



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

UPDATE ON LIQUIDATION

1. Hyflux Ltd (In Liquidation) (“**Company**”) refers to its announcements made on:
 - 1.1 21 July 2021 in respect of the compulsory liquidation of the Company; and
 - 1.2 20 October 2021 in relation to the virtual townhall meeting held on 5 November 2021, 5 p.m. (SGT) (“**Meeting**”) for the following holders of:
 - (a) S\$500,000,000 6.00% Perpetual Capital Securities (SGX-BTWZ);
 - (b) S\$400,000,000 8.00% Cumulative Non-Convertible Non-Voting Perpetual Class A Preference Shares (SGX:N2H);
 - (c) S\$100,000,000 4.20% Notes Due 2019 (ISIN: SG6W23985057);
 - (d) S\$100,000,000 4.25% Notes Due 2018 (ISIN: SG6Q70974010); and
 - (e) S\$65,000,000 4.60% Notes Due 2019 (ISIN: SG6Q77974112).(collectively, “**Holdings**”)
2. In the announcement dated 20 October 2021, the Liquidators requested Holders to send any queries or requests for information to hyfluxholders@kroll.com. With the benefit of those queries and requests, the Liquidators have compiled the following Frequently Asked Questions:

2.1. **What is the expected recovery from my investment in the Company?**

The realisations from the asset sales are unlikely to exceed SGD100 million and the total Proofs of Debt received by the Liquidators approximate SGD1.5 billion.

This indicates that a small dividend to unsecured creditors (including the Medium-Term Noteholders (“**MTNs**”)) is likely.

It also indicates that a dividend to the holders of the perpetual securities and preference shares (collectively, the “**P&Ps**”), who are subordinated to the claims of ordinary unsecured creditors is unlikely, as is any return to shareholders.

2.2. When will recovery be distributed to all unsecured creditors?

It is not possible to answer this question at this stage.

The Liquidators are working to complete all assets sales as quickly as possible, but it is difficult to predict when all the sales will be completed. It will be necessary to complete these sales to be able to assess the size and timing of any dividend to unsecured creditors (including the MTNs).

2.3. Dividends were declared in favor of the P&Ps prior to the appointment of the Judicial Managers. Do these dividends form part of the creditors' claims?

Yes, dividends declared (“**P&P Claims**”) form part of creditors' claims. Further, pursuant to the Offer Information Statement dated 13 April 2011 issued in respect of S\$400,000,000 8.00% Cumulative Non-Convertible Non-Voting Perpetual Class A Preference Shares and the Offer Information Statement relating to S\$500,000,000 6.00 Per Cent Perpetual Capital Securities dated 16 May 2016, the P&P Claims are subordinated to the claims of ordinary unsecured creditors and are unlikely to be eligible for a dividend.

2.4. How long will it take for the whole liquidation to be completed?

It is too early to provide any estimates for the completion of the liquidation.

2.5. Is there any update on the investigations undertaken by Commercial Affairs Department (“CAD”) of the Singapore Police Force, the Monetary Authority of Singapore (“MAS”) and the Accounting and Corporate Regulatory Authority (“ACRA”)?

The Liquidators understand that the investigations of CAD, MAS and ACRA continue.

3. The Liquidators have been contacted by a committee, representing the P&Ps (“**Committee**”). Any P&Ps interested in contacting the Committee and/or receiving updates from them may contact them directly at [**hyfluxretailpnp@gmail.com**](mailto:hyfluxretailpnp@gmail.com)

Submitted by the Liquidators

For and On Behalf of Hyflux Ltd (In Liquidation)

Cosimo Borrelli and Patrick Bance
Borrelli Walsh Pte. Limited (trading as Kroll)
18 November 2021