



Perpetual (Asia) Limited
Co. Reg. No. 200518022M

16 Collyer Quay
#07-01
Singapore 049318

Telephone +65 6908 8203
Facsimile +65 6438 0255
www.perpetual.com.sg

10 August 2018

INFORMATION UPDATE FOR SECURITYHOLDERS OF HYFLUX LTD (THE "ISSUER") S\$500MILLION 6% PERPETUAL CAPITAL SECURITIES ("PERPETUAL SECURITIES")

This is a further update to the information provided on the Trustee's website on 6 July 2018 and 1 June 2018. It is an update of the actions of the Trustee, Perpetual (Asia) Limited, following the 19 July 2018 Town Hall meeting and the 27 July 2018 announcement made by the Issuer.

On 19 July 2018, the Securities Investors Association (Singapore) ("SIAS") facilitated a town hall meeting for holders of Perpetual Securities and the holders of S\$400million 6% Cumulative Non-Convertible Non-Voting Perpetual Class A Preference Shares (the "Preference Shares"). At the meeting, it was announced that the Issuer intends to:

1. form an informal steering committee for both the Perpetual Securities holders and the Preference Shareholders; and
2. appoint common financial and legal advisors to represent the interests of both the Perpetual Securities holders and the Preference Shareholders.

The Issuer subsequently issued an announcement on 27 July 2018 in which it also stated its intention to form informal steering committees for both the Perpetual Securities holders and the Preference Shareholders to facilitate the Issuer's engagement with these groups of stakeholders during the reorganisation process.

Please note that only the Perpetual Securities holders have an appointed trustee to represent their interests, which is not available to the Preference Shareholders. Each instrument will vote independently in a separate process in the restructuring of the Issuer. The Trustee has informed the Company of these differences and its concerns over the appointment of common advisers, when their interests are distinct and may not be aligned.

Perpetual (Asia) Limited, as Trustees, wishes to state the following:

- (a) The Perpetual Securities and Preference Shares are different financial instruments.
- (b) The Trustee has only been appointed in relation to the Perpetual Securities holders.
- (c) The Trustees act only for, and in the interests of, the Perpetual Securities holders.
- (d) Accordingly, under the Trust Deed, the Trustee cannot take instructions from steering committees which have not been properly constituted under the Trust Deed, and which seek to represent the interests of both Perpetual Securities holders and Preference Shareholders.

The Trustee had, prior to the Town Hall meeting on 19 July 2018, appointed Dentons Rodyk & Davidson and KordaMentha Pte Ltd as independent legal and financial advisors respectively, to advise the Trustee on its representation of the interests of the Perpetual Securities holders. The Trustee will continue to take such steps as it considers to be appropriate in the best interests of the Perpetual Securities holders.

The Trustee intends to issue further updates as material developments unfold. If you have any questions, or require further information concerning the matters stated in this update, kindly contact us at the following email address: contact@perpetual.com.sg or alternatively, call us at +65 6908 8203.

The financial adviser of the Trustee, KordaMentha, will facilitate communication between holders of the Perpetual Securities, the Trustee and the Issuer. We invite holders of Perpetual Securities to contact KordaMentha at the following email address: hyfluxperps@kordamentha.com.

For purposes of identity verification, we would appreciate if the following be furnished in your communication with the Trustee and/or its advisors:

- (a) For those who had purchased the Perpetual Securities directly, to furnish your personal identification details together with your address and nominal holdings; OR
- (b) For those who had purchased the Perpetual Securities through a financial intermediary ie a bank or financial entity, to furnish your contact details, the details of your nominee company together with your nominal holdings.

Yours sincerely
Ms Sin Li Choo
Managing Director of
Perpetual (Asia) Limited