

26 February 2019

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

IMPORTANT NOTICE

This is a further update to the information provided on the Trustee’s website on 1, 9, 14, 18 and 20 February 2019. We wish to highlight further information published by the Issuer, including information regarding the Meeting on Friday 5 April 2019 to Vote on Hyflux’s Scheme of Arrangement. This announcement does not cover matters concerning other entities related to Hyflux, who were also allowed to present Schemes of Arrangement.

Hyflux Granted Leave to Summon Meeting

On 21 February 2019, the Court granted Hyflux’s application to convene a meeting of creditors (the “**Scheme Meeting**”) in order to vote on its proposed Scheme of Arrangement (with or without modifications) (“**Scheme**”). The Court’s orders were made after considering the various matters raised by the Trustee’s counsel, which included confirmation that the Perpetual Securityholders could attend the Scheme Meeting and be allowed to vote, and clarification as to how votes were to be cast and counted where Perpetual Securities are held through nominees.

Meeting of Creditors to Vote on Hyflux’s Scheme of Arrangement

Hyflux has since issued the Notice of Scheme Meeting (the “**Notice**”), accessible [here](#) (the related Announcement made by Hyflux on 22 February 2019 is accessible [here](#), and the related Letter from Hyflux of 22 February 2019 may be found [here](#)). **Please read the Notice carefully.**

The details of the Scheme Meeting relevant to the Perpetual Securities are set out in the Notice:

Scheme Meeting (For Voting on the Scheme)

Date: Friday, 5 April 2019

Venue: Hyflux Innovation Centre, 80 Bendemeer Road, Singapore 339949 (or such other place as may be notified by announcement on SGXNet)

Time: 7.00 pm (for holders of Perpetual Securities and Preference Shares)

Attending and Voting at the Scheme Meeting

It is important that all Perpetual Securityholders attend and vote at the Scheme Meeting. The Trustee (whose claims are in substance the claims of the Perpetual Securityholders) **does not presently intend to vote in the Scheme Meeting. This is principally to avoid any double**

counting of votes, which could occur where the Trustee seeks to cast a vote on behalf of the Perpetual Securityholders, who themselves attend and vote. Accordingly, Perpetual Securityholders should themselves attend the Scheme Meeting and vote as they deem appropriate. The Trustee will not be making any recommendation as to how Perpetual Securityholders should cast their vote.

According to the Notice, a Proof of Claim will need to be filed in order to vote at the Scheme Meeting. While the deadline to file a Proof of Claim is **5.00pm, Friday, 1 March 2019**, please note that according to the Notice and Letter of 22 February 2019:

- Perpetual Securityholders who are Registered Holders: If you are directly registered on the records of the Central Depository Pte Ltd (“**CDP**”), you are entitled to attend and vote in person at the Scheme Meeting or appoint one proxy to attend and vote on your behalf. If you do not file a Proof of Claim, you are deemed to have authorised Hyflux to file a Proof of Claim on your behalf in accordance with your holdings registered in the CDP records. The Chairman of the Scheme Meeting will then “*admit all amounts in respect of the holdings reflected in the CDP records*”. If you previously filed a Proof of Claim, you are not required to re-file your Proof of Claim unless you wish to revise your claim.
- Perpetual Securityholders who hold Perpetual Securities through nominees (“Non-Direct Holders”): If your Perpetual Securities are held through a Relevant Intermediary (which includes Central Provident Fund (“**CPF**”) agent banks, SRS operators or depository agents) and you wish to attend and vote at the Scheme Meeting, **please inform your Relevant Intermediary**. You may attend and vote at the Scheme Meeting if your nominee appoints you as its proxy to attend and vote on its behalf.

Proxies

The Trustee has noted the differing definitions of “Relevant Intermediary” as between the “Proxy Form/Notes to the Proxy Form” and the “Notice” and intends to obtain the necessary clarification from Hyflux accordingly. Please note that whether you are a Registered Holder or Non Direct Holder if you wish to appoint a proxy, please use the Proxy Form contained in the Explanatory Statement to the Scheme (which may be found [here](#) at page 155 – 159). Proxy Forms must be deposited by **7.00 pm on 2 April 2019** at the following address:

The Meeting Agent, Boardroom Corporate & Advisory Services Pte. Ltd.

50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623

Revisions of the Terms of the Proposed Scheme

The leave provided to Hyflux, is to present the Scheme with or without modifications for voting at the Scheme Meeting.

Accordingly, the Scheme proposed can be revised to include modifications to it (and can continue to be revised). You should take your own legal professional advice on this.

Hyflux has presently revised the Scheme which it intends to propose to creditors (“**Revised Scheme**”). The updated terms of the Revised Scheme may be found [here](#). The Explanatory Statement to the Revised Scheme may be found [here](#). **Please read the Revised Scheme and its Explanatory Statement carefully.**

This round of revisions does not preclude further revisions to the Revised Scheme arrived, by amongst other things, through negotiations and/or feedback.

In the lead-up to the Scheme Meeting, in our update on 20 February 2019, we mentioned the Independent Town Hall Meeting on 25 February 2019 convened by the Securities Investors Association Singapore (SIAS) for Perpetual Securityholders (and Preference Shareholders) to provide feedback on Hyflux’s restructuring. More information on this event can be found in our update on 20 February 2019 and on SIAS’ website: <https://sias.org.sg/events/events-calendar/>

In addition, there is currently a Third Round of Town Hall Meetings scheduled for **13 March 2019**, which, according to Hyflux, will be to “*discuss with the perpetual security holders and preference shareholders the terms of the restructuring plan and the mode and duration of its implementation*” (see Hyflux’s Q&A section on their website [here](#)).

Questions, comments or suggestions

Questions, comments or suggestions on the Scheme or Reorganisation Process can be directed to SIAS at admin@sias.org.sg or the Informal Steering Committee for Holders of Perpetual Securities and Preference Shares through the Independent Financial Advisors (PwC Singapore) at hyflux.enquiry.sg@sg.pwc.com / +65 9623 3750.

Queries can also be addressed to the Issuer investor@hyflux.com or its advisors at hyfluxqueries@sg.ey.com (its financial advisors) and Hyflux.queries@wongpartnership.com (its legal advisors). Alternatively, you may call the Issuer’s support hotline at (+65) 3157 7999 from Monday to Friday, 9.00 am to 5.00 pm (SGT).

Hyflux’s updates about the reorganisation process can be found on their website at this link: <https://www.hyflux.com/financial-reorganisation-exercise/>

The contents of this Information Update are not meant to be legal or professional advice or substitutes for such advice. If you are concerned about your position, you should seek your own legal and/or financial advice.