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

UPDATES ON REORGANISATION PROCESS

The Company refers its announcements dated 18 October 2018 and 31 October 2018. Unless otherwise defined, capitalised terms in this announcement shall have the same meanings as ascribed to them in the 31 October 2018 announcement.

It has come to the attention of the Company that there have been several media articles recently discussing the purported details of a formal restructuring plan proposed by the Company to certain of its senior unsecured financial creditors earlier this week.

The Company wishes to reiterate that, as previously stated in its 31 October 2018 announcement, the Company is currently working towards formulating the terms of a Scheme of Arrangement involving all relevant creditors and in accordance with Section 210 of the Companies Act (or such other provision that may apply). Such terms will include details of any settlement, discharge and/or redemption of the unsecured financial debt (including the medium term notes outstanding), preference shares, perpetual securities, contingent debt and/or trade debt, which will have to also be on terms to be agreed between the Parties.

As stated in the 31 October 2018 announcement, the Company and its advisors will engage with various stakeholder groups to obtain their views on the intended Scheme of Arrangement to be proposed to creditors, and this process is currently underway and expected to continue over at least the next one to two months and will progressively extend to the various stakeholder groups. In the course of such engagement from time to time, it is inevitable that the Company will need to sound the various stakeholder groups out to try to understand and assess which options and permutations may be viable, practicable or acceptable to these groups. While it should be noted that none of these discussions are in any way binding on the Company or its final proposal, and it is actually the case that the various permutations considered at each discussion could vary, this consultative process helps to provide guidance to the Company in its formulating of an appropriate final proposal which will, it is hoped, obtain the requisite level of support from the relevant stakeholders. For the avoidance of doubt, the Company currently is not in a position to put forward a finalised and definitive restructuring proposal.

The Company will make a formal announcement on SGXNet at the appropriate juncture once the formal proposal for the Scheme of Arrangement is finalised and an application is ready to be submitted to the court for leave to convene creditor meetings for considering, and if thought fit, adopting, that Scheme of Arrangement. Accordingly, any articles or reports during the interim period which suggest that terms of the restructuring have already taken some definitive shape or form should be regarded as mere speculation and treated accordingly.

In the meantime, shareholders and holders of the securities of the Company are advised to disregard all media speculation and only rely on what is announced by the Company. They should 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 23 November 2018