



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

NOTICE OF ARBITRATION FILED BY HYDROCHEM (S) PTE. LTD.

The board of directors of Hyflux Ltd (“**Hyflux**”) wishes to announce that on 7 August 2015, Hydrochem (S) Pte. Ltd. (“**Hydrochem**”), a wholly owned subsidiary of Hyflux, served a copy of its Notice of Arbitration on SEPCOIII Electric Power Construction Corporation (“**Respondent**”) in respect of disputes between Hydrochem and the Respondent arising out of and/or in connection with an engineering and procurement contract dated 28 August 2009 (“**Agreement**”) for the development, design and manufacture of certain desalination units for a desalination facility in Salalah, Oman.

The Agreement is governed by the law of England and Wales. The arbitration shall be conducted in English, before a sole arbitrator to be appointed in accordance with the UNCITRAL Arbitration Rules (1976). The venue of the arbitration shall be Hong Kong.

Hyflux does not expect the arbitration to have a material adverse effect on its operations and the financial performance of the Hyflux group.

Hyflux will keep shareholders updated as and when there are material developments concerning this matter.

BY ORDER OF THE BOARD

LIM POH FONG
COMPANY SECRETARY

SUBMITTED ON 11 AUGUST 2015 TO SGX-ST