

Hyflux Ltd

1Q2016 Results Review

12 May 2016

Disclaimer

FORWARD-LOOKING STATEMENT

This presentation has been prepared by Hyflux Ltd for the information of the attendees of this presentation.

The presentation contains forward-looking statements which are based on current expectations, projections and assumptions about future events. Although Hyflux believes that these expectations, projections and assumptions are reasonable, these forward-looking statements are subject to risks, uncertainties and assumptions about Hyflux and its business operations that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. Such risks include industry and economic conditions; currency fluctuations between the Singapore dollar and other currencies; governmental, statutory, tax, public policy and regulatory changes; and the continued availability of financing in the amounts and the terms necessary to support future business.

Investors are cautioned not to place undue reliance on these forward-looking statements which are based on current views of Hyflux's management on future events.

Any forward-looking statement in this presentation is accurate only as of the date it is issued. Hyflux has no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.

The presentation is not and does not constitute or form part of any offer, invitation or recommendation to subscribe for or purchase any security and neither this presentation nor anything contained in it shall form the basis of, or be relied upon in connection with, any contract, commitment or investment decision.

No representation or warranty express or implied is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained herein. None of Hyflux Ltd or any of its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this presentation.

Executive highlights

- 1Q2016 PATMI at \$7.3 million
- US\$500 million IWPP project win in Egypt
- Commercial operation commenced for Tuaspring Power Plant
- Construction underway for Qurayyat IWP and TuasOne Waste-to-Energy project

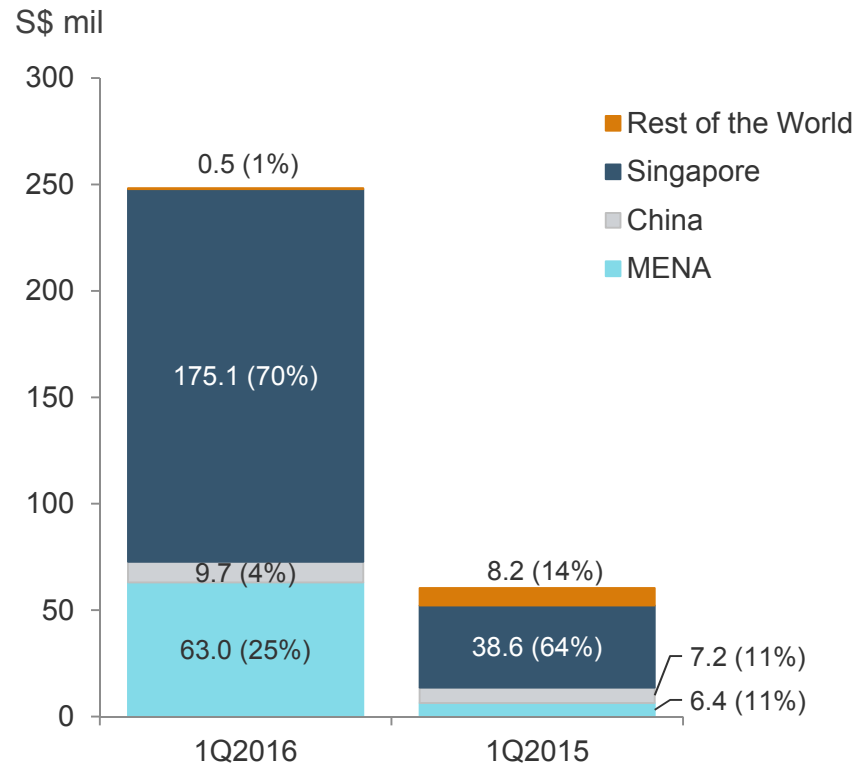
Revenue and profit

<u>S\$ mil</u>	1Q2016	1Q2015	% Change
Total Revenue	248.3	60.4	>100
PATMI	7.3	5.6	30

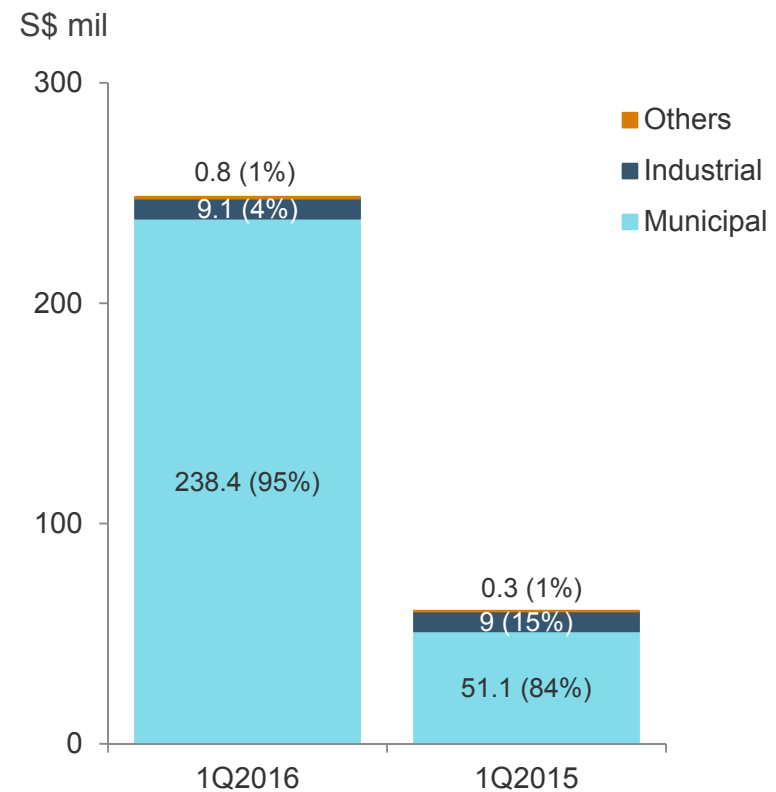
- Higher revenue and PATMI contributed by TuasOne Waste-to-Energy (WTE) project and Qurayyat Independent Water Project (IWP).

Revenue breakdown by region and sector

Revenue by Region



Revenue by Sector



Higher Singapore revenue from the TuasOne WTE project.

Expenses

<u>S\$ mil</u>	1Q2016	1Q2015	% Change
Raw Materials & Consumables	190	21	>100
Staff Costs	19	16	22
Depreciation, Amortisation & Impairment	10	5	100
Other Expenses	17	20	(15)
Finance Costs	15	11	37
Total Operating & Finance Expenses	251	73	>100

- Increase in total operating & finance expenses in line with increased engineering, construction and procurement (EPC) activities in Qurayyat IWP and TuasOne WTE project.

Balance sheet

<u>S\$ mil</u>	31 Mar 2016	31 Dec 2015
Equity	1,243	1,301
Non-current Assets	2,237	2,030
Non-current Liabilities	1,066	779
Current Assets	828	995
Current Liabilities	757	946
Net Gearing (x)	0.98	0.85

- EPC activities of Qurayyat IWP and TuasOne WTE project contributed to the increase in financial receivables within non-current assets.
- Syndicated loan of US\$184 mil, which was refinanced in 1Q2016, reclassified from current liabilities to non-current liabilities.

Cash flow

<u>S\$ mil</u>	1Q2016	1Q2015
Operating CF before SCA	158	10
Operating CF after SCA and tax paid	(34)	(26)
Investing CF	(32)	6
Financing CF	(65)	(102)
Net Cash Changes	(131)	(122)
Cash & Cash Equivalents	181	335

SCA: Service concession arrangements

- Operating CF after SCA and tax paid included investments into construction of Qurayyat IWP and TuasOne WTE project.
- Investing cash outflow mainly for investment in PT Oasis Water International, a 50% joint venture in Indonesia.
- Financing cash outflows mainly for repayments of borrowings as well as payments of dividends and interest.

Group outlook

- Focus on executing current EPC order book in next 12 months
- Actively pursue new projects in the Middle East, Africa, Americas and Asia despite overall global economic uncertainty
- Current challenging market landscape of low Singapore electricity prices



**SUSTAINABLE
SOLUTIONS
THAT
TRANSFORM
LIVES**