

IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

HC/OS XXX/2019

In the Matter of Part VII, Section 210(1) of the
Companies Act (Cap 50)

And

In the Matter of **HYFLUX LTD**
(Singapore UEN No 200002722Z)

... Applicant

SCHEME OF ARRANGEMENT

**PURSUANT TO SECTION 210 OF THE COMPANIES ACT (CAP 50, 2006 REV
ED)**

Between

HYFLUX LTD
(Singapore UEN No. 200002722Z)

And

THE SCHEME PARTIES
(as defined herein)

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1. DEFINITIONS AND INTERPRETATION

1.1 In this Scheme, unless inconsistent with the subject or context, the following expressions shall have the following meanings:

“**211B Proceedings**” means the applications for a moratorium under Section 211B(1) of the Act filed by each of the Company, HE, Hyflux Innovation Centre Pte Ltd, HMM and Hydrochem, *vide* HC/OS 633/2018, HC/OS 634/2018, HC/OS 635/2018, HC/OS 636/2018 and HC/OS 638/2018, respectively, and all associated proceedings therein.

“**Accepted**” means, in relation to a Scheme Claim, the acceptance by the Chairman of such Claim (or part thereof) for the purposes of determining entitlement to attend and vote at the Scheme Meetings without dispute or, where applicable, the acceptance or determination by the Independent Assessor of such Claim (or part thereof) for such purpose in accordance with the Proof Regulations.

“**Account Holder**” means any person recorded directly in the records of CDP as holding an interest in any of the Notes, the Perpetual Capital Securities or the Preference Shares in an account held with CDP either for his or her own account or on behalf of its principal or client.

“**ACRA**” means the Accounting and Corporate Regulatory Authority of Singapore.

“**Act**” means the Companies Act, Chapter 50 of Singapore.

“**Advisor**” means any of the professional advisors advising the Group, the Contingent Claimants, the Facilities Lenders, KfW, the Other Claimants, the Noteholders, the Notes Trustee, the Perpetual Capital Securities Holders, the Perpetual Capital Securities Trustee and/or the Preference Shareholders in connection with the Restructuring. For the avoidance of doubt, Advisors include but are not limited to:

(a) in relation to the Informal Steering Committee (Notes), FTI Consulting (Singapore) Pte Ltd, Akin Gump Strauss Hauer & Feld, Akin Gump Strauss Hauer & Feld LLP and BlackOak LLC;

(b) in relation to the Informal Steering Committee (P&P), Pricewaterhouse Coopers Advisory Services Pte Ltd and Drew & Napier LLC;

(c) in relation to the Unsecured Working Group, Borrelli Walsh Limited, Hogan Lovells Lee & Lee and Tan Kok Quan Partnership; and

(d) in relation to the Group, Ernst & Young Solutions LLP, Ernst & Young Corporate Finance Pte Ltd and WongPartnership LLP.

“**Affiliates**” means, in relation to any person, its current and former direct and indirect Subsidiaries, subsidiary undertakings, parent companies, holding companies, partners, equity holders, members and managing members, affiliated partnerships and any of their respective Affiliates.

“**Base Currency Conversion Rate**” means the conversion rate of any foreign currency denomination to dollars (S\$) as published in The Business Times on 1 March 2019.

“Book Entry Interest” means:

- (a) in relation to the Notes, a beneficial interest as principal in a Global Note Certificate;
 - (b) in relation to the Perpetual Capital Securities, a beneficial interest as principal in the Global Certificate (as defined in the Perpetual Capital Securities Trust Deed); and
 - (c) in relation to the Preference Shares, a beneficial interest as principal in the Global Share Certificates,
- in each case held through accounts with and shown on records maintained by the CDP.

“Business Day” means a day (other than a Saturday, Sunday or public holiday) on which commercial banks are open for business in Singapore.

“CDP” means The Central Depository (Pte) Limited.

“Chairman” means the chairman of the Scheme Meetings appointed pursuant to Section 211F(5) of the Act.

“Claim” means any Liability of the Company, together with any of the following matters relating to or arising in respect of such Liability:

- (a) any refinancing, novation, deferral or extension;
- (b) any claim for breach of guarantee, representation, warranty and/or undertaking or an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other Liability falling within this definition;
- (c) any claim for damages or restitution;

and any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings.

“Company” means Hyflux Ltd, a company incorporated in Singapore with registration number 200002722Z, whose registered office is located at 80 Bendemeer Road, Hyflux Innovation Centre, Singapore 339949.

“Conditions Precedent” means the Conditions as defined in the Restructuring Agreement and the Conditions Precedent as defined in the Loan Agreement.

“Constitutional Documents” means the Memorandum and Articles of Association and any other constituent documents of the Company.

“Contingent Claim” means any Claim is not an Excluded Claim, which, at the time of the determination of any matter under or in connection with this Scheme, is a contingent Liability of the Company which may or may not arise in the future, but in respect of which, as at such time, is not then a legally valid and binding debt of a definite amount then actually due from the Company. A Contingent Claim shall include any Claim arising under or in respect of the matters set out in Schedule 2 as supplemented, amended and restated from time to time.

“Contingent Claim Crystallisation Challenge” means a written response to a Contingent Claim Crystallisation Notice to be issued by any Unsecured Scheme Party (excluding any Unsecured Scheme Party who as at the date of that Contingent Claim Crystallisation Notice only has a Contingent Claim which has been Extinguished) to the Scheme Manager within seventeen (17) days of the date of the Contingent Claim Crystallisation Notice setting out the following information:

- (a) proof that his or her Unsecured Claim was Accepted; and
- (b) objection(s) to the contents of the subject Contingent Claim Crystallisation Notice, in particular, the reasons as to why the respective Contingent Claim should not be regarded as a legally valid and binding debt of a definite amount then actually due from the Company; and
- (c) any evidence or documents in support of (b) above.

The Scheme Manager shall upload each Contingent Claim Crystallisation Challenge into the Data Room within three (3) days of his or her receipt of such Contingent Claim Crystallisation Challenge. For the avoidance of doubt, each Unsecured Scheme Party can only submit one (1) Contingent Claim Crystallisation Challenge in response to a Contingent Claim Crystallisation Notice.

“Contingent Claim Crystallisation Determination” means a written determination to be issued by the Scheme Manager to a Contingent Claimant within ~~28~~ **thirty eight (38)** days of receiving a Contingent Claim Crystallisation Notice from that Contingent Claimant stating ~~whether~~ **that** the Accepted Contingent Claim referred to in the Contingent Claim Crystallisation Notice has been determined by the Scheme Manager to have become a legally valid and binding debt of a definite amount then actually due from the Company. In arriving at his or her determination, the Scheme Manager shall review the contents of the Contingent Claim Crystallisation Notice as well as any Contingent Claim Crystallisation Challenge(s) submitted.

The Scheme Manager shall upload each Contingent Claim Crystallisation Determination into the Data Room within three (3) days of his or her issuance of such Contingent Claim Crystallisation Determination.

“Contingent Claim Crystallisation Notice” means a written notice to be issued by a Contingent Claimant to the Scheme Manager by no later than seven (7) days after the Contingent Claim Expiry Date setting out the following information:

- (a) proof that his or her Contingent Claim was Accepted; ~~and~~
- (b) the basis for the Accepted Contingent Claim becoming a legally valid and binding debt of a definite amount then actually due from the Company ~~(including any supporting evidence or documents);~~ on a date no later than the Contingent Claim Expiry Date; and
- (c) any evidence or documents in support of (b) above.

The Scheme Manager shall upload each Contingent Claim Crystallisation Notice into the Data Room within three (3) days of his or her receipt of such Contingent Claim Crystallisation Notice.

“Contingent Claim Expiry Date” means the date falling two (2) years after the Restructuring Effective Date.

“Contingent Claim Extinguishment Challenge” means a written notice to be issued by the subject Contingent Claimant to the Scheme Manager within fourteen (14) days from the Contingent Claimant’s receipt of a Contingent Claim Extinguishment Notice indicating the Contingent Claimant’s objection to the Scheme Manager’s determination under the Contingent Claim Extinguishment Notice and setting out the reasons for such objection (including any supporting evidence or documents).

The Scheme Manager shall upload each Contingent Claim Extinguishment Challenge into the Data Room within three (3) days of his or her receipt of such Contingent Claim Extinguishment Challenge.

“Contingent Claim Extinguishment Determination” means a written determination to be issued by the Scheme Manager to a Contingent Claimant within ~~28~~ twenty one (21) days of receiving ~~an Objection to a~~ Contingent Claim Extinguishment ~~Notice~~ Challenge from that Contingent Claimant stating whether the objections raised therein have been accepted by the Scheme Manager or whether the Scheme Manager has nonetheless determined that the subject Accepted Contingent Claim is no longer a Liability.

The Scheme Manager shall upload each Contingent Claim Extinguishment Determination into the Data Room within three (3) days of his or her issuance of such Contingent Claim Extinguishment Determination.

“Contingent Claim Extinguishment Notice” means a written notice to be issued by the Scheme Manager to a Contingent Claimant by no later than seven (7) days after the Contingent Claim Expiry Date notifying the Contingent Claimant that his or her respective Accepted Contingent Claim has been, as determined by the Scheme Manager, extinguished, waived or compromised or is, for any other reason, no longer a Liability on a date no later than the Contingent Claim Expiry Date.

The Scheme Manager shall upload each Contingent Claim Extinguishment Notice into the Data Room within three (3) days of his or her issuance of such Contingent Claim Extinguishment Notice.

“Contingent Claimant” means any person that holds a Contingent Claim.

“Court” means the High Court of Singapore.

“Crystallised” means, in respect of an Accepted Contingent Claim:

- (a) the issuance of a Contingent Claim Crystallisation Determination under which the subject Accepted Contingent Claim is determined by the Scheme Manager to be a legally valid and binding debt of a definite amount then actually due from the Company; or
- (b) the issuance of a Contingent Claim Crystallisation Notice to which: (i) no Contingent Claim Crystallisation Challenge is issued in response within seventeen (17) days of such Contingent Claim Crystallisation Notice; and (ii) no Contingent Claim Crystallisation Determination is issued ~~in response~~ within ~~28~~ thirty eight (38) days of such Contingent Claim Crystallisation Notice.

“Data Room” means the virtual data room to be established by the Scheme Manager within twenty eight (28) days from the Restructuring Effective Date through a service provider of

the Scheme Manager's choice. Within fourteen (14) days from the Scheme Effective Date, each Unsecured Scheme Party shall notify the Scheme Manager of the relevant information (including electronic mail address) of two individuals whom the Scheme Manager shall grant access rights to the Data Room. These individuals will receive automated notifications each time the Scheme Manager uploads a document into the Data Room.

"Debt Securities Claims" means the Perpetual Capital Securities Holders Claims and the Preference Shareholders Claims.

"Debt Securities Claims Cash Consideration" means cash of an amount equal to [S\$27,000,000].

"Debt Securities Claims Equity Consideration" means Shares constituting [9.00%] of the issued and paid up capital in the Company ~~on~~after the New Shares (as defined in the Restructuring ~~Effective Date~~Agreement) have been allotted and issued under the Restructuring Agreement.

"Debt Securities Scheme Parties" means the Perpetual Capital Securities Holders and the Preference Shareholders.

"Escrow Account" means the escrow account maintained with the Escrow Agent in accordance with the terms of this Scheme.

"Escrow Agent" means an agent to be appointed by the Scheme Manager for the purposes of managing the Escrow Account in accordance with the terms of this Scheme.

"Escrow Agreement" means the escrow agreement in a form to be agreed with the Advisors of the Unsecured Working Group and the Informal Steering Committee (Notes) to be entered into by and between the Company and the Escrow Agent in relation to the Escrow Account ~~to~~ be managed in accordance with the terms of this Scheme.

"Excluded Claim" means:

- (a) any ~~Claim pertaining to~~ Scheme Claim (as defined in each of the Hydrochem Scheme, the HMM Scheme and/or the HE Scheme);
- (b) any Claim in respect of Professional Advisor Fees;
- (c) ~~(b)~~ any Claim of the Notes Trustee for its fees and related costs and expenses arising under or in respect of the Notes Trust Deed;
- (d) ~~(e)~~ any Claim of the Perpetual Capital Securities Trustee for its fees and related costs and expenses arising under or in respect of the Perpetual Capital Securities Trust Deed;
- (e) ~~(d)~~ any Claim of Tuaspring Pte Ltd;
- (f) ~~(e)~~ any Claim arising under or in respect of the MHI Settlement Agreement;
- (g) ~~(f)~~ any Claim arising under or in respect of the TuasOne Share Charge; or
- (h) ~~(g)~~ any Claim arising under or in respect of the matters set out in Schedule 3 as

supplemented, amended and restated from time to time.

“**Expired Contingent Claim**” means any Contingent Claim which ~~has not, by:~~

(a) ~~is not an Extinguished Contingent Claim within 28 days from~~ the Contingent Claim Expiry Date, ~~become an Extinguished or; and~~

(b) ~~is not a~~ Crystallised Contingent Claim ~~or in respect of which no Contingent Claim Extinguishment Notice or Contingent Claim Crystallisation Notice is issued by~~ within 45 days from the Contingent Claim Expiry Date.

“**Explanatory Statement**” means the explanatory statement issued by the Company and dated [●] relating to this Scheme.

“**Extinguished**” means, in respect of an Accepted Contingent Claim:

(a) the issuance of a Contingent Claim Extinguishment Notice to which no ~~Objection to~~ Contingent Claim Extinguishment ~~Notice~~ Challenge is received within [21] fourteen (14) days; or

(b) the issuance of a Contingent Claim Extinguishment Determination under which the subject Accepted Contingent Claim is determined by the Scheme Manager to be no longer a Liability.

“**Facilities**” means the loan agreements, credit agreements, facility letters and all other credit facility documents made between the Company and any bank or financial institution or executed by the Company in favour of any bank or financial institution as set out in Schedule 1.

“**Facilities Lender**” means each of the lenders under the respective Facilities.

“**Facilities Claim**” means any Claim of the Facilities Lenders that is not an Excluded Claim arising under or in respect of the Facilities, ~~other than any Claim in respect of Professional Advisor Fees.~~

“**Final Distribution Date**” means the date on which all Scheme Consideration shall have been issued and/or distributed (as applicable) to the Scheme Parties.

“**Final Unsecured Claim Cash Payout**” means in respect of each Accepted Unsecured Claim that is not an Extinguished Contingent Claim or an Expired Contingent Claim after the Contingent Claim Expiry Date, a cash payout to be calculated in the following manner:

$$FUCCP = \left(\frac{p}{q - x - y} \times (UCCC - \sum FCCMP - \sum SCCMP) \right) - IUCCP - SUCCP$$

where:

p is the value of the subject Accepted Unsecured Claim that is not an Extinguished Contingent Claim or an Expired Contingent Claim after the Contingent Claim Expiry Date;

q is the total value of all Accepted Unsecured Claims;

x is the total value of all Accepted Contingent Claims that have been Extinguished within the

Contingent Claim Expiry Date;

y is the total value of all Accepted Contingent Claims that become Expired Contingent Claims after the Contingent Claim Expiry Date;

$UCCC$ is the Unsecured Claims Cash Consideration;

$\Sigma FCCMP$ is the sum of all First Contingent Claim Management Payouts;

$\Sigma SCCMP$ is the sum of all Second Contingent Claim Management Payouts;

$IUCCP$ is the Initial Unsecured Claim Cash Payout for the subject Accepted Unsecured Claim, to be rounded down to the nearest cent;

$SUCCP$ is the Second Unsecured Claim Cash Payout for the subject Accepted Unsecured Claim, to be rounded down to the nearest cent; and

$FUCCP$ is the Final Unsecured Claim Cash Payout for the subject Accepted Unsecured Claim, to be rounded down to the nearest cent.

“Final Unsecured Claim Equity Payout” means in respect of each Accepted Unsecured Claim that is not an Extinguished Contingent Claim or an Expired Contingent Claim after the Contingent Claim Expiry Date, an allotment and issuance of Shares to be calculated in the following manner:

$$FUCEP = \left(\frac{p}{q - x - y} \times UCEC \right) - IUCEP - SUCEP$$

where:

p is the value of the subject Accepted Unsecured Claim that is not an Extinguished Contingent Claim or an Expired Contingent Claim after the Contingent Claim Expiry Date;

q is the total value of all Accepted Unsecured Claims;

x is the total value of all Accepted Contingent Claims that have been Extinguished within the Contingent Claim Expiry Date;

y is the total value of all Accepted Contingent Claims that become Expired Contingent Claims after the Contingent Claim Expiry Date;

$UCEC$ is the Unsecured Claims Equity Consideration;

$IUCEP$ is the Initial Unsecured Claim Equity Payout for the subject Accepted Unsecured Claim, to be rounded down to the nearest whole number;

$SUCEP$ is the Second Unsecured Claim Equity Payout for the subject Accepted Unsecured Claim, to be rounded down to the nearest whole number; and

$FUCEP$ is the Final Unsecured Claim Equity Payout for the subject Accepted Unsecured Claim, to be rounded down to the nearest whole number.

“First Contingent Claim Management Payout” means in respect of each Accepted Contingent Claim that is Extinguished within the date falling one (1) year after the Restructuring Effective Date, a cash payout to be calculated in the following manner:

$$FCCMP = 20\% \times \frac{r}{q} \times UCCC$$

where:

r is the value of the subject Accepted Contingent Claim that is Extinguished within the date falling one (1) year after the Restructuring Effective Date;

q is the total value of all Accepted Unsecured Claims;

UCCC is the Unsecured Claims Cash Consideration; and

FCCMP is the First Contingent Claim Management Payout for the subject Accepted Contingent Claim, to be rounded down to the nearest cent.

“Global Note Certificate” means a global certificate or global note in registered form representing the entire issue of the Series 008 Notes, the Series 009 Notes or the Series 010 Notes, as applicable.

“Global Share Certificates” means global share certificates in registered form representing the entire issue of the Preference Shares.

“Group” means the Company and its Subsidiaries.

“HE” means Hyflux Engineering Pte Ltd, a wholly-owned subsidiary of the Company incorporated in Singapore with registration number 200009792D whose registered office is located at 80 Bendemeer Road, Hyflux Innovation Centre, Singapore 339949.

“HE Scheme” means the scheme of arrangement proposed by HE under Section 210 of the Act in its present form or with or subject to any modifications, additions or conditions approved or imposed by the Court or approved in accordance with its terms.

“HMM” means Hyflux Membrane Manufacturing (S) Pte Ltd, a wholly-owned subsidiary of the Company incorporated in Singapore with registration number 200702494M whose registered office is located at 80 Bendemeer Road, Hyflux Innovation Centre, Singapore 339949.

“HMM Scheme” means the scheme of arrangement proposed by HMM under Section 210 of the Act in its present form or with or subject to any modifications, additions or conditions approved or imposed by the Court or approved in accordance with its terms.

“Holding Period” means the period commencing on and from the Restructuring Effective Date and ending on the date falling six (6) months after the Final Distribution Date.

“HS Claim” means any Claim(s) of HyfluxShop Holdings Ltd or a Subsidiary of HyfluxShop Holdings Ltd that is not an Excluded Claim.

“HS Claimant” means any person that holds a HS Claim.

“Hydrochem” means Hydrochem (S) Pte Ltd, a wholly-owned subsidiary of the Company incorporated in Singapore with registration number 198902670Z, whose registered office is located at 80 Bendemeer Road, Hyflux Innovation Centre, Singapore 339949.

“Hydrochem Scheme” means the scheme of arrangement proposed by Hydrochem under Section 210 of the Act in its present form or with or subject to any modifications, additions or conditions approved or imposed by the Court or approved in accordance with its terms.

“Independent Assessor” means an independent assessor appointed in accordance with the Proof Regulations.

“Informal Steering Committee (Notes)” means the informal steering committee for Noteholders established by SIAS in connection with the Restructuring that is represented by FTI Consulting (Singapore) Pte Ltd, Akin Gump Strauss Hauer & Feld, Akin Gump Strauss Hauer & Feld LLP and BlackOak LLC.

“Informal Steering Committee (P&P)” means the informal steering committee for Perpetual Capital Securities Holders and Preference Shareholders established by SIAS in connection with the Restructuring that is represented by PricewaterhouseCoopers Advisory Services Pte Ltd and Drew & Napier LLC.

“Initial Unsecured Claim Cash Payout” means in respect of each Accepted Unsecured Claim, a cash payout to be calculated in the following manner:

$$IUCCP = \frac{p}{q} \times UCCC$$

where:

p is the value of the subject Accepted Unsecured Claim;

q is the total value of all Accepted Unsecured Claims;

UCCC is the Unsecured Claims Cash Consideration; and

IUCCP is the Initial Unsecured Claim Cash Payout for the subject Accepted Unsecured Claim, to be rounded down to the nearest cent.

“Initial Unsecured Claim Equity Payout” means in respect of each Accepted Unsecured Claim, an allotment and issuance of Shares to be calculated in the following manner:

$$IUCEP = \frac{p}{q} \times UCEC$$

where:

p is the value of the subject Accepted Unsecured Claim;

q is the total value of all Accepted Unsecured Claims;

$UCEC$ is the Unsecured Claims Equity Consideration; and

$IUCEP$ is the Initial Unsecured Claim Equity Payout for the subject Accepted Unsecured Claim, to be rounded down to the nearest whole number.

“Intercompany Claim” means any Claim of a Subsidiary of the Company that is: (4i) not an Excluded Claim; and (2ii) not a Claim arising under or in respect of the TuasOne EPC Contract Parent Company Guarantee.

~~“Intercompany Claim Cash Payout” means in respect of each Accepted Intercompany Claim, a cash payout to be calculated in the following manner:~~

$$ICCP = \frac{g}{h} \times ICCG$$

~~where:~~

~~g is the value of the subject Accepted Intercompany Claim;~~

~~h is the total value of all Accepted Intercompany Claims;~~

~~$ICCG$ is the Intercompany Claims Cash Consideration; and~~

~~$ICCP$ is the Intercompany Claim Cash Payout for the subject Accepted Intercompany Claim, to be rounded down to the nearest cent.~~

“Intercompany Claimant” means any person that holds an Intercompany Claim.

~~“Intercompany Claims Cash Consideration” means cash of an amount equal to [S\$1].~~

“Investor” means SM Investments Pte Ltd.

“KfW” means KfW IPEX-Bank GmbH.

“KfW Facility” means the facility agreement dated 29 May 2013 entered into between: (4i) Hydrochem, as borrower; (2ii) the Company, as guarantor; and (3iii) KfW, as lender.

“KfW Claim” means any Claim of KfW that is not an Excluded Claim arising under or in respect of the KfW Facility.

“Liability” or **“Liabilities”** means any debt, liability or obligation whether it is fixed or undetermined, whether incurred solely or jointly or as principal or surety or in any other capacity, whether or not it involves the payment of money or performance of an act or obligation and whether it arises at common law, in equity or by statute, in Singapore or any other jurisdiction, or in any manner whatsoever. For the avoidance of doubt, Liability includes any debt, liability or obligation that is present, future, prospective, actual or contingent.

“Loan Agreement” means the shareholder’s loan agreement dated 18 October 2018 entered into between: (4i) the Company, as borrower; and (2ii) the Investor, as lender, and

which is set out at Appendix [●] of the Explanatory Statement.

“**Long-Stop Date**” means the Long-Stop Date (as defined in the Restructuring Agreement) or such later date agreed between the Company and the Investor.

“**MHI Settlement Agreement**” means the settlement agreement dated ~~15~~ 15 February 2019 entered into between: (1) Mitsubishi Heavy Industries, Ltd; (2) Mitsubishi Heavy Industries Asia Pacific Pte Ltd; (3) Mitsubishi Heavy Industries Environmental & Chemical Engineering Co, Ltd; (4) the Company; (5) ~~HEPLHE~~; (6) Hydrochem; (7) TuasOne Pte Ltd; and (8) TuasOne Environmental Engineering Pte Ltd, a copy of which is set out at Appendix [●] of the Explanatory Statement.

“**Noteholders**” means the Series 008 Noteholders, the Series 009 Noteholders and the Series 010 Noteholders.

“**Notes**” means the Series 008 Notes, the Series 009 Notes and the Series 010 Notes.

“**Notes Claim**” means any Claim of the Noteholders that is not an Excluded Claim arising under or in respect of the Notes.

“**Notes Trust Deed**” means the trust deed dated 3 July 2008 entered into between: (1) the Company, as issuer; and (2) the Notes Trustee, as trustee.

“**Notes Trustee**” means DBS Trustee Limited.

~~“**Objection to Contingent Claim Extinguishment Notice**” means a written notice to be issued by the subject Contingent Claimant to the Scheme Manager within [21] days from the Contingent Claimant’s receipt of a Contingent Claim Extinguishment Notice indicating the Contingent Claimant’s objection to the Scheme Manager’s determination under the Contingent Claim Extinguishment Notice and setting out the reasons for such objection (including any supporting documents or evidence).~~

“**Other Claim**” means any Claim other than a Contingent Claim, an Excluded Claim, a Facilities Claim, the KfW Claim, a Subordinated Claim, ~~an Intercompany Claim,~~ a Notes Claim, a Perpetual Capital Securities Claim or a Preference Shares Claim.

“**Other Claimant**” means any person that holds an Other Claim.

“**Perpetual Capital Securities**” means the 6.00% perpetual capital securities (ISIN: SG31B4000005) issued by the Company and constituted pursuant to the Perpetual Securities Trust Deed, of which S\$500,000,000 in aggregate principal amount are outstanding as at the date of the Explanatory Statement.

“**Perpetual Capital Securities Holder**” means a person holding a Book Entry Interest in the Perpetual Capital Securities.

“**Perpetual Capital Securities Cash Consideration**” means cash allocated from the Debt Securities Claims Cash Consideration to be calculated in the following manner:

$$PCSCC = \frac{a}{a + b} \times DSCCC$$

where:

a is the total dollar value of all Accepted Perpetual Capital Securities Claims;

b is the total dollar value of all Accepted Preference Shares Claims;

DSCCC is the Debt Securities Claims Cash Consideration; and

PCSCC is the Perpetual Capital Securities Cash Consideration.

“Perpetual Capital Securities Cash Payout” means in respect of each Accepted Perpetual Capital Securities Claim, a cash payout to be calculated in the following manner:

$$PCSCP = \frac{c}{d} \times PCSCC$$

where:

c is the number of units of Perpetual Capital Securities held by the Perpetual Capital Securities Holder in respect of the subject Accepted Perpetual Capital Securities Claim;

d is the total number of units of Perpetual Capital Securities in respect of all Accepted Perpetual Capital Securities Claims;

PCSCC is the Perpetual Capital Securities Cash Consideration; and

PCSCP is the Perpetual Capital Securities Cash Payout for the subject Accepted Perpetual Capital Securities Claim, to be rounded down to the nearest cent.

“Perpetual Capital Securities Claim” means any Claim of a Perpetual Capital Securities Holder that is not an Excluded Claim arising under or in respect of the Perpetual Capital Securities.

“Perpetual Capital Securities Equity Consideration” means Shares allocated from the Debt Securities Claims Equity Consideration to be calculated in the following manner:

$$PCSEC = \frac{a}{a + b} \times DSCEC$$

where:

a is the total dollar value of all Accepted Perpetual Capital Securities Claims;

b is the total dollar value of all Accepted Preference Shares Claims;

DSCEC is the Debt Securities Claims Equity Consideration; and

*PCSCG**PCSEC* is the Perpetual Capital Securities **Cash****Equity** Consideration.

“Perpetual Capital Securities Equity Payout” means in respect of each Accepted Perpetual Capital Securities Claim, an allotment and issuance of Shares to be calculated in

the following manner:

$$PCSEP = \frac{c}{d} \times PCSEC$$

where:

c is the number of units of Perpetual Capital Securities held by the Perpetual Capital Securities Holder in respect of the subject Accepted Perpetual Capital Securities Claim;

d is the total number of units of Perpetual Capital Securities in respect of all Accepted Perpetual Capital Securities Claims;

PCSEC is the Perpetual Capital Securities Equity Consideration; and

PCSEP is the Perpetual Capital Securities Equity Payout for the subject Accepted Perpetual Capital Securities Claim, to be rounded down to the nearest whole number.

“Perpetual Capital Securities Trust Deed” means the trust deed dated 27 May 2016 entered into between: (4*i*) the Company, as issuer; and (2*ii*) the Perpetual Capital Securities Trustee, as trustee.

“Perpetual Capital Securities Trustee” means Perpetual (Asia) Limited.

“Personnel” means, in relation to any person, its current and former officers, partners, directors, employees, staff, agents, counsel and other representatives.

“Preference Shareholder” means a person holding a Book Entry Interest in the Preference Shares.

“Preference Shares” means the S\$400,000,000 8.00% cumulative non-convertible non-voting perpetual class A preference shares (ISIN: SG2D17969577) issued by the Company.

“Preference Shares Cash Consideration” means cash allocated from the Debt Securities Claims Cash Consideration to be calculated in the following manner:

$$PSCC = \frac{b}{a + b} \times DSCCC$$

where:

a is the total dollar value of all Accepted Perpetual Capital Securities Claims;

b is the total dollar value of all Accepted Preference Shares Claims;

DSCCC is the Debt Securities Claims Cash Consideration; and

PSCC is the Preference Shares Cash Consideration.

“Preference Shares Cash Payout” means in respect of each Accepted Preference Shares Claim, a cash payout to be calculated in the following manner:

$$PSCP = \frac{e}{f} \times PSCC$$

where:

e is the number of Preference Shares held by the Preference Shareholder in respect of the subject Accepted Preference Shares Claim;

f is the total number of Preference Shares in respect of all Accepted Preference Shares Claims;

PSCC is the Preference Shares Cash Consideration; and

PSCP is the Preference Shares Cash Payout for the subject Accepted Preference Shares Claim, to be rounded down to the nearest cent.

“Preference Shares Claim” means any Claim of a Preference Shareholder that is not an Excluded Claim arising under or in respect of the Preference Shares.

“Preference Shares Equity Consideration” means Shares allocated from the Debt Securities Claims Equity Consideration to be calculated in the following manner:

$$PSEC = \frac{b}{a + b} \times DSCEC$$

where:

a is the total dollar value of all Accepted Perpetual Capital Securities Claims;

b is the total dollar value of all Accepted Preference Shares Claims;

DSCEC is the Debt Securities Claims Equity Consideration; and

PSEC is the Preference Shares Equity Consideration.

“Preference Shares Equity Payout” means in respect of each Accepted Preference Shares Claim, an allotment and issuance of Shares to be calculated in the following manner:

$$PSEP = \frac{e}{f} \times PSEC$$

where:

e is the number of Preference Shares held by the Preference Shareholder in respect of the subject Accepted Preference Shares Claim;

f is the total number of Preference Shares in respect of all Accepted Preference Shares Claims;

PSEC is the Preference Shares Equity Consideration; and

PSEP is the Preference Shares Equity Payout for the subject Accepted Preference Shares Claim, to be rounded down to the nearest whole number.

“Professional Advisor Fees” means any professional advisory fees ~~of the professional advisors advising the Group, the Contingent Claimants, the Facilities Lenders, KfW, the Other Claimants, the Noteholders, the Notes Trustee, the Perpetual Capital Securities Holders, the Perpetual Capital Securities Trustee and the Preference Shareholders~~ and disbursements of an Advisor reasonably incurred in connection with the Restructuring. ~~For the avoidance of doubt, Professional Advisor Fees includes the professional advisory fees of the professional advisors advising the Unsecured Working Group, Informal Steering Committee (Notes) and the Informal Steering Committee (P&P).~~ , which is to be paid by the Company seven (7) days before the Settlement Date.

“Proof of Claim” means a proof setting out the claim of a Scheme Party substantially in the form set out at Schedule 4 of this Scheme and Appendix [●] of the Explanatory Statement.

“Proof Regulations” means the Companies (Proofs of Debt in Schemes of Arrangement) Regulation 2017 (No S 245) of Singapore.

“Record Date” means 5:00 pm on 1 March 2019, being the latest time a Proof of Claim must be submitted to the Chairman to be assessed for the purposes of voting on this Scheme and determining the entitlements of the Scheme Parties to the Scheme Consideration.

“Restructuring” means the financial and corporate restructuring of the Group in accordance with and as implemented through the 211B Proceedings, the HE Scheme, the HMM Scheme, the Hydrochem Scheme, the Scheme and the Restructuring Documents.

“Restructuring Agreement” means the restructuring agreement dated 18 October 2018 entered into between: (4*i*) the Company, as the target company; and (2*ii*) the Investor, as the investor, and which is set out at Appendix [●] of the Explanatory Statement.

“Restructuring Documents” means the Restructuring Agreement and the Loan Agreement.

“Restructuring Effective Date” means ~~the~~ later of: (4*i*) the date on which all of the Conditions Precedent (other than Clause 5.1(d) of the Restructuring Agreement) are fulfilled or waived; and (2*ii*) the Scheme Effective Date.

“Scheme” means the scheme of arrangement proposed by the Company under Section 210 of the Act in its present form or with or subject to any modifications, additions or conditions approved or imposed by the Court or approved in accordance with its terms.

“Scheme Consideration” means, in respect of:

- (a) the Accepted Debt Securities Claims: (i) the Debt Securities Claims Cash Consideration; and (ii) the Debt Securities Claims Equity Consideration; and
- (b) the Accepted Unsecured Claims: (i) the Unsecured Claims Cash Consideration; and (ii) the Unsecured Claims Equity Consideration;
- (c) the Accepted ~~Intercompany Subordinated~~ Party Claims: the ~~Intercompany Subordinated~~ Party Claims Cash Consideration.

“**Scheme Claims**” means the Debt Securities Claims, the Unsecured Claims and the ~~Intercompany~~Subordinated Claims.

“**Scheme Effective Date**” means the date on which the Court order sanctioning the Scheme under the Act is lodged with ACRA.

“**Scheme Manager**” means the person appointed from time to time by the Court to administer the Scheme, which may include Ms Angela Ee of Ernst & Young Solutions LLP.

“**Scheme Meetings**” means the meetings of the Scheme Parties to vote on the Scheme convened pursuant to an order of the Court (and any meetings called following an adjournment).

“**Scheme Parties**” means the Debt Securities Scheme Parties, the Unsecured Scheme Parties and the ~~Intercompany Claimants~~Subordinated Scheme Parties.

“**Second Contingent Claim Management Payout**” means in respect of each Accepted Contingent Claim that is Extinguished after the date falling one (1) year after the Restructuring Effective Date and within the Contingent Claim Expiry Date, a cash payout to be calculated in the following manner:

$$SCCMP = 20\% \times \frac{s}{q} \times UCCC$$

where:

s is the value of the subject Accepted Contingent Claim that is Extinguished after the date falling one (1) year after the Restructuring Effective Date and within the Contingent Claim Expiry Date;

q is the total value of all Accepted Unsecured Claims;

UCCC is the Unsecured Claims Cash Consideration; and

SCCMP is the Second Contingent Claim Management Payout for the subject Accepted Contingent Claim, to be rounded down to the nearest cent.

“**Second Unsecured Claim Cash Payout**” means in respect of each Accepted Unsecured Claim that is not an Extinguished Contingent Claim within one (1) year after the Restructuring Effective Date, a cash payout to be calculated in the following manner:

$$SUCCP = \left(\frac{p}{q-t} \times (UCCC - \sum FCCMP) \right) - IUCCP$$

where:

p is the value of the subject Accepted Unsecured Claim that is not an Extinguished Contingent Claim within one (1) year after the Restructuring Effective Date;

q is the total value of all Accepted Unsecured Claims;

t is the total value of all Accepted Contingent Claims that have been Extinguished within one (1) year after the Restructuring Effective Date;

$UCCC$ is the Unsecured Claims Cash Consideration;

$\Sigma FCCMP$ is the sum of all First Contingent Claim Management Payouts;

$IUCCP$ is the Initial Unsecured Claim Cash Payout for the subject Accepted Unsecured Claim, to be rounded down to the nearest cent; and

$SUCCP$ is the Second Unsecured Claim Cash Payout for the subject Accepted Unsecured Claim, to be rounded down to the nearest cent.

“Second Unsecured Claim Equity Payout” means in respect of each Accepted Unsecured Claim that is not an Extinguished Contingent Claim within one (1) year after the Restructuring Effective Date, an allotment and issuance of Shares to be calculated in the following manner:

$$SUCEP = \left(\frac{p}{q-t} \times UCEC \right) - IUCEP$$

where:

p is the value of the subject Accepted Unsecured Claim that is not an Extinguished Contingent Claim within one (1) year after the Restructuring Effective Date;

q is the total value of all Accepted Unsecured Claims;

t is the total value of all Accepted Contingent Claims that have been Extinguished within one (1) year after the Restructuring Effective Date;

$UCEC$ is the Unsecured Claims Equity Consideration;

$IUCEP$ is the Initial Unsecured Claim Equity Payout for the subject Accepted Unsecured Claim, to be rounded down to the nearest whole number; and

$SUCEP$ is the Second Unsecured Claim Equity Payout for the subject Accepted Unsecured Claim, to be rounded down to the nearest whole number.

“Securities” means the Notes, the Perpetual Securities and the Preference Shares.

“Series 008 Notes” means the 4.25% notes due 2018 (ISIN: SG6Q70974010) issued by the Company and constituted pursuant to the Notes Trust Deed, of which S\$100,000,000 in aggregate principal amount is outstanding as at the date of the Explanatory Statement.

“Series 008 Noteholders” means persons holding a Book Entry Interest in the Series 008 Notes.

“Series 009 Notes” means the 4.60% notes due 2019 (ISIN: SG6Q77974112) issued by the Company and constituted pursuant to the Notes Trust Deed, of which S\$65,000,000 in aggregate principal amount is outstanding as at the date of the Explanatory Statement.

“**Series 009 Noteholders**” means persons holding a Book Entry Interest in the Series 009 Notes.

“**Series 010 Notes**” means the 4.20% notes due 2019 (ISIN: SG6W23985057) issued by the Company and constituted pursuant to the Notes Trust Deed, of which S\$100,000,000 in aggregate principal amount is outstanding as at the date of the Explanatory Statement.

“**Series 010 Noteholders**” means persons holding a Book Entry Interest in the Series 010 Notes.

“**Settlement Date**” means the date falling ~~10~~ weeks on or before twenty eight (28) days after the Completion Date (as defined in the Restructuring Effective Date Agreement).

“**SGXNet**” means the online announcement platform hosted by SGX-ST.

“**SGX-ST**” means the Singapore Exchange Securities Trading Limited.

“**Shares**” means ordinary shares in the capital of the Company.

“**SIAS**” means the Securities Investors Association (Singapore).

“**Singapore**” means the Republic of Singapore.

“**SMC**” means the Singapore Mediation Centre.

“**Subordinated Claim**” means any Intercompany Claim and any HS Claim.

“**Subordinated Claims Cash Consideration**” means cash of an amount equal to the total sum of all Subordinated Claim Cash Payouts.

“**Subordinated Claim Cash Payout**” means in respect of each Accepted Subordinated Claim, a cash payout of S\$1.

“**Subordinated Scheme Parties**” means the Intercompany Claimants and any HS Claimants.

“**Subsidiary**” means a subsidiary within the meaning of Section 5 of the Act.

“**TuasOne EPC Contract**” means the contract for design, engineering, procurement, construction, completion, start-up, testing and commissioning of waste-to-energy plant dated 26 April 2016 entered into between: (4i) TuasOne Pte Ltd, as employer; and (2ii) Hydrochem, as contractor.

“**TuasOne EPC Contract Parent Company Guarantee**” means the deed of guarantee dated 12 May 2016 made by the Company, as guarantor, for the benefit of TuasOne Pte Ltd, in respect of the obligations of Hydrochem under the TuasOne EPC Contract.

“**TuasOne Facility**” means the facility agreement dated 12 May 2016 entered into between: (4i) TuasOne Pte Ltd, as borrower; (2ii) the banks and financial institutions listed in Schedule 1, as original lenders; (3iii) DBS Bank Ltd, Maybank Kim Eng Securities Pte Ltd, Mizuho Bank, Ltd and The Bank of Tokyo-Mitsubishi UFJ, Ltd, as arranger; (4iv) Malayan Banking

Berhad, Singapore Branch, as agent; and (4y) the TuasOne Facility Security Trustee, as security trustee.

“TuasOne Facility Security Trustee” means Malayan Banking Berhad, Singapore Branch.

“TuasOne Share Charge” means the share charge executed by the Company dated 12 May 2016 in favour of the TuasOne Facility Security Trustee.

“Unsecured Claims” means the Contingent Claims, the Facilities Claims, the KfW Claim, the Other Claims and the Notes Claims.

“Unsecured Claims Cash Consideration” means cash of an amount equal to [S\$232,000,000].

“Unsecured Claims Cash Consideration Surplus Amount” means any residual cash from the Unsecured Claims Cash Consideration left in the Escrow Account or held by the Company three months before the expiry of the Holding Period that is not the subject of an ongoing dispute between Hyflux and the original beneficiary of that residual cash payment under the terms of this Scheme and after all cash payouts as set out in Clause 4.1.1 to Clause 4.1.9 have been made.

“Unsecured Claims Equity Consideration” means Shares constituting [27.00]% of the issued and paid up capital in the Company ~~on~~ after the New Shares (as defined in the Restructuring ~~Effective Date~~ Agreement) have been allotted and issued under the Restructuring Agreement.

“Unsecured Claims Equity Consideration Surplus Amount” means any residual Shares from the Unsecured Claims Equity Consideration left in the Escrow Account or held by the Company three months before the expiry of the Holding Period that is not the subject of an ongoing dispute between Hyflux and the original beneficiary of those residual Shares under the terms of this Scheme and after all equity payouts as set out in Clause 4.1.1 to Clause 4.1.9 have been made.

“Unsecured Scheme Parties” means the Contingent Claimants, the Facilities Lenders, KfW, ~~the Other Claimants~~, the Noteholders, ~~the Notes Trustee~~ and the ~~Perpetual Capital Securities Trustee~~ Other Claimants.

“Unsecured Working Group” means the unsecured working group comprising certain Unsecured Scheme Parties including Mizuho Bank, Ltd, KfW, Bangkok Bank Public Company Limited, Standard Chartered Bank, Singapore Branch, BNP Paribas, CTBC Bank Co, Ltd, The Korea Development Bank and The Korea Development Bank, Singapore Branch established in connection with the Restructuring that is represented by Borrelli Walsh Limited, Hogan Lovells Lee & Lee and Tan Kok Quan Partnership.

- 1.2 In this Scheme, unless the context otherwise requires or as otherwise expressly stated:
- 1.2.1 references to Clauses and Schedules are references to clauses and schedules of this Scheme;
 - 1.2.2 references to a person include a reference to an individual, firm, partnership, company, corporation, unincorporated body of persons or any state or state agency;

- 1.2.3 references to a statute, statutory provision or regulatory rule or guidance include references to the same as subsequently modified, amended or re-enacted from time to time;
- 1.2.4 references to an agreement, deed or document shall be deemed also to refer to such agreement, deed or document as amended, supplemented, restated, verified, replaced and/or novated (in whole or in part) from time to time and to any agreement, deed or document executed pursuant thereto, provided that such amendment, supplement, restatement, verification, replacement and/or novation has, to the extent it relates to a Restructuring Document or this Scheme, been made in accordance with the terms of such Restructuring Document and/or this Scheme (as applicable);
- 1.2.5 the singular includes the plural and *vice versa* and words importing one gender shall include all genders;
- 1.2.6 references to “including” shall be construed as references to “including without limitation” and “include”, “includes” and “included” shall be construed accordingly;
- 1.2.7 headings to Clauses and Schedules are for ease of reference only and shall not affect the interpretation of this Scheme;
- 1.2.8 references to a period of days shall include Saturdays, Sundays and public holidays and where the date which is the final day of a period of days is not a Business Day, that date will be adjusted so that it is the first following day which is a Business Day;
- 1.2.9 references to “dollar” or to “S\$” are references to the lawful currency from time to time of Singapore;
- 1.2.10 references to time shall be to Singapore time; and
- 1.2.11 where any amount is specified in this Scheme (including in any definition) in respect of any Scheme Consideration, that amount is subject to rounding in accordance with the terms of this Scheme.

2. SCHEME EFFECTIVENESS

- 2.1 This Scheme provides for a compromise and an arrangement between the Company and all Scheme Parties in respect of all Scheme Claims, including the full and final satisfaction, settlement, release and discharge of claims owing by the Company or any other member of the Group to the Scheme Parties (including accrued and unpaid interest in relation thereto (including default interest, if any)).
- 2.2 The terms of this Scheme shall become effective on the Scheme Effective Date and shall take effect in accordance with its terms.
- 2.3 The Company shall promptly notify the Scheme Parties via an announcement made on SGXNet that the Scheme Effective Date has occurred.
- 2.4 On and from the Scheme Effective Date, the Company shall use all reasonable endeavours to procure that the Conditions Precedent are satisfied and that Completion (as defined under the Restructuring Agreement) occurs as soon as reasonably practicable and in any event on

[or prior to the Long-Stop Date.](#)

3. AUTHORISATION TO EXECUTE ~~AND ANY~~ UNDERTAKING TO BE BOUND BY THE RESTRUCTURING DOCUMENTS

3.1 On and from the Scheme Effective Date, in consideration of the rights provided to the Scheme Parties under this Scheme and notwithstanding any term of any relevant document, each Scheme Party hereby appoints the [CompanyScheme Manager](#) as his or her attorney and agent and irrevocably authorises, directs, instructs and empowers the [CompanyScheme Manager](#) (represented by any authorised representative) to:

3.1.1 enter into, execute and deliver (whether as a deed or otherwise) for and on behalf of such Scheme Party each other Restructuring Document to which the Scheme Parties, or any of them, are named as a party and any other document referred to, contemplated by or ancillary to any of the foregoing [provided that such execution and delivery \(whether as a deed or otherwise\) does not have an adverse effect on the rights of any of the Scheme Parties under this Scheme;](#)

3.1.2 in respect of Noteholders, Perpetual Capital Securities Holders and the Preference Shareholders:

3.1.2.1 attend, speak and vote at any meeting of the Noteholders, Perpetual Capital Securities Holders and/or the Preference Shareholders (as the case may be) to seek approval for any of the matters contemplated under this Scheme; and

3.1.2.2 take whatever action is necessary to ensure that the books and records of the CDP are updated to reflect the terms of this Scheme, including without limitation to:

3.1.2.2.1 instruct the CDP to debit the Notes, Perpetual Capital Securities and Preference Shares from the securities account or securities sub-account in which the Securities are credited (or the Account Holder, as applicable);

3.1.2.2.2 authorise the cancellation of the Notes, Perpetual Capital Securities and Preference Shares; and

3.1.2.2.3 take or carry out any other step or procedure reasonably required to effect the settlement of this Scheme.

3.2 Any action taken by the [CompanyScheme Manager](#) in accordance with this Scheme or the Restructuring Documents will not constitute a breach of the Facilities, the KfW Facility, the Notes Trust Deed, the Perpetual Capital Securities Trust Deed or the Constitutional Documents (or any other agreement or document governing the terms of any Scheme Claim).

3.3 The authority and power granted and conferred on the [CompanyScheme Manager](#) under Clause 3.1 shall be treated, for all purposes whatsoever and without limitation, as having been granted and conferred by deed and the [CompanyScheme Manager](#) shall be entitled to delegate the authority granted and conferred by Clause 3.1 to any duly authorised officer or agent of the [CompanyScheme Manager](#) as necessary.

4. ALLOCATION AND DISTRIBUTION OF SCHEME CONSIDERATION

Unsecured Scheme Parties

- 4.1 On the Restructuring Effective Date, each Unsecured Scheme Party shall be entitled to, in respect of his or her Accepted Unsecured Claim, to a distribution of the Unsecured Claims Cash Consideration and the Unsecured Claims Equity Consideration in the following manner:

Initial global distribution

- 4.1.1 In respect of all Accepted Unsecured Claims except those that are Contingent Claims, the Company shall pay to each Unsecured Scheme Party the respective Initial Unsecured Claim Cash Payout on the Settlement Date.
- 4.1.2 In respect of all Accepted Unsecured Claims except those that are Contingent Claims, the Company shall allot and issue to each Unsecured Scheme Party the respective Initial Unsecured Claim Equity Payout on the Settlement Date.
- 4.1.3 In respect of all Accepted Contingent Claims, the Company shall pay into the Escrow Account the aggregate of the Initial Unsecured Claim Cash Payouts for the Accepted Contingent Claims on the Settlement Date and such amount shall be held in escrow by the Escrow Agent in accordance with the terms of the Escrow Agreement.
- 4.1.4 In respect of all Accepted Contingent Claims, the Company shall allot and issue the aggregate of the Initial Unsecured Claim Equity Payouts for the Accepted Contingent Claims on the Settlement Date to the Escrow Agent as ~~treasury~~ Shares to be held in the Escrow Account ~~by the Escrow Agent~~ in accordance with the terms of the Escrow Agreement.

Ongoing distribution for Crystallised Contingent Claims

- 4.1.5 If an Accepted Contingent Claim becomes a Crystallised Contingent Claim within the Contingent Claim Expiry Date:
- 4.1.5.1 the respective Initial Unsecured Claim Cash Payout for that Accepted Contingent Claim shall be paid to the respective Contingent Claimant from the Escrow Account within:
- 4.1.5.1.1 ~~twenty one (21)~~ days from the date of the respective Contingent Claim Crystallisation Determination; or
- 4.1.5.1.2 ~~42~~ fifty nine (59) days from the date of the Contingent Claim Crystallisation Notice in the event that: (i) no Contingent Claim Crystallisation Determination Challenge is issued within ~~28~~ seventeen (17) days of the Contingent Claim Crystallisation Notice; and (ii) no Contingent Claim Crystallisation Determination is issued within thirty eight (38) days of the Contingent Claim Crystallisation Notice.
- 4.1.5.2 the respective Initial Unsecured Claim Equity Payout for that Accepted Contingent Claim shall be transferred to the respective Contingent Claimant from the Escrow Account within:

- 4.1.5.2.1 ~~twenty one (21)~~ days from the date of the respective Contingent Claim Crystallisation Determination; or
- 4.1.5.2.2 ~~42~~fifty nine (59) days from the date of the Contingent Claim Crystallisation Notice in the event that: (i) no Contingent Claim Crystallisation Challenge is issued within seventeen (17) days of the Contingent Claim Crystallisation Notice; and (ii) no Contingent Claim Crystallisation Determination is issued within ~~28~~thirty eight (38) days of the Contingent Claim Crystallisation Notice.

Second distribution

- 4.1.6 On the date falling one (1) year after the Restructuring Effective Date, the Scheme Manager shall take an account of all Extinguished Contingent Claims.
- 4.1.7 Within ~~twenty eight (28)~~ days from the date falling one (1) year after the Restructuring Effective Date, the Scheme Manager shall:
 - 4.1.7.1 in respect of all Accepted Contingent Claims that have been Extinguished within one (1) year after the Restructuring Effective Date, make payment of the First Contingent Claim Management Payouts to the Company from the Escrow Account;
 - 4.1.7.2 in respect of all Accepted Unsecured Claims that are not Contingent Claims and all Accepted Contingent Claims that have Crystallised within one (1) year after the Restructuring Effective Date, make payment of the Second Unsecured Claim Cash Payout to the respective Unsecured Scheme Party from the Escrow Account; and
 - 4.1.7.3 in respect of all Accepted Unsecured Claims that are not Contingent Claims and all Accepted Contingent Claims that have Crystallised within one (1) year after the Restructuring Effective Date, transfer the Second Unsecured Claim Equity Payout to the respective Unsecured Scheme Party from the Escrow Account.

Final distribution

- 4.1.8 On the date immediately following the Contingent Claim Expiry Date, the Scheme Manager shall take an account of all Extinguished Contingent Claims and Expired Contingent Claims.
- 4.1.9 Within ~~28~~fifty two (52) days from the Contingent Claim Expiry Date, the Scheme Manager shall:
 - 4.1.9.1 in respect of all Accepted Contingent Claims that have been Extinguished one (1) year after the Restructuring Effective Date and within the Contingent Claim Expiry Date, make payment of the Second Contingent Claim Management Payouts to the Company from the Escrow Account;
 - 4.1.9.2 in respect of all Accepted Unsecured Claims that are not Contingent

Claims and all Accepted Contingent Claims that have Crystallised within one (1) year after the Restructuring Effective Date, make payment of the Final Unsecured Claim Cash Payout to the respective Unsecured Scheme Party from the Escrow Account;

- 4.1.9.3 in respect of all Accepted Unsecured Claims that are not Contingent Claims and all Accepted Contingent Claims that have Crystallised within one (1) ~~years~~year after the Restructuring Effective Date, transfer the Final Unsecured Claim Equity Payout to the respective Unsecured Scheme Party from the Escrow Account;
- 4.1.9.4 in respect of all Accepted Contingent Claims that have Crystallised more than one (1) year after the Restructuring Effective Date and within the Contingent Claim Expiry Date, make payment of the Second Unsecured Claim Cash Payout and Final Unsecured Claim Cash Payout to the respective Unsecured Scheme Party from the Escrow Account; and
- 4.1.9.5 in respect of all Accepted Contingent Claims that have Crystallised ~~two~~more than one (1) year after the Restructuring Effective Date and within the Contingent Claim Expiry Date, transfer the Second Unsecured Claim Equity Payout and Final Unsecured Claim Equity Payout to the respective Unsecured Scheme Party from the Escrow Account.

Surplus amounts

- 4.1.10 On the date falling three months before the expiry of the Holding Period, the Scheme Manager shall take an account of the Unsecured Claims Cash Consideration Surplus Amount and the Unsecured Cash Claims Equity Consideration Surplus Amount.
- 4.1.11 The Scheme Manager shall upload a document setting out the quantum of the Unsecured Claims Cash Consideration Surplus Amount and the Unsecured Cash Claims Equity Consideration Surplus Amount into the Data Room within seven (7) days from the date falling three months before the expiry of the Holding Period.
- 4.1.12 The Scheme Manager may, having considered the quantum of the Unsecured Claims Cash Consideration Surplus Amount and the Unsecured Claims Equity Consideration Surplus Amount, apply to Court for leave to further distribute the Unsecured Claims Cash Consideration Surplus Amount and the Unsecured Cash Claims Equity Consideration Surplus Amount to on a *pro rata* basis the Unsecured Scheme Parties who have received a distribution in respect of their Accepted Unsecured Claims. The Scheme Manager shall upload the documents filed with the Court in respect of any such application within three (3) days from the filing date, and will not object to the participation of any Unsecured Scheme Party in the application.

Debt Securities Scheme Parties

- 4.2 On the Restructuring Effective Date, each Debt Securities Scheme Party shall be entitled to, in respect of his or her Accepted Debt Securities Claim, a distribution of the Debt Securities Claims Cash Consideration and the Debt Securities Claims Equity Consideration in the

following manner:

- 4.2.1 The Company shall pay to each Perpetual Capital Securities Holder the respective Perpetual Capital Securities Cash Payout for his or her Accepted Perpetual Securities Claim on the Settlement Date.
- 4.2.2 The Company shall allot and issue to each Perpetual Capital Securities Holder the respective Perpetual Capital Securities Equity Payout for his or her Accepted Perpetual Securities Claim on the Settlement Date.
- 4.2.3 The Company shall pay to each Preference Shareholder the respective Preference Shares Cash Payout for his or her Accepted Preference Shares Claim on the Settlement Date.
- 4.2.4 The Company shall allot and issue to each Preference Shareholder the respective Preference Shares Equity Payout for his or her Accepted Preference Shares Claim on the Settlement Date.

~~Intercompany Claimants~~
Subordinated Scheme Parties

- 4.3 On the Restructuring Effective Date, each ~~Intercompany Claimant~~Subordinated Scheme Party shall be entitled to, in respect of his or her Accepted ~~Intercompany Subordinated~~ Claim, to a distribution of the ~~Intercompany Subordinated~~ Claims Cash Consideration in the following manner:
 - 4.3.1 The Company shall pay to each ~~Intercompany Claimant~~Subordinated Scheme Party the respective ~~Intercompany Subordinated~~ Claim Cash Payout for his or her Accepted ~~Intercompany Subordinated~~ Claim on the Settlement Date.

Payment distribution

- 4.4 Where a cash payout is required to be made by the Scheme Manager and/or the Company to a Scheme Party pursuant to this Clause 4, the Scheme Manager and/or Company shall instruct CDP to credit such amount of payout to the securities account of that Scheme Party. Where the Scheme Party does not have a valid securities account with CDP, the Scheme Manager and/or Company shall not be obliged to make the cash payout owing to such Scheme Party until the earlier of: ~~(4i)~~ the setting up of a valid securities account with CDP by such Scheme Party; and ~~(2ii)~~ the provision of know-your-client documents ~~(satisfactory to the Escrow Agent) to the Escrow Agent~~ and such other information required to effect such cash payout to the satisfaction of the Escrow Agent, in respect of cash payouts under Clauses 4.1.5, 4.1.7 and 4.1.9, or the Scheme Manager in respect of all other cash payouts. In the case that (ii) occurs earlier, the relevant cash payouts can be made, at the sole and absolute discretion of the Scheme Manager, by direct transfer and do not need to be made by way of credit to the securities account of that Scheme Party.
- 4.5 Where an equity payout is required to be made by the Scheme Manager and/or the Company to a Scheme Party pursuant to this Clause 4, the Scheme Manager and/or Company shall instruct CDP to credit such number of Shares, representing the relevant equity payout, to the securities account of that Scheme Party. Where the Scheme Party does not have a valid securities account with CDP, the Scheme Manager and/or Company shall not be obliged to make the equity payout owing to such Scheme Party until the earlier of: ~~(4i)~~ the setting up of a valid securities account with CDP by such Scheme Party; and ~~(2ii)~~ the provision of know-your-client documents ~~(satisfactory to the Escrow Agent) to the Escrow Agent~~ and such other information required to effect such equity payout to the

