



HYFLUX LTD

Company Registration No.: 200002722Z

(Incorporated in the Republic of Singapore)

**UPDATE ON SEAWATER DESALINATION PLANT AT MAGTAA, ALGERIA
- SUSPENSION OF NOTICE OF TERMINATION IN RESPECT OF THE
OPERATIONS AND MAINTENANCE CONTRACT**

Hyflux Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to its announcement made on 5 June 2020 (“**5 Jun 20 Announcement**”) on a notice of termination (“**Termination Notice**”) in respect of the operations and maintenance (“**O&M**”) contract for the seawater desalination plant of 500,000 m³/day at Magtaa, Algeria (the “**Project**”), issued by the owner of the Project, Tahlyat Myah Magtaa (“**TMM**”), to Hyflux Operation & Maintenance Algeria EURL (“**HOMA**”), the O&M operator of the Project and a wholly-owned subsidiary of the Company.

The Company is pleased to announce that TMM has, by a letter dated 22 July 2020, informed HOMA that it is suspending the effects of the Termination Notice in view of the continuing discussions amongst the stakeholders of the Project, including TMM and HOMA.

With reference to the Company’s statement in the 5 Jun 20 Announcement about the impact of the Termination Notice if put into effect by TMM, with the latest development as set out above, no impact is now expected 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 23 July 2020