



HYFLUX LTD

Company Registration No.: 200002722Z

(Incorporated in the Republic of Singapore)

Updates on Reorganisation Process

The Company refers to its announcements made on 22 May 2018, 19 June 2018, 6 July 2018 and 5 October 2018 and to the media articles in The Business Times, The Straits Times and Today Online, all dated 5 October 2018 relating to the Tuaspring divestment process (“**5 October Media Articles**”). Unless otherwise defined, capitalised terms in this announcement shall have the same meanings as ascribed to them in the aforementioned announcements.

The Company would like to clarify certain matters raised in the 5 October Media Articles.

The Company wishes to announce that the Tuaspring divestment process requires the Company to submit to the relevant offtaker the names of potential investors for pre-qualification. Following the execution of a non-disclosure undertaking, such pre-qualified parties are permitted access to a set of confidential information which the offtaker has approved.

As previously stated by the Company on 19 July 2018 in a media briefing, and reported by media articles such as The Business Times in an article dated 19 July 2018, there were 8 interested parties in Tuaspring prior to the formal commencement of the Tuaspring divestment process.

Following the formal commencement of the Tuaspring divestment process, two parties were pre-qualified, of which one has put in a bid for Tuaspring. This bid is being assessed by the Company, and remains subject to approvals from the relevant authorities.

On account of confidentiality considerations and requirements and to help protect the Company’s interests in ongoing negotiations, the Company cannot provide any further comments on the Tuaspring process at this time.

The Company remains in negotiations for pursuing strategic investments in the overall business of the Hyflux Group (with or without Tuaspring) as part of the Hyflux Group’s wider reorganisation process.

The Company has not committed itself to any particular option or any of the proposals received at this point in time and remains open to considering various opportunities. Any proposals received are also subject to approval by the relevant authorities where required.

The Company will provide further updates at the appropriate juncture. The Company would urge the public to rely solely on information provided by the Company in its announcements through SGXNet or other media, and not through information from third party sources that may be incomplete or inaccurate.

The Company will make further announcements as and when there are any material updates or developments where appropriate.

Shareholders and holders of the securities of 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 12 October 2018**