyflux for the financial year ending 31 December 2015.

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About Hyflux

Hyflux is a global leader in environmental 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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