



NEWS RELEASE

HYFLUX SIGNS TWO MEMORANDA OF UNDERSTANDING FOR WATER PROJECTS IN CHINA'S YUNNAN PROVINCE

Singapore, 4 April 2013 – Hyflux Ltd (Hyflux or the Company) is pleased to announce that its wholly-owned subsidiary, Hyflux Investment Consultancy and Management Service (Tianjin) Co., Ltd, has signed two memoranda of understanding (MOUs) to explore collaborations with the prefectural governments of Chuxiong and Qujing in Yunnan province, People's Republic of China to develop water and environmental projects in the two cities, including Chuxiong Development Zone, Luliang Industrial Park and local townships.

The projects covered under the MOUs include the development of water recycling, wastewater treatment plants and potable water treatment plants as well as related infrastructure projects. The projects will adopt Hyflux's advanced Kristal[®] ultrafiltration membrane technology.

The total investment value for the projects in Qujing and Chuxiong is estimated to be approximately RMB 1.2 billion and less than RMB 2 billion respectively. The projects could be developed by Hyflux and/or its potential partners.

The MOUs will pave the way for closer cooperation between the prefectural governments and Hyflux for the mutual benefit of the parties. Chuxiong and Qujing will gain from Hyflux's expertise in developing water treatment facilities that are able to meet stringent water quality standards and protect the environment, while producing water that is affordable and accessible to industries and communities. Hyflux on the other hand will be provided the opportunity to expand its presence in Yunnan province.

Chuxiong is situated in north-central Yunnan and lies to the west of Kunming, the capital city of Yunnan. Qujing in eastern Yunnan is an important industrial city and the second largest city by population after Kunming.

Hyflux shall provide more details in subsequent announcements upon further developments of a material nature.

The MOUs are not expected to have a material financial impact on the Company for the financial year ending 31st December 2013.

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About Hyflux

Hyflux is one of the world's leading fully-integrated water solutions companies, with operations and projects in Southeast Asia, China, India, the Middle East and North Africa. Hyflux is committed to providing cost-effective and sustainable solutions in seawater desalination, water recycling, wastewater treatment, including membrane bioreactor (MBR) and potable water treatment. Hyflux's track record includes Singapore's first water recycling plant and first seawater reverse osmosis (SWRO) desalination plant and China's largest SWRO desalination plant in Tianjin City. The company is building the world's largest SWRO desalination plant in Magtaa, Algeria as well as Singapore's second SWRO desalination on a design, build, own and operate model.

For more information, please visit www.hyflux.com

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