



HYFLUX LTD

Company Registration No.: 200002722Z

(Incorporated in the Republic of Singapore)

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## UPDATES ON REORGANISATION PROCESS – RECEIPT OF LETTER OF INTENT FOR INVESTMENT OF S\$500 MILLION

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Hyflux Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to its ongoing court supervised reorganisation process and announcements on 25 April 2019 and 3 May 2019.

The Company wishes to announce that it has received another non-binding letter of intent which envisions an investment of up to S\$500 million in the Group by Oyster Bay Fund Ltd (the “**Investor**”), subject to regulatory clearance, due diligence and the execution of a definitive agreement.

As an indication of the Investor’s good faith and intent but subject to regulatory clearance and the execution of a definitive agreement, the Investor is prepared to purchase preference and ordinary shares in HyfluxShop Holdings Ltd from the Company for up to S\$26 million, which the Company understands from the Investor is to be used as working capital.

Oyster Bay Fund Ltd is a global multi-strategy investment fund with an investment objective of long-term capital appreciation. The Investor has indicated that it is keen to work with the Company and its advisors on the terms and execution of a binding agreement as soon as possible. The letter of intent is stated to automatically terminate if a judicial manager or liquidator is appointed over the Company.

The Company is also continuing to engage with other parties who have expressed an interest to invest in the Group’s business and assets, with priority afforded to the parties with the willingness and ability to provide interim funding and reach a binding agreement with the Company within the shortest possible time.

The Company will make the appropriate announcements as and when there are any further material developments on the above matter.

***Please monitor SGXNet and the Company’s website for any announcements or updates on the Company’s 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 issued by the Company are advised to exercise caution at all times when dealing in the shares and/or securities, 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 10 May 2019**