



## NEWS RELEASE

### **HYFLUX PROPOSES *DIVIDEND IN SPECIE* OF SHARES IN HYFLUXSHOP TO UNLOCK VALUE**

*Singapore, 28 December 2017* – Hyflux Ltd (“Hyflux” and together with its subsidiaries, “the Group”) is proposing to undertake a *dividend in specie* (“the Proposed Distribution”) of approximately 70% of the ordinary shares in Hyfluxshop Holdings Pte Ltd (“Hyfluxshop”) to entitled shareholders (“Entitled Shareholders”) holding ordinary shares of Hyflux Ltd (“Hyflux Shares”). Hyflux will own approximately 30% of the total number of issued ordinary Hyfluxshop shares post the Proposed Distribution.

The Proposed Distribution is subject to approval from shareholders at an Extraordinary General Meeting (“EGM”) to be convened. Under the Proposed Distribution, Entitled Shareholders holding at least 10 Hyflux Shares as at book closure date would become shareholders of Hyfluxshop and are expected to receive 1 Hyfluxshop share for every 10 Hyflux Shares, at no cost to them. Accordingly, such Entitled Shareholders will receive 100 Hyfluxshop shares for every 1,000 Hyflux Shares held as at books closure date.

Following the Proposed Distribution, Hyfluxshop is expected to be in a position to consider listing on a recognised stock exchange, should future growth performance be on track and market conditions of the capital markets be favourable.

The Proposed Distribution will thus allow Entitled Shareholders to have direct shareholdings in two distinct entities, Hyflux and Hyfluxshop, without additional cash outlay. Entitled Shareholders will be able to participate in the growth of Hyfluxshop and separately manage their respective portfolio holdings in accordance with their individual investment objectives. The health and wellness segment is distinctly different from Hyflux’s traditional municipal and industrial segments and separating Hyflux and



Hyfluxshop also allows for valuations of both entities that are more reflective of the underlying value and growth potential of their respective businesses.

As Hyfluxshop is at an early stage of growth, the Proposed Distribution enables Entitled Shareholders to participate at the onset of growth of Hyfluxshop and ride on the potential appreciation in the value of the Hyfluxshop shares in the future, especially if and when the proposed listing happens.

An announcement regarding the Proposed Distribution has concurrently been made with this News Release, please refer to it for more details. A circular will also be despatched to shareholders of Hyflux Shares, after which an EGM is expected to be convened on 1 February 2018. The Proposed Distribution is not expected to result in any material adverse impact on the financial position of the Group.

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## **About Hyflux**

As a global provider of sustainable solutions, Hyflux is committed to resource optimisation and sustainable development. A specialist in water treatment and among the top global desalination plant providers, Hyflux is distinctive in its ability to address the challenges at every point of the water value chain. The Group has expanded its offerings to include power generation and waste-to-energy. It also entered into the wellness industry with the ELO brand to broaden its consumer market portfolio.



Headquartered and listed in Singapore, the Group employs more than 2,800 employees worldwide. Hyflux's track record spans across Asia, the Middle East and Africa. It includes one of the world's largest seawater reverse osmosis desalination plants in Algeria and Asia's first Integrated Water and Power Plant in Singapore.

For more information, please visit [www.hyflux.com](http://www.hyflux.com)

### **About Hyfluxshop**

Headquartered in Singapore, Hyfluxshop is the consumer arm of Hyflux, focusing on the health and wellness segment. Hyflux forayed into the consumer business in 2003, focusing on consumer lifestyle products and expanded its product offerings to include the ELO brand in 2015. The Hyfluxshop Group has three principal lines of products, namely (i) consumer lifestyle products; (ii) ELO Water and its related products and services; and (iii) ELO Green range of products.

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