



HYFLUX LTD

Company Registration No.: 200002722Z

(Incorporated in the Republic of Singapore)

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**UPDATE ON SEAWATER DESALINATION PLANT AT MAGTAA, ALGERIA  
- NOTICE OF TERMINATION OF OPERATIONS AND MAINTENANCE  
AGREEMENT**

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Hyflux Ltd (the “**Company**”, and together with its subsidiaries, the “**Group**”) would like to announce that a notice of termination dated 4 June 2020 has been received in respect of the operations and maintenance contract (the “**O&M Contract**”) for the seawater desalination plant of 500,000 m<sup>3</sup>/day at Magtaa, Algeria (the “**Project**”), by Hyflux Operation & Maintenance Algeria EURL (“**HOMA**”), a wholly-owned subsidiary of the Company.

The notice was issued by the owner of the Project, Tahlyat Myah Magtaa (“**TMM**”), and specifies that HOMA has forty (40) days to cure certain purported events of default under the O&M Contract, failing which, TMM would terminate the O&M Contract.

The Group has a 47% shareholding interest in TMM.

HOMA does not agree with or accept the allegations made in the said notice and will seek advice on enforcement and protection of its rights in the Project.

The purported termination, if put into effect by TMM, is expected to have a material impact on the Group’s financial performance for the year ending 31 December 2020.

*Please monitor SGXNet and the Company’s website for any announcements or updates on the reorganisation process. If you are a holder of any securities of the Company and wish to receive email alerts providing these updates, please register your request at <http://investors.hyflux.com/contacts.html>. Otherwise, all information and updates will be disseminated via SGXNet and/or the Company’s website (<https://www.hyflux.com/financial-reorganisation-exercise/>).*

*Shareholders and holders of securities of the Company are advised to exercise caution at all times when dealing in the shares and/or securities of the Company, 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 5 June 2020**