



HYFLUX LTD
Company Registration No.: 200002722Z
(Incorporated in the Republic of Singapore)

NOTICE OF ARBITRATION FILED BY HYDROCHEM (S) PTE LTD

The board of directors of Hyflux Ltd (“**Hyflux**”) wishes to announce that Hydrochem (S) Pte. Ltd. (“**Hydrochem**”), a wholly owned subsidiary of Hyflux, has filed a Notice of Arbitration with the Singapore International Arbitration Centre (“**SIAC**”) on 2 January 2018 to commence arbitration proceedings against Mitsubishi Heavy Industries Environmental & Chemical Engineering Co., Ltd. (“**MHI-EC**”) and Mitsubishi Heavy Industries Asia Pacific Pte. Ltd. (“**MHI-AP**”, and together with MHI-EC, the “**Respondents**”) in respect of disputes between Hydrochem and the Respondents arising out of and/or in connection with a sub-contract for engineering, procurement, supervision of installation (deployment of technical advisors), testing and commissioning of a waste-to-energy plant dated 12 May 2016 (“**Agreement**”) to design, build, own and operate a waste-to-energy plant in Singapore. Hydrochem has also served a copy of its Notice of Arbitration on the Respondents.

This is in accordance with the terms of the Agreement, which provide that all disputes shall be referred to arbitration administered by the SIAC in Singapore.

Hyflux does not expect the arbitration to have a material adverse effect on its operations and the financial performance of the Hyflux group.

Hyflux will update shareholders as and when there are material developments concerning this matter.

BY ORDER OF THE BOARD

LIM POH FONG
COMPANY SECRETARY

SUBMITTED ON 5 JANUARY 2018 TO SGX-ST