



**HYFLUX LTD**

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

---

**PROPOSED DIVIDEND *IN SPECIE* OF SHARES IN HYFLUXSHOP HOLDINGS PTE. LTD.  
- FURTHER ANNOUNCEMENT**

---

The Board of Directors of Hyflux Ltd (the "**Company**" or "**Hyflux**") refers to the Company's announcement dated 28 December 2017 on the above proposed dividend *in specie* of shares in HyfluxShop Holdings Pte. Ltd., the notice of books closure date announcement dated 28 December 2017, the Company's announcement dated 17 January 2018, the circular to Shareholders dated 17 January 2018 (the "**Circular**") and the Company's announcement on 1 February 2018 at 12.49 pm and the online article by The Business Times dated 1 February 2018 titled "*SIC: Hyflux's Lum must make offer for HyfluxShop following dividend in specie*".

Unless otherwise defined, all capitalised terms not defined herein shall have the same meanings ascribed to them in the Circular.

Following further discussions with and guidance from the Securities Industry Council ("**SIC**"), the Company wishes to clarify that on 31 January 2018, the SIC informed the Company, through the Company's legal advisers, that the Controlling Shareholder Purchase which was made available to all HyfluxShop Shareholders as set out in the Circular constituted an "offer" under the Code.

Accordingly, the specific requirements of the Code relating to an offer would apply to any purchases of HyfluxShop Shares made under the Controlling Shareholder Purchase. Examples of such requirements include safeguards such as providing minority shareholders with sufficient time and information (including independent financial advice) to enable them to reach an informed decision on an offer.

The Company understands that the SIC had noted, and so informed the Company, that the Controlling Shareholder Purchase constituted an "offer" under the Code in the course of reviewing an application dated 19 January 2018 to seek a confirmation that the Controlling Shareholder would not be required to make a mandatory offer for HyfluxShop Shares in the event that, as a result of the Controlling Shareholder Purchase, she acquires HyfluxShop Shares which would result in her crossing the 30% mandatory offer threshold. The SIC was not consulted in respect of the Controlling Shareholder Purchase.

For the avoidance of doubt, the ruling from the SIC dated 14 December 2017, as set out under paragraph 4.2 of the Circular, is separate, distinct and still applicable. It should also be noted that the intent of the Controlling Shareholder Purchase is to provide an avenue for HyfluxShop Shareholders to sell their unlisted HyfluxShop Shares, without having to search for willing purchasers, to the Controlling Shareholder, subject always to the applicable requirements of the Code and the ruling from the SIC as set out in paragraph 4.2 of the Circular. The Controlling Shareholder was not required to make a mandatory offer for HyfluxShop under Rule 14.1 of the Code following the dividend *in specie*.

The Company understands that the Controlling Shareholder remains prepared to make an offer in compliance with the Code to all HyfluxShop Shareholders, save for all parties acting in concert with her (including the Company), for all the HyfluxShop Shares that they will hold following the completion of the Proposed Distribution, at the same price as applicable for the Controlling Shareholder Purchase, being S\$0.1783 for each HyfluxShop Share.

Consequently, on the launch of such a general offer, the 29.99% limit on the number of HyfluxShop Shares in respect of the Controlling Shareholder Purchase will no longer apply, and the procedures and

settlement processes in respect of the Controlling Shareholder Purchase as set out in the Circular will be revised based on the requirements as set out under the Code.

The Company will make appropriate announcement(s) in the event that there are any further material developments on this matter.

By Order of the Board

**Lim Poh Fong**  
Company Secretary  
12 February 2018