

**THIS EXPLANATORY STATEMENT ADDENDUM IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.** It contains important information and should be read in its entirety. If you are in doubt about any aspect of the proposed Scheme and/or the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant, tax adviser or other professional adviser immediately.

Unless otherwise defined herein or the context otherwise requires, capitalised expressions used shall have the meanings set out in Appendix A of this Explanatory Statement Addendum.



**Proposal in relation to a  
SCHEME OF ARRANGEMENT  
Pursuant to Section 210 of the Companies Act  
(Chapter 50, 2006 Revised Edition)**

**Between**

**Hydrochem (S) Pte Ltd**

(Incorporated and registered under the laws of the  
Republic of Singapore with Unique Entity Number 198902670Z)

**and**

**THE SCHEME PARTIES  
(as defined in the Scheme)**

**EXPLANATORY STATEMENT ADDENDUM**

Scheme Meetings of each class of the Scheme Parties to consider and, if thought fit, approve the proposed Scheme will be held on 8 April 2019 at Hyflux Innovation Centre, 80 Bendemeer Road, Singapore 339949, or such other place as may be fixed by the Company and notified to Scheme Parties via SGXNet. The actions that the Scheme Parties should take in relation to the Scheme are set out in Section 4 of the Explanatory Statement. As a Scheme Party, whether or not you intend to be present at the relevant Scheme Meeting, you are requested to complete and return complete and sign the relevant Proxy Form enclosed to the Explanatory Statement in accordance with the instructions contained therein and lodge the Proxy Form with the Meeting Agent and in any event at least seventy-two hours (72) hours before the time fixed for the Scheme Meeting (*ie*, before 10:00 am, 5 April 2019). Any previously completed and submitted Proxy Forms that have been sent to the Meeting Agent will remain valid unless you have instructed the Meeting Agent in writing to the contrary.

Subject to applicable law and as provided in the Explanatory Statement, the Company may, prior to the calling of any Scheme Meeting, delete, modify, amend or add to the terms of the proposed Scheme which the Company, upon further consultation with the Scheme parties as necessary or relevant, may think fit for the implementation of the Restructuring. Details of any deletion, modification, amendment and/or addition will be announced to all Scheme Parties via SGXNet as soon as reasonably practicable after the relevant decision is made.

**Prior to making a decision on whether to approve the Proposal (as defined herein), you should carefully consider all of the information set forth in the Explanatory Statement and this Explanatory Statement Addendum. In particular, you should also take note of the risk factors set out in Section 9 of the Explanatory Statement and Section 6 of this Explanatory Statement Addendum.**

Questions and requests for further information and assistance in relation to the proposed Scheme and/or this Explanatory Statement, including in respect of the submission or delivery of Proofs of Claim and/or Proxy Forms, may be directed to Company through the following channels:

**Telephone:** +65 3517 7999

**Email:** proofofclaim@hyflux.com

**Post:** Hyflux Ltd, Hyflux Innovation Centre, 80 Bendemeer Road, Singapore 339949

The date of this Explanatory Statement Addendum is 26 March 2019.

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## CONTACTS

<b>The Chairman of the Court Meeting and Proposed Scheme Managers</b>	Ms Angela Ee c/o Ernst & Young Solutions LLP, or in the alternative, Mr Glenn Peters c/o Ernst & Young Solutions LLP
Address	One Raffles Quay, North Tower, Level 18, Singapore 048583
Email	hyfluxqueries@sg.ey.com

# Hydrochem (S) Pte Ltd

80 Bendemeer Road  
Hyflux Innovation Centre  
Singapore 339949

(Incorporated and registered under the laws of the Republic of Singapore with Unique Entity  
Number 198902670Z)

## EXPLANATORY STATEMENT ADDENDUM

To: the Scheme Parties

26 March 2019

**THIS EXPLANATORY STATEMENT ADDENDUM CONCERNS MATTERS WHICH MAY  
AFFECT YOUR LEGAL RIGHTS AND ENTITLEMENTS AND YOU MAY THEREFORE WISH  
TO TAKE APPROPRIATE LEGAL ADVICE ON ITS CONTENTS**

Dear Sir/Madam,

**Proposed scheme of arrangement (“Scheme”) in relation to Hydrochem (S) Pte Ltd (“Company”) under Section 210 of the Companies Act (Chapter 50, 2006 Revised Edition) of the Republic of Singapore (“Act”)**

### 1. INTRODUCTION

- 1.1. This Explanatory Statement Addendum should be read with the Explanatory Statement Explanatory Statement dated 22 February 2019<sup>1</sup>.
- 1.2. The Explanatory Statement, which was published by the Company on its website, informed the Scheme Parties of the background and effect of the Scheme, including that in connection with the Restructuring and as contemplated under the Restructuring Agreement, the Company intends to enter into a compromise and arrangement with the Scheme Parties in respect of all Scheme Claims pursuant to the terms of the Scheme. The Explanatory Statement was written and issued pursuant to Section 211 of the Companies Act and in accordance with the applicable procedure and guidance laid down in the Act and by the Court.
- 1.3. Since the date of the Explanatory Statement, the deadline for filing Proofs of Claim have passed and the results of the adjudication have been provided to those who filed Proofs of Claim. In accordance with the results of the adjudication of the Proofs of Claim, the Base General Claims Cash Consideration has been revised to ensure the rate of return is as close to the previous estimate provided in Appendix G of the Explanatory Statement.
- 1.4. Clean and blackline copies of the revised Scheme are set out in Appendix B of this Explanatory Statement Addendum.

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<sup>1</sup> The Explanatory Statement can be accessed at: <https://www.hyflux.com/wp-content/uploads/2019/02/Hydrochem-explanatory-statement.pdf>

1.5. **For a summary of the effect of the Scheme, the payouts thereunder and the expected returns, please refer to Appendix C of this Explanatory Statement Addendum.** The purpose of this Explanatory Statement Addendum is to inform the Scheme Parties of the material changes to the terms of the Scheme which will affect payouts to be made under the Scheme to Scheme Parties, and provide an update on timelines in relation to the Scheme Meetings. It is written and issued pursuant to Section 211 of the Act and in accordance with the applicable procedure and guidance laid down in the Act and by the Court. Unless otherwise defined herein or the context otherwise requires, capitalised expressions used shall have the meanings set out in Appendix A of the Explanatory Statement and Appendix A of this Explanatory Statement Addendum.

1.6. Please note that this Explanatory Statement Addendum does not form the basis of the legal contract between the Company and the Scheme Parties. The legally binding contract between the Company and the Scheme Parties in the event the proposed Scheme of arrangement is approved by the Scheme parties and sanctioned by the Court is the Scheme. The Company has prepared this Explanatory Statement Addendum on a best efforts basis, but make no warranty as to the accuracy or completeness of the information provided herein. The Company reserves the right to amend or supplement this Explanatory Statement Addendum and/or the information contained herein.

## **2. Details of upcoming Scheme Meeting**

2.1 On the same day the Explanatory Statement was published by the Company, the notices calling the Scheme Meeting were also published<sup>2</sup>. The scheme meeting will be held at Hyflux Innovation Centre, 80 Bendemeer Road, Singapore 339949 on **8 April 2019 at 10am** for the purpose of considering and, if thought fit, agreeing (with or without modification) the Scheme pursuant to Section 210 of the Act.

## **3. Revised Timelines**

3.1 The Explanatory Statement Dated 22 February 2019 had stated:

3.1.1 At paragraph 7.2.2 that the results of the adjudication of Proofs of Claim by the Chairman of the Scheme Meetings will be announced by 15 March 2019.

3.1.2 At paragraph 7.2.3 that you may request to inspect the Proofs of Claim filed by other Scheme Parties by 20 March 2019.

3.1.3 At paragraph 7.2.4 that you may object to the Chairman's adjudication of your Proof of Claim or another Scheme Party's Proof of Claim at a time no later than 22 March 2019.

3.2 The Court had granted an extension of these deadlines as follows:

3.2.1 Until 19 March 2019 for the Chairman of the Scheme Meetings to announce the results of the adjudication of Proofs of Claim.

3.2.2 Until 23 March 2019 for you to request to inspect the Proofs of Claim filed by other Scheme Parties.

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<sup>2</sup> The notice calling the scheme meeting for the Company can be accessed at: <https://www.hyflux.com/wp-content/uploads/2019/02/Notice-calling-scheme-meeting-Hydrochem.pdf>

3.2.3 Until 25 March 2019 for you to object to the Chairman's adjudication of your Proof of Claim or another Scheme Party's Proof of Claim.

3.3 For the avoidance of doubt, all other dates previously stated in paragraph 7.2 of the Explanatory Statement remain the same.

3.4 In accordance with the extended timelines, the results of the adjudication of Proofs of Claim by the Chairman of the Scheme Meetings were sent by post to the parties who filed Proofs of Claim on 19 March 2019.

#### **4. Amendments to distribution sums**

4.1 In accordance with the results of the adjudication of Proofs of Claim by the Chairman:

4.1.1 the list of General Trade Claimants in Schedule 1 of the Scheme and the list of TuasOne Trade Claimants in Schedule 2 of the Scheme have been revised; and

4.1.2 the the Base General Claims Cash Consideration has been revised from S\$6,440,000 to S\$5,711,342.26.

4.2 The revision of the Base General Claims Cash Consideration is intended to keep the rate of return for Scheme Parties as close to the previous estimate provided in Appendix G of the Explanatory Statement.

4.3 With the revisions, the estimated return rate for both General Trade Claimants and TuasOne Trade Claimants have been improved. For an amended version of the summary of the effect of the Scheme, the payouts thereunder and the expected returns, please refer to Appendix C of this Explanatory Statement Addendum.

4.4 In addition to the Claims set out at paragraph 7.3 of the Explanatory Statement, the Claims set out in paragraphs (d), (h), (i), (j), (m), (n) and (p) are Excluded Claims which will not be affected by the Scheme and the Liability of the Group in respect of the underlying agreements of those Claims are being dealt with under the Hyflux Scheme.

#### **5. Voting at the Scheme Meeting and Proxy Forms**

5.1 For the purpose of voting at the relevant Scheme Meeting: (i) you will need to complete the Proxy Form<sup>3</sup> or; (ii) if you are entitled to attend the Scheme Meeting in person, you will need to attend and vote accordingly.

#### **6. Risk Factors**

6.1 In considering whether to vote in favour of the Scheme, each Scheme Party should carefully consider all of the information contained in this Explanatory Statement and in particular the risk factor described below. There may be other risks other than that highlighted below, and Scheme Parties should also consider all other risks relevant in the circumstances.

6.2 **Risk of non-completion by Investor:** As stated by the Company in its announcement issued on 26 March 2019, the Investor has written to the Company on 7 March 2019, 13 March 2019, 18 March 2019 and 25 March 2019 relating to the Restructuring Agreement (collectively, the "Investor Notices"). The Investor Notices allege *inter alia* that there has

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<sup>3</sup> You can access a copy of the Proxy Form at <https://www.hyflux.com/wp-content/uploads/2019/03/Proxy-Form-HMM-Trade-Creditors.pdf>

been non-fulfilment of certain Conditions Precedent and/or certain events amount to prescribed occurrences arising under the Restructuring Agreement, and the effect of which is that the Investor may be entitled to terminate the Restructuring Agreement. The Company does not agree with the Investor's position as set out in the Investor Notices and intends to defend its position vigorously. To this extent, the Company has taken and will continue to take steps to fulfil its contractual obligations under the Restructuring Agreement.

6.3 In view of the above (and particularly, the Investor Notices), Scheme Parties should note that there is no assurance that the Proposed SMI Investment will be completed in the manner currently contemplated under the Restructuring Agreement or at all.

6.4 For further details on the Investor Notices, please see the announcement of the Company dated 26 March 2019 on SGXNET.

## **Appendix A – Definitions**

## DEFINITIONS AND INTERPRETATION

In this Explanatory Statement Addendum, 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 Hyflux, HE, Hyflux Innovation Centre Pte Ltd, HMM and the Company, *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.

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

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

**“Additional General Claims Cash Consideration”** means 53.06% of the Hydrochem TuasOne EPC Contract Payment.

**“Base Currency Conversion Rate”** means the conversion rate of any foreign currency denomination to dollars (S\$) either: (i) as published in The Business Times on 1 March 2019 or (ii) the applicable foreign currency rate which appears on the Currency Converter webpage of the OANDA Corporation’s website at <https://www.oanda.com/currency/converter/> on 1 March 2019.

**“Base General Claims Cash Consideration”** means cash of an amount equal to S\$5,711,342.26.

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

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

**“Claim”** means any Liability of the Company of a monetary value of more than S\$5,000, 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; or
- (d) 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 Hydrochem (S) Pte Ltd, a company incorporated in Singapore with registration number 198902670Z, 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.

**“Court”** means the High Court of Singapore.

**“Distribution Expiry Date”** means the date falling two (2) years and six (6) months after the Restructuring Effective Date.

**“Excluded Claim”** means:

- (a) any Claim arising under or in respect of the Facilities;
- (b) any Claim arising under or in respect of each Finance Document (as defined in the TuasOne Facility) and each Project Document (as defined in the TuasOne Facility);
- (c) any Claim arising under or in respect of the KfW Facility;
- (d) any Claim arising under or in respect of the Khurais Contract;
- (e) any Claim arising under or in respect of the MHI Settlement Agreement;
- (f) any Claim arising under on in respect of the QDC EPC Contract;
- (g) any Claim arising under or in respect of the TuasOne EPC Contract;
- (h) any Claim of Almiyah Attilemcania SpA under or in respect of the contract entered into between (i) Almiyah Attilemcania SpA, (ii) the Company and (iii) Hyflux Engineering (Algerie) EURL dated November 2007;
- (i) any Claim of Arab Banking Corporation BSC arising under or in respect of Counter Guarantee No ILG/11/20000, Counter Guarantee No ILG/15/20066, Counter Guarantee No ILG/16/20073, Counter Guarantee No ILG/16/20075 and/or Counter Guarantee No ILG/16/20119;
- (j) any Claim of BNP Paribas, Singapore Branch, arising under or in respect of Performance Guarantee No GRE09/0137 and Counter Guarantee No 00050IGG0901976;
- (k) any Claim of DBS Bank Ltd arising under or in respect of Banker's Guarantee No 550-02-0864917 and/or any Security Bonds for Foreign Workers (Domestic and non-Domestic) issued by the Company pursuant to the Employment of Foreign Manpower Act (Chapter 91A);
- (l) any Claim of the Hong Kong Shanghai Banking Corporation Limited arising under or in respect of Banker's Guarantee No. FNGOCB628508 arising under or in respect of the lease entered into

- (m) any Claim of HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Real Estate Investment Trust) the lease dated 4 April 2005 entered into between (i) HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Real Estate Investment Trust) and (ii) the Company;
- (n) any Claim of HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Real Estate Investment Trust) the lease dated 15 February 2017 entered into between (i) HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Real Estate Investment Trust), (ii) Hyflux Innovation Centre Pte Ltd and (iii) the Company;
- (o) any Claim of Mizuho Bank Ltd, Singapore Branch arising under or in respect of Banker's Guarantee No LOD-GTO-009479 and/or Banker's Guarantee No LOD-GTO-009459;
- (p) any Claim of Oversea-Chinese Banking Corporation Limited in respect of Banker's Guarantee No. LG5TF82006842;
- (q) any Claim of Tuaspring Pte Ltd; or
- (r) any Claim which is not as at 22 May 2018 a legally valid and binding debt of a definite amount then actually due from the Company, save for Claims set out in Schedule 3.

**"Explanatory Statement"** means the explanatory statement issued by the Company and dated 22 February 2019 relating to the Scheme.

**"Facilities"** means the Facilities as defined in the Hyflux Scheme.

**"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 General Claim Cash Payout"** means in respect of each Accepted General Claim, a cash payout to be calculated in the following manner:

$$FGCCP = \frac{a - S\$5,000}{d - S\$5,000 \times e} \times AGCCC$$

where:

*a* is the value of the subject Accepted General Claim;

*d* is the total value of all Accepted General Claims;

*e* is the total number of General Claimants with Accepted General Claims;

AGCCC is the Additional General Claims Cash Consideration; and

FGCCP is the Final General Claim Cash Payout for the subject Accepted General Claim, to be rounded down to the nearest cent.

**"Final TuasOne Trade Claim Cash Payout"** means in respect of each Accepted TuasOne Trade Claim, a cash payout to be calculated in the following manner:

$$FTTCCP = \frac{b - \$5,000}{f - \$5,000 \times g} \times y$$

where:

*b* is the value of the subject Accepted TuasOne Trade Claim;

*f* is the total value of all Accepted TuasOne Trade Claims;

*g* is the total number of TuasOne Trade Claimants;

*y* is the value of the TuasOne Trade Claims Cash Consideration; and

*FTTCCP* is the Final TuasOne Trade Claim Cash Payout for the subject Accepted TuasOne Trade Claim, to be rounded down to the nearest cent.

**“First HMM Claim Cash Consideration”** means 7.19% of the Trade Creditors’ Payment.

**“General Claim”** means the aggregate value of any Claim(s) of a General Trade Claimant or an Other Claimant.

**“General Claimants”** means the General Trade Claimants and the Other Claimants.

**“General Claims Cash Consideration”** means the Additional General Claims Cash Consideration and the Base General Claims Cash Consideration to be distributed in the manner set out in Clause **Error! Reference source not found.**

**“General Trade Claim”** means the aggregate value of any Claim(s) of a General Trade Claimant that is not an Excluded Claim.

**“General Trade Claimant”** means any and each of the parties as set out in Schedule 1 as supplemented, amended and restated from time to time.

**“Group”** means Hyflux and its Subsidiaries.

**“HE”** means Hyflux Engineering Pte. Ltd.

**“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.

**“HMM Claim”** means the aggregate value of the Claim by HMM against the Company arising under or in respect of the provision of goods and services for the purposes of the TuasOne WTE Project as reflected under the purchase orders raised by the Company to HMM dated 7 September 2017 and 8 February 2018, and which is set out at Appendix H of the Explanatory Statement.

**“HMM Claim Cash Consideration”** means the First HMM Claim Cash Consideration and the Second HMM Claim Cash Consideration.

**“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.

**“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.

**“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.

**“Hydrochem TuasOne EPC Contract Payment”** means the Company's 20% share of the Net Cash Flow (as defined in the MHI Settlement Agreement) after making the necessary deductions and additions pursuant to Clauses 6.4 and 6.5 of the MHI Settlement Agreement.

**“Hyflux”** 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.

**“Hyflux Scheme”** means the scheme of arrangement proposed by Hyflux 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.

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

$$IGCCP = S\$5,000 + \left( \frac{a - S\$5,000}{c - S\$5,000 \times p} \times (x - S\$5,000 \times p) \right)$$

where:

*a* is the value of the subject Accepted General Claim;

*c* is the total value of all Accepted General Claims and all Accepted TuasOne Trade Claims;

*p* is the total number of General Claimants with Accepted General Claims and TuasOne Trade Claimants with Accepted TuasOne Trade Claims;

*x* is the value of the Base General Claims Cash Consideration; and

*IGCCP* is the Initial General Claim Cash Payout for the subject Accepted General Claim, to be rounded down to the nearest cent.

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

$$ITTCCP = S\$5,000 + \left( \frac{b - S\$5,000}{c - S\$5,000 \times p} \times (x - S\$5,000 \times p) \right)$$

where:

*b* is the value of the subject Accepted TuasOne Trade Claim;

*c* is the total value of all Accepted General Claims and all Accepted TuasOne Trade Claims;

*p* is the total number of General Claimants with Accepted General Claims and TuasOne Trade Claimants with Accepted TuasOne Trade Claims;

*x* is the value of the Base General Claims Cash Consideration; and

*ITTCCP* is the Initial TuasOne Trade Claim Cash Payout for the subject Accepted TuasOne Trade Claim, to be rounded down to the nearest cent.

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

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

**“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: (i) Hydrochem, as borrower; (ii) the Company, as guarantor; and (iii) KfW, as lender.

**“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: (i) Hyflux, as borrower; and (ii) the Investor, as lender, and which is set out at Appendix C of the Explanatory Statement.

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

**“MHI Settlement Agreement”** means the settlement agreement dated 15 February 2019 entered into between: (i) Mitsubishi Heavy Industries, Ltd; (ii) Mitsubishi Heavy Industries Asia Pacific Pte Ltd; (iii) Mitsubishi Heavy Industries Environmental & Chemical Engineering Co, Ltd; (iv) Hyflux; (v) HE; (vi) the Company; (vii) TuasOne Pte Ltd; and (viii) TuasOne Environmental Engineering Pte Ltd, a copy of which is set out at Appendix F of the Explanatory Statement.

**“Other Claim”** means the aggregate value of any Claim(s) other than an Excluded Claim, a General Trade Claim, the HMM Claim, a Subordinated Claim or a TuasOne WTE Trade Claim.

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

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

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

**“QDC EPC Contract”** means the engineering, procurement and construction contract entered into between Qurayyat Desalination SAOC and the Company on 28 October 2015, and as supplemented, amended and restated from time to time in relation to a water desalination project in Qurayyat, The Sultanate of Oman.

**“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 the Scheme and determining the entitlements of the Scheme Parties to Scheme Consideration.

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

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

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

**“Restructuring Effective Date”** means the later of: (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 (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 Claims”** means the General Claims, the HMM Claim, the Subordinated Claims and the TuasOne WTE Trade Claims.

**“Scheme Consideration”** means, in respect of:

- (a) the Accepted General Claims: the General Claims Cash Consideration;
- (b) the Accepted TuasOne Trade Claims: the TuasOne Trade Claims Cash Consideration;
- (c) the Accepted HMM Claim: the HMM Claim Cash Consideration; and
- (d) the Accepted Subordinated Claims: the Subordinated Claims Cash Consideration.

**“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 and Mr Glenn Peters, both of Ernst & Young Solutions LLP.

**“Scheme Meetings”** means the meetings convened pursuant to an order of the Court (and any meetings called following an adjournment) at which the Scheme will be considered and voted upon by the Scheme Parties and any adjournment thereof.

**“Scheme Parties”** means, the General Claimants, HMM, the Subordinated Claimants and the TuasOne WTE Trade Claimants.

**“Second HMM Claim Cash Consideration”** means 46.94% of the Hydrochem TuasOne EPC Contract Payment.

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

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

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

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

**“Subordinated Claimant”** means any person that holds a Subordinated 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.

**“Trade Creditors’ Payment”** means the Trade Creditors’ Payment as defined in the MHI Settlement Agreement.

**“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: (i) TuasOne Pte Ltd, as employer; and (ii) the Company, as contractor.

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

**“TuasOne Trade Claim”** means the aggregate value of any Claim(s) of a TuasOne Trade Claimant.

**“TuasOne Trade Claimant”** means any and each of the parties as set out in Schedule 2, as supplemented, amended and restated from time to time.

**“TuasOne Trade Claims Cash Consideration”** means 92.81% of the Trade Creditors’ Payment to be distributed in the manner set out in Clause **Error! Reference source not found.**

**“TuasOne WTE Project”** means the Project as defined in the TuasOne EPC Contract.

In this Explanatory Statement Addendum, unless the context otherwise requires or as otherwise expressly stated:

- 1.1.1 references to Clauses and Schedules are references to clauses and schedules of this Explanatory Statement Addendum;
- 1.1.2 references to a person include a reference to an individual, firm, partnership, company, corporation, unincorporated body of persons or any state or state agency;
- 1.1.3 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;
- 1.1.4 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 Explanatory Statement Addendum, been made in accordance with the terms of such Restructuring Document and/or the Scheme (as applicable);
- 1.1.5 the singular includes the plural and *vice versa* and words importing one gender shall include all genders;
- 1.1.6 references to “including” shall be construed as references to “including without limitation” and “include”, “includes” and “included” shall be construed accordingly;
- 1.1.7 headings to Clauses and Schedules are for ease of reference only and shall not affect the interpretation of this Explanatory Statement Addendum;
- 1.1.8 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;
- 1.1.9 references to “dollar” or to “S\$” are references to the lawful currency from time to time of Singapore;
- 1.1.10 references to time shall be to Singapore time; and
- 1.1.11 where any amount is specified in this Explanatory Statement Addendum (including in any definition) in respect of any Scheme Consideration, that amount is subject to rounding in accordance with the terms of the Scheme.

**Appendix B – Clean and blackline versions of Scheme**

**IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE**

HC/OS 207/2019

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

And

In the Matter of **HYDROCHEM (S) PTE LTD**  
(Singapore UEN No 198902670Z)

... Applicant

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

Between

**HYDROCHEM (S) PTE LTD**  
(Singapore UEN No. 198902670Z)

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 Hyflux, HE, Hyflux Innovation Centre Pte Ltd, HMM and the Company, *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.

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

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

“**Additional General Claims Cash Consideration**” means 53.06% of the Hydrochem TuasOne EPC Contract Payment.

“**Base Currency Conversion Rate**” means the conversion rate of any foreign currency denomination to dollars (S\$) either: (i) as published in The Business Times on 1 March 2019 or (ii) the applicable foreign currency rate which appears on the Currency Converter webpage of the OANDA Corporation’s website at <<https://www.oanda.com/currency/converter/>> on 1 March 2019.

“**Base General Claims Cash Consideration**” means cash of an amount equal to S\$5,711,342.26.

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

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

“**Claim**” means any Liability of the Company of a monetary value of more than S\$5,000, 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; or
- (d) 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 Hydrochem (S) Pte Ltd, a company incorporated in Singapore with registration number 198902670Z, 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.

“**Court**” means the High Court of Singapore.

“**Distribution Expiry Date**” means the date falling two (2) years and six (6) months after the Restructuring Effective Date.

“**Excluded Claim**” means:

- (a) any Claim arising under or in respect of the Facilities;
- (b) any Claim arising under or in respect of each Finance Document (as defined in the TuasOne Facility) and each Project Document (as defined in the TuasOne Facility);
- (c) any Claim arising under or in respect of the KfW Facility;
- (d) any Claim arising under or in respect of the Khurais Contract;
- (e) any Claim arising under or in respect of the MHI Settlement Agreement;
- (f) any Claim arising under on in respect of the QDC EPC Contract;
- (g) any Claim arising under or in respect of the TuasOne EPC Contract;
- (h) any Claim of Almiyah Attilemcania SpA under or in respect of the contract entered into between (i) Almiyah Attilemcania SpA, (ii) the Company and (iii) Hyflux Engineering (Algerie) EURL dated November 2007;
- (i) any Claim of Arab Banking Corporation BSC arising under or in respect of Counter Guarantee No ILG/11/20000, Counter Guarantee No ILG/15/20066, Counter Guarantee No ILG/16/20073, Counter Guarantee No ILG/16/20075 and/or Counter Guarantee No ILG/16/20119;
- (j) any Claim of BNP Paribas, Singapore Branch, arising under or in respect of Performance Guarantee No GRE09/0137 and Counter Guarantee No 00050IGG0901976;
- (k) any Claim of DBS Bank Ltd arising under or in respect of Banker's Guarantee No 550-02-0864917 and/or any Security Bonds for Foreign Workers (Domestic and non-Domestic) issued by the Company pursuant to the Employment of Foreign Manpower Act (Chapter 91A);
- (l) any Claim of the Hong Kong Shanghai Banking Corporation Limited arising under or in respect of Banker's Guarantee No. FNGOCB628508 arising under or in respect of the lease entered into

- (m) any Claim of HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Real Estate Investment Trust) the lease dated 4 April 2005 entered into between (i) HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Real Estate Investment Trust) and (ii) the Company;
- (n) any Claim of HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Real Estate Investment Trust) the lease dated 15 February 2017 entered into between (i) HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Real Estate Investment Trust), (ii) Hyflux Innovation Centre Pte Ltd and (iii) the Company;
- (o) any Claim of Mizuho Bank Ltd, Singapore Branch arising under or in respect of Banker's Guarantee No LOD-GTO-009479 and/or Banker's Guarantee No LOD-GTO-009459;
- (p) any Claim of Oversea-Chinese Banking Corporation Limited in respect of Banker's Guarantee No. LG5TF82006842;
- (q) any Claim of Tuaspring Pte Ltd; or
- (r) any Claim which is not as at 22 May 2018 a legally valid and binding debt of a definite amount then actually due from the Company, save for Claims set out in Schedule 3.

**"Explanatory Statement"** means the explanatory statement issued by the Company and dated 22 February 2019 relating to this Scheme.

**"Facilities"** means the Facilities as defined in the Hyflux Scheme.

**"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 General Claim Cash Payout"** means in respect of each Accepted General Claim, a cash payout to be calculated in the following manner:

$$FGCCP = \frac{a - S\$5,000}{d - S\$5,000 \times e} \times AGCCC$$

where:

*a* is the value of the subject Accepted General Claim;

*d* is the total value of all Accepted General Claims;

*e* is the total number of General Claimants with Accepted General Claims;

AGCCC is the Additional General Claims Cash Consideration; and

FGCCP is the Final General Claim Cash Payout for the subject Accepted General Claim, to be rounded down to the nearest cent.

**"Final TuasOne Trade Claim Cash Payout"** means in respect of each Accepted TuasOne Trade Claim, a cash payout to be calculated in the following manner:

$$FTTCCP = \frac{b - S\$5,000}{f - S\$5,000 \times g} \times y$$

where:

*b* is the value of the subject Accepted TuasOne Trade Claim;

*f* is the total value of all Accepted TuasOne Trade Claims;

*g* is the total number of TuasOne Trade Claimants;

*y* is the value of the TuasOne Trade Claims Cash Consideration; and

*FTTCCP* is the Final TuasOne Trade Claim Cash Payout for the subject Accepted TuasOne Trade Claim, to be rounded down to the nearest cent.

**“First HMM Claim Cash Consideration”** means 7.19% of the Trade Creditors’ Payment.

**“General Claim”** means the aggregate value of any Claim(s) of a General Trade Claimant or an Other Claimant.

**“General Claimants”** means the General Trade Claimants and the Other Claimants.

**“General Claims Cash Consideration”** means the Additional General Claims Cash Consideration and the Base General Claims Cash Consideration to be distributed in the manner set out in Clause 4.1.

**“General Trade Claim”** means the aggregate value of any Claim(s) of a General Trade Claimant that is not an Excluded Claim.

**“General Trade Claimant”** means any and each of the parties as set out in Schedule 1 as supplemented, amended and restated from time to time.

**“Group”** means Hyflux and its Subsidiaries.

**“HE”** means Hyflux Engineering Pte. Ltd.

**“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.

**“HMM Claim”** means the aggregate value of the Claim by HMM against the Company arising under or in respect of the provision of goods and services for the purposes of the TuasOne WTE Project as reflected under the purchase orders raised by the Company to HMM dated 7 September 2017 and 8 February 2018, and which is set out at Appendix H of the Explanatory Statement.

**“HMM Claim Cash Consideration”** means the First HMM Claim Cash Consideration and the Second HMM Claim Cash Consideration.

**“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.

**“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.

**“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.

**“Hydrochem TuasOne EPC Contract Payment”** means the Company's 20% share of the Net Cash Flow (as defined in the MHI Settlement Agreement) after making the necessary deductions and additions pursuant to Clauses 6.4 and 6.5 of the MHI Settlement Agreement.

**“Hyflux”** 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.

**“Hyflux Scheme”** means the scheme of arrangement proposed by Hyflux 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.

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

$$IGCCP = S\$5,000 + \left( \frac{a - S\$5,000}{c - S\$5,000 \times p} \times (x - S\$5,000 \times p) \right)$$

where:

*a* is the value of the subject Accepted General Claim;

*c* is the total value of all Accepted General Claims and all Accepted TuasOne Trade Claims;

*p* is the total number of General Claimants with Accepted General Claims and TuasOne Trade Claimants with Accepted TuasOne Trade Claims;

*x* is the value of the Base General Claims Cash Consideration; and

*IGCCP* is the Initial General Claim Cash Payout for the subject Accepted General Claim, to be rounded down to the nearest cent.

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

$$ITTCCP = S\$5,000 + \left( \frac{b - S\$5,000}{c - S\$5,000 \times p} \times (x - S\$5,000 \times p) \right)$$

where:

*b* is the value of the subject Accepted TuasOne Trade Claim;

*c* is the total value of all Accepted General Claims and all Accepted TuasOne Trade Claims;

*p* is the total number of General Claimants with Accepted General Claims and TuasOne Trade Claimants with Accepted TuasOne Trade Claims;

*x* is the value of the Base General Claims Cash Consideration; and

*ITTCCP* is the Initial TuasOne Trade Claim Cash Payout for the subject Accepted TuasOne Trade Claim, to be rounded down to the nearest cent.

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

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

**“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: (i) Hydrochem, as borrower; (ii) the Company, as guarantor; and (iii) KfW, as lender.

**“Khurais Contract”** means the project in relation to which purchase order reference number 1097360 dated 13 January 2016 was entered into between (i) Hydrochem Saudi Limited and (ii) Snamprogetti Saudi Arabia Co Ltd for sea water reverse osmosis and sulphate removal facilities package, relevant services, documentations and spare parts.

**“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: (i) Hyflux, as borrower; and (ii) the Investor, as lender, and which is set out at Appendix C of the Explanatory Statement.

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

**“MHI Settlement Agreement”** means the settlement agreement dated 15 February 2019 entered into between: (i) Mitsubishi Heavy Industries, Ltd; (ii) Mitsubishi Heavy Industries Asia Pacific Pte Ltd; (iii) Mitsubishi Heavy Industries Environmental & Chemical Engineering Co, Ltd; (iv) Hyflux; (v) HE; (vi) the Company; (vii) TuasOne Pte Ltd; and (viii) TuasOne Environmental Engineering Pte Ltd, a copy of which is set out at Appendix F of the

Explanatory Statement.

**“Other Claim”** means the aggregate value of any Claim(s) other than an Excluded Claim, a General Trade Claim, the HMM Claim, a Subordinated Claim or a TuasOne WTE Trade Claim.

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

**“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 D of the Explanatory Statement.

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

**“QDC EPC Contract”** means the engineering, procurement and construction contract entered into between Qurayyat Desalination SAOC and the Company on 28 October 2015, and as supplemented, amended and restated from time to time in relation to a water desalination project in Qurayyat, The Sultanate of Oman.

**“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 Scheme Consideration.

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

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

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

**“Restructuring Effective Date”** means the later of: (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 (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 Claims”** means the General Claims, the HMM Claim, the Subordinated Claims and the TuasOne WTE Trade Claims.

**“Scheme Consideration”** means, in respect of:

- (a) the Accepted General Claims: the General Claims Cash Consideration;
- (b) the Accepted TuasOne Trade Claims: the TuasOne Trade Claims Cash Consideration;
- (c) the Accepted HMM Claim: the HMM Claim Cash Consideration; and

(d) the Accepted Subordinated Claims: the Subordinated Claims Cash Consideration.

**“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 and Mr Glenn Peters, both of Ernst & Young Solutions LLP.

**“Scheme Meetings”** means the meetings convened pursuant to an order of the Court (and any meetings called following an adjournment) at which the Scheme will be considered and voted upon by the Scheme Parties and any adjournment thereof.

**“Scheme Parties”** means, the General Claimants, HMM, the Subordinated Claimants and the TuasOne WTE Trade Claimants.

**“Second HMM Claim Cash Consideration”** means 46.94% of the Hydrochem TuasOne EPC Contract Payment.

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

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

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

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

**“Subordinated Claimant”** means any person that holds a Subordinated 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.

**“Trade Creditors’ Payment”** means the Trade Creditors’ Payment as defined in the MHI Settlement Agreement.

**“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: (i) TuasOne Pte Ltd, as employer; and (ii) the Company, as contractor.

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

**“TuasOne Trade Claim”** means the aggregate value of any Claim(s) of a TuasOne Trade

Claimant.

**“TuasOne Trade Claimant”** means any and each of the parties as set out in Schedule 2, as supplemented, amended and restated from time to time.

**“TuasOne Trade Claims Cash Consideration”** means 92.81% of the Trade Creditors’ Payment to be distributed in the manner set out in Clause 4.2.

**“TuasOne WTE Project”** means the Project as defined in the TuasOne EPC Contract.

- 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 in writing 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.

**3. AUTHORISATION TO EXECUTE AND 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 Scheme Manager as its attorney and agent and irrevocably authorises, directs, instructs and empowers the Scheme Manager (represented by any authorised representative) to 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.
- 3.2 Any action taken by the Scheme Manager in accordance with this Scheme or the Restructuring Documents will not constitute a breach of the Facilities, the KfW Facility, 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 Scheme 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 Scheme Manager shall be entitled to delegate the authority granted and conferred by Clause 3.1 to any duly authorised officer or agent of the Scheme Manager as necessary.

**4. ALLOCATION AND DISTRIBUTION OF SCHEME CONSIDERATION**

*General Claimants*

- 4.1 On the Restructuring Effective Date and before the Distribution Expiry Date, each General Claimant shall be entitled to, in respect of his or her Accepted General Claim, a distribution of the General Claims Cash Consideration in the following manner:
- 4.1.1 The Company shall pay to each General Claimant the respective Initial General Claim Cash Payout for his or her Accepted General Claim on the Settlement Date.
- 4.1.2 The Company shall pay to each General Claimant the respective Final General

Claim Cash Payout for his or her Accepted General Claim within twenty eight (28) days of the Company's receipt of the Hydrochem TuasOne EPC Contract Payment pursuant to the terms of the TuasOne EPC Contract and the MHI Settlement Agreement.

*TuasOne Trade Claimants*

4.2 On the Restructuring Effective Date and before the Distribution Expiry Date, each TuasOne Trade Claimant shall be entitled to, in respect of his or her Accepted TuasOne Trade Claim, a distribution of the TuasOne Trade Claims Cash Consideration in the following manner:

4.2.1 The Company shall pay to each TuasOne Trade Claimant the respective Initial TuasOne Trade Claim Cash Payout for his or her Accepted TuasOne Trade Claim on the Settlement Date.

4.2.2 The Company shall pay to each TuasOne Trade Claimant the respective Final TuasOne Trade Claim Cash Payout for his or her Accepted TuasOne Trade Claim within twenty eight (28) days of the Company's receipt of the Trade Creditors' Payment pursuant to the terms of the TuasOne EPC Contract and the MHI Settlement Agreement.

*HMM Claim*

4.3 On the Restructuring Effective Date and before the Distribution Expiry Date, HMM shall be entitled to, in respect of its Accepted HMM Claim, a distribution of the HMM Claim Cash Consideration in the following manner:

4.3.1 The Company shall pay to HMM the First HMM Claim Cash Consideration within twenty eight (28) days of the Company's receipt of the Trade Creditors' Payment pursuant to the terms of the TuasOne EPC Contract and the MHI Settlement Agreement.

4.3.2 The Company shall pay to HMM the Second HMM Claim Cash Consideration within twenty eight (28) days of the Company's receipt of the Hydrochem TuasOne EPC Contract Payment pursuant to the terms of the TuasOne EPC Contract and the MHI Settlement Agreement.

*Subordinated Claimants*

4.4 On the Restructuring Effective Date and before the Distribution Expiry Date, each Subordinated Claimant shall be entitled to, in respect of his or her Accepted Subordinated Claim, a distribution of the Subordinated Claims Cash Consideration in the following manner:

4.4.1 The Company shall pay to each Subordinated Claimant the respective Subordinated Claim Cash Payout for his or her Accepted Subordinated Claim on the Settlement Date.

**5. SCHEME PARTY UNDERTAKINGS AND RELEASES**

5.1 In consideration for its entitlements under this Scheme, each Scheme Party hereby gives the undertakings, release and waivers in this Clause 5.

5.2 With effect on and from the Restructuring Effective Date, each Scheme Party irrevocably,

unconditionally, fully and absolutely:

- 5.2.1 ratifies and confirms everything which the Company (including its respective authorised signatories) may lawfully do or cause to be done in accordance with any authority conferred by this Scheme or the Restructuring Documents;
- 5.2.2 releases all of the rights, its Scheme Claims and undertakes to enter into, execute and (as necessary) deliver as a deed (or otherwise) any document and do any act or thing required to facilitate and give full effect to such release;
- 5.2.3 releases, discharges and/or (where relevant) reassigns to the relevant assignor, any rights (including any power of attorney) that it may have against any member of the Group with respect to any mortgage, lien, pledge, guarantee, security interest or similar interest in relation to any of the Scheme Claims and undertakes to enter into, execute and (as necessary) deliver as a deed (or otherwise) any document and do any act or thing required to facilitate and give full effect to such release, discharge and/or reassignment (including revoking any notices and registering or procuring the registration or such release, discharge and/or reassignment);
- 5.2.4 waives, releases and discharges each and every claim which it ever had, may have or hereafter can, shall or may have against the Company for any Liability in respect of the preparation, negotiation, sanctioning or implementation of this Scheme and/or the Restructuring;
- 5.2.5 without affecting the generality of the foregoing, releases, discharges and/or (where relevant) reassigns to the relevant assignor, any rights (including any power of attorney) that it may have against the Company with respect to the KfW Facility, and undertakes to enter into, execute and (as necessary) deliver as a deed (or otherwise) any document and do any act or thing required to facilitate and give full effect to such release, discharge and/or reassignment (including revoking any notices and registering or procuring the registration or such release, discharge and/or reassignment);
- 5.2.6 undertakes to the Company that it will not, and shall procure that its holding company or companies, subsidiaries, associated companies, affiliates and/or other companies within its group of companies will not, commence or continue, or instruct, direct or authorise any other person to commence or continue, any proceedings in respect of or arising from
  - 5.2.6.1 any Scheme Claims; or
  - 5.2.6.2 any Liability in respect of:
    - 5.2.6.2.1 the preparation, negotiation, sanctioning or implementation of this Scheme, the Restructuring and the Restructuring Documents; and
    - 5.2.6.2.2 the execution of the Restructuring Documents and the carrying out of the steps and transactions contemplated therein in accordance with their terms.
- 5.2.7 waives, releases and discharges each and every claim which it ever had, may have

or hereafter can, shall or may have against the Company or any other member of the Group for any Liability arising under or in connection with its Scheme Claim.

- 5.3 On and from the Scheme Effective Date, each Scheme Party shall not, and shall procure that its holding company or companies, subsidiaries, associated companies, affiliates and/or other companies within its group of companies shall not, commence or continue, or instruct, direct or authorise any other person to commence or continue any proceedings in respect of or arising from any of the Scheme Claims.
- 5.4 To the extent permitted by law, none of the Scheme Parties nor the Company shall be entitled to challenge the validity of any act done or omitted to be done in good faith by the Company in connection with this Scheme and/or any Restructuring Document or the exercise by the Company or the other members of the Group in good faith of any power conferred upon it for the purposes of any Restructuring Document if done, omitted or exercised in accordance with the provisions of this Scheme or any Restructuring Document.

## **6. DETERMINATION OF ACCEPTED CLAIMS**

- 6.1 All Accepted Scheme Claims shall be determined as at the Record Date. Any alleged Scheme Claim(s) not denominated in dollars (S\$) shall be converted to its value in dollars (S\$) using the Base Currency Conversion Rate for the purposes of determination of whether such alleged Scheme Claim(s) is/are Accepted.
- 6.2 All Persons claiming to be Scheme Parties must provide the Chairman with a duly completed Proof of Claim in respect of their Scheme Claims prior to the Record Date, unless:
- 6.2.1 such requirement is waived by the Chairman;
- 6.2.2 such requirement is waived by the Court; or
- 6.2.3 a Proof of Claim is filed on a Scheme Party's behalf by the Chairman or the Company.
- 6.3 Proofs of Claim delivered after the Record Date may, at the sole discretion of the Chairman, be disregarded for voting purposes at the Scheme Meetings.
- 6.4 If the Chairman refuses to Accept an alleged Scheme Claim received from an alleged Scheme Party, he or she shall, within a reasonable time, prepare a statement in writing or electronic mail of his or her reasons for doing so and promptly send such statement to the Person alleging such Scheme Claim against the Company.
- 6.5 Neither the Company nor the Chairman shall recognise any sale, assignment, transfer or any disclosed sub-participation of any Scheme Claim after the Record Date for the purposes of determining entitlement to attend and vote at the Scheme Meetings. A transferee of a beneficial or proprietary interest in any Scheme Claim after the Record Date will, however, be bound by the terms of the Scheme in the event it becomes effective and the transferee will have to demonstrate, to the satisfaction of the Scheme Manager, that he or she is entitled to receive his or her share of the Scheme Consideration.
- 6.6 The Chairman shall not be liable for any claim or liability arising in respect of the performance of his or her duties as Chairman under this Scheme except where such claim or liability arises as a result of his or her own fraud, gross negligence or wilful misconduct.

**7. SCHEME MANAGER**

- 7.1 The Scheme Manager shall oversee and be responsible for the implementation of and compliance with the provisions of this Scheme and shall have the power to do all such things as he or she may consider necessary towards fulfilment of this Scheme.
- 7.2 Any decision, including calculations or payments, made by the Scheme Manager in carrying out his or her functions and/or duties under and/or in fulfilment of this Scheme shall be final and binding on all Scheme Parties.
- 7.3 The Scheme Manager may engage legal, financial or other professional advisors and consultants to advise and assist the Scheme Manager in the exercise of his or her rights and the performance or discharge of his or her duties as the Scheme Manager.
- 7.4 The Scheme Manager shall not be liable to any Scheme Party for any and all losses, damages, charges, costs and expenses of whatsoever nature which such Scheme Party may sustain, incur or suffer in connection with or arising from the performance by the Scheme Manager of his or her duties as Scheme Manager under this Scheme, including any decisions, calculations or payments in carrying out his or her functions and/or duties under and/or in fulfilment of this Scheme, unless directly caused by fraud, gross negligence or wilful misconduct on his or her part. This Clause shall remain in full force and effect notwithstanding the termination, resignation or removal of the Scheme Manager.
- 7.5 The Company shall at all times indemnify and keep harmless the Scheme Manager from and against any and all losses, damage, charges, costs and expenses of whatsoever nature which he or she may at any time and from time to time sustain, incur or suffer, whether before or after the end of the Holding Period, in connection with the exercise of his or her powers in the performance of his or her duties under this Scheme unless such losses, damage, charges, costs or expense arise out of the gross negligence, fraud or wilful default of the Scheme Manager.
- 7.6 Any Scheme Party that intends to challenge any act or omission of the Scheme Manager in connection with or arising from any decision, including calculations or payments, made by the Scheme Manager in carrying out his or her functions and/or duties under and/or in fulfilment of this Scheme shall notify the Scheme Manager of such notice at least seven (7) Business Days before any such challenge is made to a Court or in any other forum. Any Scheme Party who makes a challenge without providing such appropriate notice shall be deemed to have agreed to: (i) if such challenge is dismissed by the Court, be liable for the costs, expenses and disbursements incurred by the Scheme Manager in connection with resisting any such challenge on an indemnity basis; and (ii) in any case, be solely responsible for any cost, expenses and disbursements he or she incurs in connection with the challenge.
- 7.7 In exercising his or her powers and carrying out his or her duties and functions under and in fulfilment of this Scheme, the Scheme Manager shall be deemed at all times to act as an agent for and on behalf of the Company. The Company shall do everything that is necessary to give effect to the directions and instructions of the Scheme Manager, to the extent reasonably necessary and expedient to enable the Scheme Manager to carry out his or her functions under the Scheme, and the Company shall not prevent, frustrate, object to or otherwise prejudice the carrying out by the Scheme Manager of his or her duties and functions under the Scheme.
- 7.8 The Scheme Manager may resign at any time after the Scheme Effective Date if he or she

gives at least thirty (30) days' prior written notice to the Company. The resignation of the Scheme Manager shall not take effect unless and until a new scheme manager is appointed. The resigning Scheme Manager may appoint a successor scheme manager, who shall have the capacity and experience to undertake the duties undertaken by the Scheme Manager.

7.9 The Scheme Manager shall cease to hold office as the Scheme Manager upon the occurrence of any of the following events:

7.9.1 the Scheme Manager resigns in accordance with Clause 7.8;

7.9.2 upon the making of an order of the Court for the removal or replacement of the Scheme Manager; or

7.9.3 the death or bankruptcy of the Scheme Manager.

7.10 The Scheme Manager shall be entitled to such reasonable fees and remuneration for the performance of his or her duties and services as Scheme Manager and for taking any action that he or she is required, authorised or empowered to take under or in respect of this Scheme as may be agreed with the Company or determined by the Court.

## **8. MODIFICATION OF THE SCHEME**

8.1 The Company may, prior to the calling of any Scheme Meeting, delete, modify, amend or add to the terms of this Scheme which the Company, upon further consultation with Scheme Parties as necessary or relevant, may think fit or appropriate for the implementation of the Restructuring.

8.2 Each of the Scheme Parties hereby agree that the Company may at any Court hearing to sanction this Scheme, consent on behalf of itself and all Scheme Parties and anyone else concerned to any modification of, or addition to, this Scheme or any terms or conditions which, in each case, the Court may think fit to approve or impose which is necessary for the implementation of the Restructuring, provided that such modification, addition, term or condition does not have an adverse effect on the rights of the Scheme Parties, or any of them, under this Scheme.

## **9. TERMINATION OF THE SCHEME**

9.1 If:

9.1.1 the Restructuring Effective Date does not occur on or before the Long-Stop Date; or

9.1.2 the Restructuring Agreement and/or Loan Agreement terminates in accordance with their respective terms,

the terms of and the obligations of the parties under or pursuant to this Scheme shall lapse and all the compromises and arrangements provided by this Scheme and any releases granted pursuant to this Scheme shall be of no effect and shall be construed as if it had never become effective, and the rights and obligations of the Scheme Parties shall not be affected and shall be reinstated and remain in full force and effect.

## **10. COMPLETION OF THE SCHEME**

10.1 The implementation and operation of this Scheme shall be deemed to be completed following

the earlier of:

10.1.1 the end of the Holding Period; and

10.1.2 the Distribution Expiry Date,

upon which the Scheme Parties shall no longer be entitled to the distributions under Clause 4 and all duties and responsibilities of the Scheme Manager shall cease.

## 11. NOTICES

11.1 Any notice or other written communication to be given under or in relation to this Scheme (other than any Proof of Claim, which are to be delivered in accordance with the instructions contained therein) shall be given in writing and shall be deemed to have been duly given if it is delivered by hand, sent by courier, pre-paid first class post, airmail or electronic mail to:

11.1.1 in the case of the Company:

Hydrochem (S) Pte Ltd  
80 Bendemeer Road  
Hyflux Innovation Centre  
Singapore 339949  
[investor@hyflux.com](mailto:investor@hyflux.com)

11.1.2 in the case of the Scheme Manager:

Scheme Manager – Hydrochem (S) Pte Ltd  
c/o Ernst & Young Solutions LLP  
One Raffles Quay  
North Tower, Level 18  
Singapore 048583  
[hyfluxqueries@sg.ey.com](mailto:hyfluxqueries@sg.ey.com)

11.1.3 in the case of a Scheme Party, his or her last known address according to the Company, or, if so directed in writing by that Scheme Party to the Company, the address of the persons entitled to receive such notice or written communication on the Scheme Party's behalf; and

11.1.4 in the case of any other person, to any postal or electronic mail address set forth for that person in any written agreement entered into in connection with the Scheme.

11.2 Any notice or written communication to be given under or in relation to this Scheme (other than any Proof of Claim, which is to be delivered in accordance with the instructions contained therein), shall be deemed to have been delivered and served:

11.2.1 if delivered by hand or courier, when actually received provided that, if such receipt occurs after 5:00 pm in the place of receipt, the following Business Day;

11.2.2 if sent by pre-paid first class post or airmail, on the second Business Day after posting if the recipient is in the country of dispatch, otherwise the seventh Business Day after posting;

11.2.3 if sent electronically or by fax, when actually received in readable form provided that,

if such receipt in readable form occurs after 5:00 pm in the place of receipt, the following Business Day; and

11.2.4 if by advertisement or stock exchange announcement, on the date of publication.

11.3 In proving service, it shall be sufficient proof, in the case of a notice sent by pre-paid first class post or airmail, that the envelope was properly stamped, addressed and placed in the post.

11.4 The accidental omission to send any notice, written communication or other document in accordance with any of Clauses 11.1 to 11.3, or the non-receipt of any such notice by any Scheme Party, shall not affect any part or provision of this Scheme.

## **12. COSTS AND EXPENSES**

12.1 The Company shall pay, or procure the payment of, in full all costs, charges, expenses and disbursements incurred by it in connection with the negotiation, preparation and implementation of this Scheme as and when they arise, including, but not limited to, any costs incurred by the Chairman or the Scheme Manager in defending any action brought against any of them in connection with any of their duties and responsibilities under this Scheme (save in the case of fraud, gross-negligence or wilful misconduct), the holding of the Scheme Meetings, the costs of obtaining the sanction of the Court and the costs of issuing notices (if any) required by this Scheme.

## **13. CONFLICT & INCONSISTENCY**

13.1 In the case of a conflict or inconsistency between the terms of this Scheme and the terms of the Explanatory Statement, the terms of this Scheme shall prevail.

## **14. SEVERABILITY**

14.1 If any provision in this Scheme shall be held to be invalid, illegal or unenforceable, in whole or in part, the provision shall apply with whatever deletion or modification as and only to the extent necessary so that the provision is legal, valid and enforceable and gives effect to the commercial intentions of the Company.

14.2 To the extent it is not possible to delete or modify the provision in whole or in part, under Clause 14.1, then such provision or part of it shall, to the extent that it is invalid, illegal or enforceable, be deemed not to form part of this Scheme and the validity, legality and enforceability of the remainder of this Scheme shall not be affected.

## **15. GOVERNING LAW AND JURISDICTION**

15.1 The operative terms of this Scheme and any non-contractual obligations arising out of or in connection with this Scheme shall be governed by and construed in accordance with the laws of Singapore. The Scheme Parties and the Company hereby agree that the courts of Singapore, including the Court shall have exclusive jurisdiction to hear and determine any suit, action or proceeding (the "**Proceedings**") and to settle any dispute which arises out of or in connection with the terms of this Scheme or its implementation or out of any action taken or omitted to be taken under this Scheme or in connection with the administration of this Scheme and for such purposes the Scheme Parties and the Company irrevocably submit to the jurisdiction of the courts of Singapore, including the Court, provided, however, that nothing in this Clause 15.1 shall affect the validity of other provisions determining governing law and jurisdiction as between the Company and of the Scheme Parties, whether contained in

contract or otherwise. A Scheme Party may take action in any other court of competent jurisdiction in order to enforce a judgment made in its favour in relation to Proceedings.

- 15.2 The terms of this Scheme and the obligations imposed on the Company and the Scheme Parties (and, for the avoidance of doubt, those terms and obligations which may be construed as being imposed on any Scheme Party) hereunder shall take effect subject to any prohibition or condition imposed by applicable law.

**SCHEDULE 1  
LIST OF GENERAL TRADE CLAIMANTS**

<b>S/N</b>	<b>Name</b>
1.	ABB Pte Ltd
2.	Ace-Weld Pte Ltd
3.	Al Reem Engineering Co. LLC
4.	Allied Freight Logistics Pte Ltd
5.	Apex Logistics International (S) Pte Ltd
6.	Artlas Pte Ltd
7.	Boon Poh Refuse Disposal Pte Ltd
8.	Cabcharge Asia Pte Ltd
9.	Chevalier Singapore Holdings Pte Ltd
10.	China Telecom (Singapore) Pte Ltd
11.	Comtel Solutions Pte Ltd
12.	CST Industries Inc
13.	D2A Singapore Pte Ltd
14.	Dell Global B.V.(Singapore Branch)
15.	Eco-Enviro Trading Pte Ltd
16.	ECO & SONS PTE LTD
17.	Energy Recovery Inc
18.	Eth Enterprise Pte Ltd
19.	Everstar Engineering & Services Pte Ltd
20.	Exion Asia Pte Ltd
21.	Filedex Marketing (S) Pte Ltd
22.	Fortran Singapore Pte Ltd
23.	Fortune Travel Pte Ltd
24.	Fuji Xerox Singapore Pte Ltd
25.	Gac (Singapore) Pte Ltd
26.	Hitachi Systems Digital Services (Singapore) Pte. Ltd. (F.K.A Hitachi Sunway Network Solutions (S) Pte Ltd)
27.	Host Pte Ltd
28.	Huatong Cables (S) Pte Ltd
29.	Hup Hong Machinery (S) Pte Ltd
30.	Hydratech Industries Pte Ltd

31.	Imperium Solutions Pte Ltd
32.	International SOS Pte Ltd
33.	J.M. Pang & Seah (Pte) Ltd
34.	Jardine Lloyd Thompson Private Limited
35.	Jenmon International Pte Ltd
36.	K L Au Consultants Pte Ltd
37.	K.U.S Pre-Cast (S) Pte Ltd
38.	Keystone Cable (S) Pte Ltd
39.	KPMG LLP
40.	Kuehne+Nagel Pte Ltd
41.	M5 Technologies Pte Ltd
42.	Macvin Pte Ltd
43.	Maxbond Singapore Pte Ltd
44.	Minimax GmbH & Co. KG (Singapore Branch)
45.	Mitsui & Co. Plant Systems, Ltd.
46.	Mitsui Sumitomo Insurance Company Limited
47.	MUHIBBAH TRAVEL-TOURS & TRADING PTE LTD
48.	National University Health Services Group
49.	Nautilus Maritime Pte Ltd
50.	NDT Instruments Pte Ltd
51.	Nitto Denko (Singapore) Pte Ltd
52.	Noggrann Asia Pacific Limited
53.	OVS Engineering Pte Ltd
54.	Pentair Pacific Rim (Water) Limited
55.	PeopleWorldwide Consulting Pte Ltd
56.	PTC SYSTEM (S) PTE LTD
57.	Qinda Engineering Pte Ltd
58.	Qesh Consultants (Pte) Ltd
59.	Raffles Hospital Pte Ltd
60.	Raffles Medical Group
61.	Ramatex Textiles Industrial Sdn Bhd
62.	Ranger Investigation & Security Services Pte Ltd
63.	RH Synergy (S) Pte Ltd

64.	Selas FTPA Lawyers
65.	Shimadzu (Asia Pacific) Pte Ltd
66.	Sigma-Aldrich Pte Ltd
67.	Singapore Precision Industries Pte Ltd
68.	Singapore University Of Technology And Design
69.	Sistemas De Filtrado Y Tratamiento De Fluidos Sa
70.	Snamprogetti Saudi Arabia Co Ltd (Saipem)
71.	Soon Bee Huat Trading Pte Ltd
72.	Spiral Marine Pte Ltd
73.	Sulzer Pumps Spain, S.A.
74.	Sumitomo Mitsui Finance And Leasing (Singapore) Pte Ltd
75.	Sunnic Pte Ltd
76.	Super Steel Pte Ltd
77.	Tai Sin Electric Ltd
78.	Teknik Janakuasa Sdn. Bhd.
79.	Thio Employment Consultant Pte Ltd
80.	Thye Hong Esolutions Pte Ltd
81.	Toray International Singapore Pte Ltd
82.	U Printing Press
83.	Unit4 Asia Pacific Pte Ltd
84.	Vas Networks Pte Ltd
85.	Wong Partnership LLP
86.	Worleyparsons Engineers Egypt Ltd.
87.	Xin Networks Pte Ltd

**SCHEDULE 2  
LIST OF TUASONE TRADE CLAIMANTS**

S/N	Name
1.	Ably Engineering & Trading Pte Ltd
2.	Active System Engineering Pte Ltd
3.	Addcel Engineering Pte Ltd
4.	Advance Inspection & Testing (S) Pte Ltd
5.	Aik Hock Industrial Pte Ltd
6.	Allinton Engineering & Trading Pte Ltd
7.	Amcoweld Inc Pte Ltd
8.	American International Industries (Pte) Ltd
9.	Archer Trading Group
10.	Asia Industrial Gases Pte Ltd
11.	Asiagroup Leasing Pte Ltd
12.	Baker & Mckenzie. Wong & Leow
13.	Ban Soon Cheong Pte Ltd
14.	Barnsbury Engineering (S) Pte Ltd
15.	Beng Siang Machinery Pte Ltd
16.	Beng Soon Machinery Services (S) Pte Ltd
17.	Benning Power Electronics Pte Ltd
18.	Bentz Jaz Singapore Pte Ltd
19.	Best Global Fuels Pte Ltd
20.	Bok Seng Logistics Pte Ltd
21.	Boon Meng Equipment Rental Pte Ltd
22.	Buildmate (S) Pte Ltd
23.	Cable Solutions (Sea) Pte Ltd
24.	Camly Pte Ltd
25.	Central Engineering (Pte) Ltd
26.	Cesco Pipeline Technologies Pte Ltd
27.	Chint Electric Co., Ltd
28.	Choon Huat Engineering Pte Ltd
29.	Chye Guan Huat Transport & Trading
30.	Continental Steel Pte Ltd

31.	Cyclelect Electrical Engineering Pte Ltd
32.	DBS Bank Limited
33.	Deluge Fire Protection (S.E.A) Pte Ltd
34.	Denka Infrastructure Technologies Pte Ltd
35.	Dle Solutions Pte Ltd
36.	Doka Formwork Pte Ltd
37.	Echelon Engineering Pte Ltd
38.	Electser Engineering Pte Ltd
39.	Emerson Process Management Asia Pacific Pte Ltd
40.	Emix Industry (S) Pte Ltd
41.	Enviro Pro Green Innovations (S) Pte Ltd
42.	Evergreen Waste Management Pte Ltd
43.	Fasten Enterprises (Pte) Ltd
44.	Fge Control Pte Ltd
45.	Flexi Systems (Singapore) Pte Ltd
46.	Fuji Xerox Singapore Pte Ltd
47.	Galmon (S) Pte Ltd
48.	Garbarino Pumps Asia Pte Ltd
49.	Genfor Lease Pte Ltd
50.	Grande Alliance Corporation Pte Ltd
51.	Greensafe International Pte Ltd
52.	Grundfos (Singapore) Pte Ltd
53.	H.K. Hardware & Engineering Pte Ltd
54.	H.K.L Scaffolding & Formwork Pte Ltd
55.	Healthway Medical Enterprises Pte Ltd
56.	Hempel (Singapore) Pte Ltd
57.	HG Metal Manufacturing Ltd
58.	Hiap Chuan Hardware (Pte) Ltd
59.	Hiap Teck Metal Co (1968 Pte) Ltd
60.	Hiap Tong Crane & Transport Pte Ltd
61.	Hilti Far East Pte Ltd
62.	Hin Kah Logistics Pte Ltd
63.	Hock Hin Leong Timber Trading (Pte) Ltd

64.	Hock Seng Heng Transport & Trading Pte Ltd
65.	Hs Xpress Pte Ltd
66.	Huatong Cables (S) Pte Ltd
67.	Hui Fok Pte Ltd
68.	Hup Hin Transport Co. Pte Ltd
69.	Hwa Aik Engineering Pte Ltd
70.	Hwa Cheng Development Pte Ltd
71.	Ina Engineering & Construction Pte Ltd
72.	Ingersoll-Rand South East Asia (Pte) Ltd
73.	Interion Private Limited
74.	Intermarine Supply Co. (Pte) Ltd
75.	International Paint Singapore Pte Ltd
76.	Island Concrete (Pte) Ltd
77.	Island Orthopaedic Consultants Pte Ltd
78.	Jereco Singapore Pte Ltd
79.	Jiangsu Hupeng Transformer Co., Ltd
80.	Jotun (Singapore) Pte Ltd
81.	JP Nelson Access Equipment Pte Ltd
82.	JRP & Associates Pte Ltd
83.	K L Au Consultants Pte Ltd
84.	K.U.S Formwork & Scaffolding Pte Ltd
85.	KH Foges Pte Ltd
86.	Kian Hock Piling Pte Ltd
87.	Kjm Curry House & Restaurant Pte Ltd
88.	L H Construction And Machinery Leasing Pte Ltd
89.	L.T.M. Corporation Pte Ltd
90.	Lee Construction Pte Ltd
91.	Lee Yuen Engineering Pte Ltd
92.	Leeden National Oxygen Ltd
88.	Leeds HR Solutions Pte Ltd
93.	Leesonmech Singapore Pte Ltd
94.	Lian Wang Trading Pte Ltd
95.	M Metal Pte Ltd

96.	Masstron Pte Ltd
97.	Mcknight Engineering Pte Ltd
98.	Megamarine Services Pte Ltd
99.	Megarig Heavy Lift Services Pte Ltd
100.	Ming Hup Trading Pte Ltd
101.	Mooreast Asia Pte Ltd
102.	Nrb Builders Pte Ltd
103.	Ns Bluescope Lysaght (Singapore) Pte Ltd
104.	Nyf Marine Services Pte Ltd
105.	Oceanic Offshore Engineering Pte Ltd
106.	Oscar Pest Pte Ltd
107.	Parexgroup Pte Ltd
108.	Peck Tiong Choon Transport Pte Ltd
109.	Peltech (S) Pte Ltd
110.	Pipeline Process & Systems Pte Ltd
111.	Pipelink-Beckham Pte Ltd
112.	Power Security Guard Agency Pte Ltd
113.	Precept Electrical (S) Pte Ltd
114.	Qool Enviro Pte Ltd
115.	Red Forklifts Pte Ltd
116.	Rentokil Initial Singapore Pte Ltd
117.	Ribar Industries Pte Ltd
118.	Rigel Technology (S) Pte Ltd
119.	Rockwool Building Materials (Singapore) Pte Ltd
120.	Samwoh Premix Pte Ltd
121.	Sante Machinery Pte Ltd
122.	Say Guan Transport Services
123.	Schneider Electric Singapore Pte Ltd
124.	See Hup Seng Cp Pte. Ltd.
125.	Shan Xi Liang Pi F&B Pte Ltd
126.	Siang Sun Plumbing & Sanitary Pte Ltd
127.	Signify Singapore Pte Ltd
128.	Sika (Singapore) Pte Ltd

129.	Sin Chew Woodpaq Pte Ltd
130.	Sin Heng Heavy Machinery Limited
131.	Sing Heng Hoe Construction (1988) Pte Ltd
132.	Singapore Cables Manufacturers Pte Ltd
133.	Sinmetal International Pte Ltd
134.	Sk Inspection Pte Ltd
135.	Sls Bearings (S) Pte Ltd
136.	Srd Pte Ltd
137.	Sree Ram Construction Pte Ltd
138.	Starcity Construction Pte Ltd
139.	Straits Ventura Pte Ltd
140.	Super Bend Pte Ltd
141.	Super Tower Industries Pte Ltd
142.	Taka Hardware & Engineering (S) Pte Ltd
143.	Tan Ah Hui Trading And Transport
144.	Tat Hong Plant Leasing Pte Ltd
145.	Tean Chay Crane Rental Pte Ltd
146.	Tean Chay Earthworks Pte Ltd
147.	Tech Offshore Marine (S) Pte Ltd
148.	Tenda Equipment & Services Pte Ltd
149.	Tenwit Consultants Pte Ltd
150.	The Babbitt Trading Pte Ltd
151.	Thye Hong Esolutions Pte Ltd
152.	Tiong Woon Crane Pte Ltd
153.	TMC Concrete Pumping Services Pte Ltd
154.	Tmeic Asia Pte Ltd
155.	Top-Mix Concrete Pte Ltd
156.	Tristars Engineering And Services Pte Ltd
157.	Uni-Crane Pte Ltd
158.	V8 Environmental Pte Ltd
159.	Wanco Electric Pte Ltd
160.	Wika Instrumentation Pte Ltd
161.	Wilo (Singapore) Pte Ltd

162.	WKS Industrial Gas Pte Ltd
163.	Z-Power Automation Pte Ltd
164.	Zulin (S.E.A) Pte Ltd

**SCHEDULE 3**  
**LIST OF CLAIMS TO BE INCLUDED IN SCHEME CLAIMS DESPITE NOT BEING AS AT 22 MAY 2018 A LEGALLY VALID AND BINDING DEBT OF A DEFINITE AMOUNT THEN ACTUALLY DUE FROM THE COMPANY**

<b>S/N</b>	<b>Name</b>	<b>Nature of claim</b>
1.	Rametex Textiles Industrial Sdn Bhd	Disputed amount demanded from Company under contracts entered into on 23 February 2011 and 17 January 2013.
2.	Sumitomo Mitsui Finance And Leasing (Singapore) Pte Ltd	Amounts demanded for leases of equipment left on Company premises in respect of leases entered into on 26 September 2011.

**DATED 26 MAR 2019**

**SCHEDULE 4  
FORM OF PROOF OF CLAIM**

**IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE**

HC/OS ~~XXX~~207/2019

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

And

In the Matter of **HYDROCHEM (S) PTE LTD**  
(Singapore UEN No 198902670Z)

... Applicant

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

Between

**HYDROCHEM (S) PTE LTD**  
(Singapore UEN No. 198902670Z)

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 Hyflux, HE, Hyflux Innovation Centre Pte Ltd, HMM and the Company, *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.

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

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

“**Additional General Claims Cash Consideration**” means ~~74.49%~~53.06% of the Hydrochem TuasOne EPC Contract Payment.

“**Base Currency Conversion Rate**” means the conversion rate of any foreign currency denomination to dollars (S\$) either: (i) as published in The Business Times on ~~1 March 2019~~; or (ii) the applicable foreign currency rate which appears on the Currency Converter webpage of the OANDA Corporation’s website at <<https://www.oanda.com/currency/converter/>> on ~~1 March 2019~~.

“**Base General Claims Cash Consideration**” means cash of an amount equal to ~~S\$6,440,000~~5,711,342.26.

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

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

“**Claim**” means any Liability of the Company of a monetary value of more than S\$5,000, 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; or
- (d) 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 Hydrochem (S) Pte Ltd, a company incorporated in Singapore with registration number 198902670Z, 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.

“**Court**” means the High Court of Singapore.

“**Distribution Expiry Date**” means the date falling two (2) years and six (6) months after the Restructuring Effective Date.

“**Excluded Claim**” means:

- (a) any Claim arising under or in respect of the Facilities;
- (b) any Claim arising under or in respect of ~~the KfW~~ each Finance Document (as defined in the TuasOne Facility) and each Project Document (as defined in the TuasOne Facility);
- (c) any Claim arising under or in respect of the KfW Facility;
- (d) any Claim arising under or in respect of the Khurais Contract;
- (e) ~~(e)~~ any Claim arising under or in respect of the MHI Settlement Agreement;
- (f) ~~(d)~~ any Claim arising under on in respect of the QDC EPC Contract;
- (g) ~~(e)~~ any Claim arising under or in respect of the TuasOne EPC Contract;
- (h) any Claim of Almiyah Attilemcania SpA under or in respect of the contract entered into between (i) Almiyah Attilemcania SpA, (ii) the Company and (iii) Hyflux Engineering (Algerie) EURL dated November 2007;
- (i) any Claim of Arab Banking Corporation BSC arising under or in respect of Counter Guarantee No ILG/11/20000, Counter Guarantee No ILG/15/20066, Counter Guarantee No ILG/16/20073, Counter Guarantee No ILG/16/20075 and/or Counter Guarantee No ILG/16/20119;
- (j) any Claim of BNP Paribas, Singapore Branch, arising under or in respect of Performance Guarantee No GRE09/0137 and Counter Guarantee No 00050IGG0901976;
- (k) ~~(f)~~ any Claim of DBS Bank Ltd arising under or in respect of Banker’s Guarantee No 550-02-0864917 and/or any Security Bonds for Foreign Workers (Domestic and non-Domestic) issued by the Company pursuant to the Employment of Foreign Manpower Act (Chapter 91A);

- (l) ~~(g)~~ any Claim of the Hong Kong Shanghai Banking Corporation Limited arising under or in respect of Banker's Guarantee No. FNGOCB628508 arising under or in respect of the lease entered into
- (m) any Claim of HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Real Estate Investment Trust) the lease dated 4 April 2005 entered into between (i) HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Real Estate Investment Trust) and (ii) the Company;
- (n) any Claim of HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Real Estate Investment Trust) the lease dated 15 February 2017 entered into between (i) HSBC Institutional Trust Services (Singapore) Limited (in its capacity as trustee of Ascendas Real Estate Investment Trust), (ii) Hyflux Innovation Centre Pte Ltd and (iii) the Company;
- (o) ~~(h)~~ any Claim of Mizuho Bank Ltd, Singapore Branch arising under or in respect of Banker's Guarantee No LOD-GTO-009479 and/or Banker's Guarantee No LOD-GTO-009459;
- (p) any Claim of Oversea-Chinese Banking Corporation Limited in respect of Banker's Guarantee No. LG5TF82006842;
- (q) ~~(i)~~ any Claim of Tuaspring Pte Ltd; or
- (r) ~~(j)~~ any Claim which is not as at 22 May 2018 a legally valid and binding debt of a definite amount then actually due from the Company, save for Claims set out in Schedule 3.

"**Explanatory Statement**" means the explanatory statement issued by the Company and dated ~~14~~ 22 February 2019 relating to this Scheme.

"**Facilities**" means the Facilities as defined in the Hyflux Scheme.

"**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 General Claim Cash Payout**" means in respect of each Accepted General Claim, a cash payout to be calculated in the following manner:

$$FGCCP = \frac{a - S\$5,000}{d - S\$5,000 \times e} \times AGCCC$$

where:

a is the value of the subject Accepted General Claim;

d is the total value of all Accepted General Claims;

e is the total number of General Claimants with Accepted General Claims;

AGCCC is the Additional General Claims Cash Consideration; and

FGCCP is the Final General Claim Cash Payout for the subject Accepted General Claim, to be rounded down to the nearest cent.

“**Final TuasOne Trade Claim Cash Payout**” means in respect of each Accepted TuasOne Trade Claim, a cash payout to be calculated in the following manner:

$${}^{(Mod)}_{FTTCCP} = \frac{b - S\$5,000}{f - S\$5,000 \times g} \times y - \sum ITTCCP$$

where:

*b* is the value of the subject Accepted TuasOne Trade Claim;

*f* is the total value of all Accepted TuasOne Trade Claims;

*g* is the total number of TuasOne Trade Claimants;

*y* is the value of the TuasOne Trade Claims Cash Consideration; and

~~<sup>(Del)</sup>~~

~~$\sum ITTCCP$  is the value of the sum of all Initial TuasOne Trade Claim Cash Payouts; and~~

*FTTCCP* is the Final TuasOne Trade Claim Cash Payout for the subject Accepted TuasOne Trade Claim, to be rounded down to the nearest cent.

“**First HMM Claim Cash Consideration**” means ~~8.927~~19% of the Trade Creditors’ Payment.

“**General Claim**” means the aggregate value of any Claim(s) of a General Trade Claimant or an Other Claimant.

“**General Claimants**” means the General Trade Claimants and the Other Claimants.

“**General Claims Cash Consideration**” means the Additional General Claims Cash Consideration and the Base General Claims Cash Consideration to be distributed in the manner set out in Clause 4.1.

“**General Trade Claim**” means the aggregate value of any Claim(s) of a General Trade Claimant that is not an Excluded Claim.

“**General Trade Claimant**” means any and each of the parties as set out in Schedule 1 as supplemented, amended and restated from time to time.

“**Group**” means Hyflux and its Subsidiaries.

“**HE**” means Hyflux Engineering Pte. Ltd.

“**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.

“**HMM Claim**” means the aggregate value of the Claim by HMM against the Company arising under or in respect of the provision of goods and services for the purposes of the TuasOne WTE Project as reflected under the purchase orders raised by the Company to HMM dated 7

September 2017 and 8 February 2018, and which is set out at Appendix [E.1](#) of the Explanatory Statement.

**“HMM Claim Cash Consideration”** means the First HMM Claim Cash Consideration and the Second HMM Claim Cash Consideration.

**“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.

**“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.

**“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.

**“Hydrochem TuasOne EPC Contract Payment”** means the Company’s 20% share of the Net Cash Flow (as defined in the MHI Settlement Agreement) after making the necessary deductions and additions pursuant to Clauses 6.4 and 6.5 of the MHI Settlement Agreement.

**“Hyflux”** 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.

**“Hyflux Scheme”** means the scheme of arrangement proposed by Hyflux 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.

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

$$IGCCP = S\$5,000 + \left( \frac{a - S\$5,000}{c - S\$5,000 \times p} \times (x - S\$5,000 \times p) \right)$$

where:

*a* is the value of the subject Accepted General Claim;

*c* is the total value of all Accepted General Claims and all Accepted TuasOne Trade Claims;

*p* is the total number of General Claimants with Accepted General Claims and TuasOne Trade Claimants with Accepted TuasOne Trade Claims;

*x* is the value of the Base General Claims Cash Consideration; and

*IGCCP* is the Initial General Claim Cash Payout for the subject Accepted General Claim, to be rounded down to the nearest cent.

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

$$ITTCCP = S\$5,000 + \left( \frac{b - S\$5,000}{c - S\$5,000 \times p} \times (x - S\$5,000 \times p) \right)$$

where:

*b* is the value of the subject Accepted TuasOne Trade Claim;

*c* is the total value of all Accepted General Claims and all Accepted TuasOne Trade Claims;

*p* is the total number of General Claimants with Accepted General Claims and TuasOne Trade Claimants with Accepted TuasOne Trade Claims;

*x* is the value of the Base General Claims Cash Consideration; and

*ITTCCP* is the Initial TuasOne Trade Claim Cash Payout for the subject Accepted TuasOne Trade Claim, to be rounded down to the nearest cent.

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

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

“**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: (i) Hydrochem, as borrower; (ii) the Company, as guarantor; and (iii) KfW, as lender.

“**Khurais Contract**” means [the project in relation to which purchase order reference number 1097360 dated 13 January 2016 was entered into between \(i\) Hydrochem Saudi Limited and \(ii\) Snamprogetti Saudi Arabia Co Ltd for sea water reverse osmosis and sulphate removal facilities package, relevant services, documentations and spare parts.](#)

“**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: (i) Hyflux, as borrower; and (ii) the Investor, as lender, and which is set out at Appendix  C of the Explanatory Statement.

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

**“MHI Settlement Agreement”** means the settlement agreement dated 15 February 2019 entered into between: (i) Mitsubishi Heavy Industries, Ltd; (ii) Mitsubishi Heavy Industries Asia Pacific Pte Ltd; (iii) Mitsubishi Heavy Industries Environmental & Chemical Engineering Co, Ltd; (iv) ~~the Company~~ Hyflux; (v) HEPLHE; (vi) the Company; (vii) TuasOne Pte Ltd; and (viii) TuasOne Environmental Engineering Pte Ltd, a copy of which is set out at Appendix ~~5~~ E of the Explanatory Statement.

**“Other Claim”** means the aggregate value of any Claim(s) other than an Excluded Claim, a General Trade Claim, the HMM Claim, a Subordinated Claim or a TuasOne WTE Trade Claim.

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

**“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 ~~4~~ D of the Explanatory Statement.

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

**“QDC EPC Contract”** means the engineering, procurement and construction contract entered into between Qurayyat Desalination SAOC and the Company on 28 October 2015, and as supplemented, amended and restated from time to time in relation to a water desalination project in Qurayyat, The Sultanate of Oman.

**“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 Scheme Consideration.

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

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

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

**“Restructuring Effective Date”** means the later of: (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 (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 Claims”** means the General Claims, the HMM Claim, the Subordinated Claims and the TuasOne WTE Trade Claims.

**“Scheme Consideration”** means, in respect of:

- (a) the Accepted General Claims: the General Claims Cash Consideration;

- (b) the Accepted TuasOne Trade Claims: the TuasOne Trade Claims Cash Consideration;
- (c) the Accepted HMM Claim: the HMM Claim Cash Consideration; and
- (d) the Accepted Subordinated Claims: the Subordinated Claims Cash Consideration.

“**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 and Mr Glenn Peters, both of Ernst & Young Solutions LLP.

“**Scheme Meetings**” means the meetings convened pursuant to an order of the Court (and any meetings called following an adjournment) at which the Scheme will be considered and voted upon by the Scheme Parties and any adjournment thereof.

“**Scheme Parties**” means, the General Claimants, HMM, the Subordinated Claimants and the TuasOne WTE Trade Claimants.

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

$$\text{(Del) } SGCCP = \frac{a - \$55,000}{d - \$55,000 \times e} \times \sum ITTCP$$

~~where:~~

~~a is the value of the subject Accepted General Claim;~~

~~d is the total value of all Accepted General Claims;~~

~~e is the total number of General Claimants with Accepted General Claims;~~

~~(Del)~~

~~$\sum ITTCP$  is the value of the sum of all Initial TuasOne Trade Claim Cash Payouts; and~~

~~SGCCP is the Second General Claim Cash Payout for the subject Accepted General Claim, to be rounded down to the nearest cent.~~

“**Second HMM Claim Cash Consideration**” means ~~[25.51]~~46.94% of the Hydrochem TuasOne EPC Contract Payment.

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

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

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

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

“**Subordinated Claimant**” means any person that holds a Subordinated 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.

**“Trade Creditors’ Payment”** means the Trade Creditors’ Payment as defined in the MHI Settlement Agreement.

**“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: (i) TuasOne Pte Ltd, as employer; and (ii) the Company, as contractor.

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

**“TuasOne Trade Claim”** means the aggregate value of any Claim(s) of a TuasOne Trade Claimant.

**“TuasOne Trade Claimant”** means any and each of the parties as set out in Schedule 2, as supplemented, amended and restated from time to time.

**“TuasOne Trade Claims Cash Consideration”** means ~~91.08~~92.81% of the Trade Creditors’ Payment to be distributed in the manner set out in Clause 4.2.

**“TuasOne WTE Project”** means the Project as defined in the TuasOne EPC Contract.

- 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 in writing 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.

## **3. AUTHORISATION TO EXECUTE AND 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 Scheme Manager as its attorney and agent and irrevocably authorises, directs, instructs and empowers the Scheme Manager (represented by any authorised representative) to 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.
- 3.2 Any action taken by the Scheme Manager in accordance with this Scheme or the Restructuring Documents will not constitute a breach of the Facilities, the KfW Facility, 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 Scheme 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 Scheme Manager shall be entitled to delegate the authority granted and conferred by Clause 3.1 to any duly authorised officer or agent of the Scheme Manager as necessary.

#### 4. ALLOCATION AND DISTRIBUTION OF SCHEME CONSIDERATION

##### *General Claimants*

- 4.1 On the Restructuring Effective Date and before the Distribution Expiry Date, each General Claimant shall be entitled to, in respect of his or her Accepted General Claim, ~~to~~ a distribution of the General Claims Cash Consideration in the following manner:

- 4.1.1 The Company shall pay to each General Claimant the respective Initial General Claim Cash Payout for his or her Accepted General Claim on the Settlement Date.

~~4.1.2 The Company shall pay to each General Claimant the respective Second General Claim Cash Payout for his or her Accepted General Claim within twenty eight (28) days of the Company's receipt of the Trade Creditors' Payment pursuant to the terms of the TuasOne EPC Contract and the MHI Settlement Agreement. For the avoidance of doubt, the Second General Claim Cash Payouts are intended to account for the Initial TuasOne Trade Claim Cash Payouts that constitute a distribution of the TuasOne Trade Claims Cash Consideration on the Scheme Effective Date prior to the Company's receipt of the Trade Creditors' Payment pursuant to the terms of the TuasOne EPC Contract and the MHI Settlement Agreement.~~

- 4.1.2 ~~4.1.3~~ The Company shall pay to each General Claimant the respective Final General Claim Cash Payout for his or her Accepted General Claim within twenty eight (28) days of the Company's receipt of the Hydrochem TuasOne EPC Contract Payment pursuant to the terms of the TuasOne EPC Contract and the MHI Settlement Agreement.

##### *TuasOne Trade Claimants*

- 4.2 On the Restructuring Effective Date and before the Distribution Expiry Date, each TuasOne Trade Claimant shall be entitled to, in respect of his or her Accepted TuasOne Trade Claim, ~~to~~ a distribution of the TuasOne Trade Claims Cash Consideration in the following manner:

- 4.2.1 The Company shall pay to each TuasOne Trade Claimant the respective Initial TuasOne Trade Claim Cash Payout for his or her Accepted TuasOne Trade Claim on the Settlement Date.

- 4.2.2 The Company shall pay to each TuasOne Trade Claimant the respective Final TuasOne Trade Claim Cash Payout for his or her Accepted TuasOne Trade Claim within twenty eight (28) days of the Company's receipt of the Trade Creditors' Payment pursuant to the terms of the TuasOne EPC Contract and the MHI Settlement Agreement.

##### *HMM Claim*

- 4.3 On the Restructuring Effective Date and before the Distribution Expiry Date, HMM shall be entitled to, in respect of its Accepted HMM Claim, ~~to~~ a distribution of the HMM Claim Cash

Consideration in the following manner:

- 4.3.1 The Company shall pay to HMM the First HMM Claim Cash Consideration within twenty eight (28) days of the Company's receipt of the Trade Creditors' Payment pursuant to the terms of the TuasOne EPC Contract and the MHI Settlement Agreement.
- 4.3.2 The Company shall pay to HMM the Second HMM Claim Cash Consideration within twenty eight (28) days of the Company's receipt of the Hydrochem TuasOne EPC Contract Payment pursuant to the terms of the TuasOne EPC Contract and the MHI Settlement Agreement.

*Subordinated Claimants*

- 4.4 On the Restructuring Effective Date and before the Distribution Expiry Date, each Subordinated Claimant shall be entitled to, in respect of his or her Accepted Subordinated Claim, ~~to~~ a distribution of the Subordinated Claims Cash Consideration in the following manner:
  - 4.4.1 The Company shall pay to each Subordinated Claimant the respective Subordinated Claim Cash Payout for his or her Accepted Subordinated Claim on the Settlement Date.

**5. SCHEME PARTY UNDERTAKINGS AND RELEASES**

- 5.1 In consideration for its entitlements under this Scheme, each Scheme Party hereby gives the undertakings, release and waivers in this Clause 5.
- 5.2 With effect on and from the Restructuring Effective Date, each Scheme Party irrevocably, unconditionally, fully and absolutely:
  - 5.2.1 ratifies and confirms everything which the Company (including its respective authorised signatories) may lawfully do or cause to be done in accordance with any authority conferred by this Scheme or the Restructuring Documents;
  - 5.2.2 releases all of the rights, ~~title and interest of each Scheme Party in the~~its Scheme Claims and undertakes to enter into, execute and (as necessary) deliver as a deed (or otherwise) any document and do any act or thing required to facilitate and give full effect to such release;
  - 5.2.3 releases, discharges and/or (where relevant) reassigns to the relevant assignor, any rights (including any power of attorney) that it may have against any member of the Group with respect to any mortgage, lien, pledge, guarantee, security interest or similar interest in relation to any of the Scheme Claims and undertakes to enter into, execute and (as necessary) deliver as a deed (or otherwise) any document and do any act or thing required to facilitate and give full effect to such release, discharge and/or reassignment (including revoking any notices and registering or procuring the registration or such release, discharge and/or reassignment);
  - 5.2.4 waives, releases and discharges each and every claim which it ever had, may have or hereafter can, shall or may have against the Company for any Liability in respect of the preparation, negotiation, sanctioning or implementation of this Scheme and/or the Restructuring;

- 5.2.5 without affecting the generality of the foregoing, releases, discharges and/or (where relevant) reassigns to the relevant assignor, any rights (including any power of attorney) that it may have against the Company with respect to the KfW Facility, and undertakes to enter into, execute and (as necessary) deliver as a deed (or otherwise) any document and do any act or thing required to facilitate and give full effect to such release, discharge and/or reassignment (including revoking any notices and registering or procuring the registration or such release, discharge and/or reassignment);
- 5.2.6 undertakes to the Company that it will not, and shall procure that its holding company or companies, subsidiaries, associated companies, affiliates and/or other companies within its group of companies will not, commence or continue, or instruct, direct or authorise any other person to commence or continue, any proceedings in respect of or arising from
- 5.2.6.1 any Scheme Claims; or
- 5.2.6.2 any Liability in respect of:
- 5.2.6.2.1 the preparation, negotiation~~—or~~, sanctioning or implementation of this Scheme, the Restructuring and the Restructuring Documents; and
- 5.2.6.2.2 the execution of the Restructuring Documents and the carrying out of the steps and transactions contemplated therein in accordance with their terms.
- 5.2.7 waives, releases and discharges each and every claim which it ever had, may have or hereafter can, shall or may have against the Company or any other member of the Group for any Liability arising under or in connection with its Scheme Claim.
- 5.3 On and from the Scheme Effective Date, each Scheme Party shall not, and shall procure that its holding company or companies, subsidiaries, associated companies, affiliates and/or other companies within its group of companies shall not, commence or continue, or instruct, direct or authorise any other person to commence or continue any proceedings in respect of or arising from any of the Scheme Claims.
- 5.4 To the extent permitted by law, none of the Scheme Parties nor the Company shall be entitled to challenge the validity of any act done or omitted to be done in good faith by the Company in connection with this Scheme and/or any Restructuring Document or the exercise by the Company or the other members of the Group in good faith of any power conferred upon it for the purposes of any Restructuring Document if done, omitted or exercised in accordance with the provisions of this Scheme or any Restructuring Document.
- 6. DETERMINATION OF ACCEPTED CLAIMS**
- 6.1 All Accepted Scheme Claims shall be determined as at the Record Date. Any alleged Scheme Claim(s) not denominated in dollars (S\$) shall be converted to its value in dollars (S\$) using the Base Currency Conversion Rate for the purposes of determination of whether such alleged Scheme Claim(s) is/are Accepted.
- 6.2 All Persons claiming to be Scheme Parties must provide the Chairman with a duly completed

Proof of Claim in respect of their Scheme Claims prior to the Record Date, unless:

- 6.2.1 such requirement is waived by the Chairman;
  - 6.2.2 such requirement is waived by the Court; or
  - 6.2.3 a Proof of Claim is filed on a Scheme Party's behalf by the Chairman or the Company.
- 6.3 Proofs of Claim delivered after the Record Date may, at the sole discretion of the Chairman, be disregarded for voting purposes at the Scheme Meetings.
- 6.4 If the Chairman refuses to Accept an alleged Scheme Claim received from an alleged Scheme Party, he or she shall, within a reasonable time, prepare a statement in writing or electronic mail of his or her reasons for doing so and promptly send such statement to the Person alleging such Scheme Claim against the Company.
- 6.5 Neither the Company nor the Chairman shall recognise any sale, assignment, transfer or any disclosed sub-participation of any Scheme Claim after the Record Date for the purposes of determining entitlement to attend and vote at the Scheme Meetings. A transferee of a beneficial or proprietary interest in any Scheme Claim after the Record Date will, however, be bound by the terms of the Scheme in the event it becomes effective and the transferee will have to demonstrate, to the satisfaction of the Scheme Manager, that he or she is entitled to receive his or her share of the Scheme Consideration.
- 6.6 The Chairman shall not be liable for any claim or liability arising in respect of the performance of his or her duties as Chairman under this Scheme except where such claim or liability arises as a result of his or her own fraud, gross negligence or wilful misconduct.

## 7. SCHEME MANAGER

~~7.1 Any decision, including calculations or payments, made by the Scheme Manager in carrying out his or her functions and/or duties under and/or in fulfilment of this Scheme shall be final and binding on all Scheme Parties.~~

7.1 The Scheme Manager shall oversee and be responsible for the implementation of and compliance with the provisions of this Scheme and shall have the power to do all such things as he or she may consider necessary towards fulfilment of this Scheme.

7.2 Any decision, including calculations or payments, made by the Scheme Manager in carrying out his or her functions and/or duties under and/or in fulfilment of this Scheme shall be final and binding on all Scheme Parties.

7.3 The Scheme Manager may engage legal, financial or other professional advisors and consultants to advise and assist the Scheme Manager in the exercise of his or her rights and the performance or discharge of his or her duties as the Scheme Manager.

7.4 The Scheme Manager shall not be liable to any Scheme Party for any and all losses, damages, charges, costs and expenses of whatsoever nature which such Scheme Party may sustain, incur or suffer in connection with or arising from the performance by the Scheme Manager of his or her duties as Scheme Manager under this Scheme, including any decisions, calculations or payments in carrying out his or her functions and/or duties under and/or in fulfilment of this Scheme, unless directly caused by fraud, gross negligence or wilful misconduct on his or her part. This Clause shall remain in full force and effect notwithstanding

the termination, resignation or removal of the Scheme Manager.

7.5 The Company shall at all times indemnify and keep harmless the Scheme Manager from and against any and all losses, damage, charges, costs and expenses of whatsoever nature which he or she may at any time and from time to time sustain, incur or suffer, whether before or after the end of the Holding Period, in connection with the exercise of his or her powers in the performance of his or her duties under this Scheme unless such losses, damage, charges, costs or expense arise out of the gross negligence, fraud or wilful default of the Scheme Manager.

7.6 ~~7.5~~ Any Scheme Party that intends to challenge any act or omission of the Scheme Manager ~~in~~ in connection with or arising from any decision, including calculations or payments, made by the Scheme Manager in carrying out his or her functions and/or duties under and/or in fulfilment of this Scheme shall notify the Scheme Manager of such notice at least seven (7) Business Days before any such challenge is made to a Court or in any other forum. Any Scheme Party who makes a challenge without providing such appropriate notice shall be deemed to have agreed to: (i) if such challenge is dismissed by the Court, be liable for the costs, expenses and disbursements incurred by the Scheme Manager in connection with resisting any such challenge on an indemnity basis; and (ii) in any case, be solely responsible for any cost, expenses and disbursements he or she incurs in connection with the challenge.

7.7 ~~7.6~~ In exercising his or her powers and carrying out his or her duties and functions under and in fulfilment of this Scheme, the Scheme Manager shall be deemed at all times to act as an agent for and on behalf of the Company. The Company shall do everything that is necessary to give effect to the directions and instructions of the Scheme Manager, to the extent reasonably necessary and expedient to enable the Scheme Manager to carry out his or her functions under the Scheme, and the Company shall not prevent, frustrate, object to or otherwise prejudice the carrying out by the Scheme Manager of his or her duties and functions under the Scheme.

7.8 The Scheme Manager may resign at any time after the Scheme Effective Date if he or she gives at least thirty (30) days' prior written notice to the Company. The resignation of the Scheme Manager shall not take effect unless and until a new scheme manager is appointed. The resigning Scheme Manager may appoint a successor scheme manager, who shall have the capacity and experience to undertake the duties undertaken by the Scheme Manager.

7.9 The Scheme Manager shall cease to hold office as the Scheme Manager upon the occurrence of any of the following events:

7.9.1 the Scheme Manager resigns in accordance with Clause 7.8;

7.9.2 upon the making of an order of the Court for the removal or replacement of the Scheme Manager; or

7.9.3 the death or bankruptcy of the Scheme Manager.

7.10 ~~7.7~~ The Scheme Manager shall be entitled to such reasonable fees and remuneration for the performance of his or her duties and services as Scheme Manager and for taking any action that he or she is required, authorised or empowered to take under or in respect of this Scheme as may be agreed with the Company or determined by the Court.

## **8. MODIFICATION OF THE SCHEME**

- 8.1 The Company may, prior to the calling of any Scheme Meeting, delete, modify, amend or add to the terms of this Scheme which the Company, upon further consultation with Scheme Parties as necessary or relevant, may think fit or appropriate for the implementation of the Restructuring.
- 8.2 Each of the Scheme Parties hereby agree that the Company may at any Court hearing to sanction this Scheme, consent on behalf of itself and all Scheme Parties and anyone else concerned to any modification of, or addition to, this Scheme or any terms or conditions which, in each case, the Court may think fit to approve or impose which is necessary for the implementation of the Restructuring, provided that such modification, addition, term or condition does not have an adverse effect on the rights of the Scheme Parties, or any of them, under this Scheme.

**9. TERMINATION OF THE SCHEME**

9.1 If:

9.1.1 the Restructuring Effective Date does not occur on or before the Long-Stop Date; or

9.1.2 the Restructuring Agreement and/or Loan Agreement terminates in accordance with their respective terms,

the terms of and the obligations of the parties under or pursuant to this Scheme shall lapse and all the compromises and arrangements provided by this Scheme and any releases granted pursuant to this Scheme shall be of no effect and shall be construed as if it had never become effective, and the rights and obligations of the Scheme Parties shall not be affected and shall be reinstated and remain in full force and effect.

**10. COMPLETION OF THE SCHEME**

10.1 The implementation and operation of this Scheme shall be deemed to be completed following the earlier of:

10.1.1 the end of the Holding Period; and

10.1.2 the Distribution Expiry Date,

upon which the Scheme Parties shall no longer be entitled to the distributions under Clause 4 and all duties and responsibilities of the Scheme Manager shall cease.

**11. NOTICES**

11.1 Any notice or other written communication to be given under or in relation to this Scheme (other than any Proof of Claim, which are to be delivered in accordance with the instructions contained therein) shall be given in writing and shall be deemed to have been duly given if it is delivered by hand, sent by courier, pre-paid first class post, airmail or electronic mail to:

11.1.1 in the case of the Company:

Hydrochem (S) Pte Ltd  
80 Bendemeer Road  
Hyflux Innovation Centre  
Singapore 339949

investor@hyflux.com

11.1.2 in the case of the Scheme Manager:

Scheme Manager – Hydrochem (S) Pte Ltd  
c/o Ernst & Young Solutions LLP  
One Raffles Quay  
North Tower, Level 18  
Singapore 048583  
hyfluxqueries@sg.ey.com

11.1.3 in the case of a Scheme Party, his or her last known address according to the Company, or, if so directed in writing by that Scheme Party to the Company, the address of the persons entitled to receive such notice or written communication on the Scheme Party's behalf; and

11.1.4 in the case of any other person, to any postal or electronic mail address set forth for that person in any written agreement entered into in connection with the Scheme.

11.2 Any notice or written communication to be given under or in relation to this Scheme (other than any Proof of Claim, which is to be delivered in accordance with the instructions contained therein), shall be deemed to have been delivered and served:

11.2.1 if delivered by hand or courier, when actually received provided that, if such receipt occurs after 5:00 pm in the place of receipt, the following Business Day;

11.2.2 if sent by pre-paid first class post or airmail, on the second Business Day after posting if the recipient is in the country of dispatch, otherwise the seventh Business Day after posting;

11.2.3 if sent electronically or by fax, when actually received in readable form provided that, if such receipt in readable form occurs after 5:00 pm in the place of receipt, the following Business Day; and

11.2.4 if by advertisement or stock exchange announcement, on the date of publication.

11.3 In proving service, it shall be sufficient proof, in the case of a notice sent by pre-paid first class post or airmail, that the envelope was properly stamped, addressed and placed in the post.

11.4 The accidental omission to send any notice, written communication or other document in accordance with any of Clauses 11.1 to 11.3, or the non-receipt of any such notice by any Scheme Party, shall not affect any part or provision of this Scheme.

## **12. COSTS AND EXPENSES**

12.1 The Company shall pay, or procure the payment of, in full all costs, charges, expenses and disbursements incurred by it in connection with the negotiation, preparation and implementation of this Scheme as and when they arise, including, but not limited to, any costs incurred by the Chairman or the Scheme Manager in defending any action brought against any of them in connection with any of their duties and responsibilities under this Scheme (save in the case of fraud, gross-negligence or wilful misconduct), the holding of the Scheme Meetings, the costs of obtaining the sanction of the Court and the costs of issuing notices (if any) required by this Scheme.

**13. CONFLICT & INCONSISTENCY**

- 13.1 In the case of a conflict or inconsistency between the terms of this Scheme and the terms of the Explanatory Statement, the terms of this Scheme shall prevail.

**14. SEVERABILITY**

- 14.1 If any provision in this Scheme shall be held to be invalid, illegal or unenforceable, in whole or in part, the provision shall apply with whatever deletion or modification as and only to the extent necessary so that the provision is legal, valid and enforceable and gives effect to the commercial intentions of the Company.
- 14.2 To the extent it is not possible to delete or modify the provision in whole or in part, under Clause 14.1, then such provision or part of it shall, to the extent that it is invalid, illegal or enforceable, be deemed not to form part of this Scheme and the validity, legality and enforceability of the remainder of this Scheme shall not be affected.

**15. GOVERNING LAW AND JURISDICTION**

- 15.1 The operative terms of this Scheme and any non-contractual obligations arising out of or in connection with this Scheme shall be governed by and construed in accordance with the laws of Singapore. The Scheme Parties and the Company hereby agree that the courts of Singapore, including the Court shall have exclusive jurisdiction to hear and determine any suit, action or proceeding (the "**Proceedings**") and to settle any dispute which arises out of or in connection with the terms of this Scheme or its implementation or out of any action taken or omitted to be taken under this Scheme or in connection with the administration of this Scheme and for such purposes the Scheme Parties and the Company irrevocably submit to the jurisdiction of the courts of Singapore, including the Court, provided, however, that nothing in this Clause 15.1 shall affect the validity of other provisions determining governing law and jurisdiction as between the Company and of the Scheme Parties, whether contained in contract or otherwise. A Scheme Party may take action in any other court of competent jurisdiction in order to enforce a judgment made in its favour in relation to Proceedings.
- 15.2 The terms of this Scheme and the obligations imposed on the Company and the Scheme Parties (and, for the avoidance of doubt, those terms and obligations which may be construed as being imposed on any Scheme Party) hereunder shall take effect subject to any prohibition or condition imposed by applicable law.

**SCHEDULE 1  
LIST OF GENERAL TRADE CLAIMANTS**

S/N	Name
1.	ABB Pte Ltd
2.	<del>ABL Consultants (Do Not Use)</del> <a href="#">Ace-Weld Pte Ltd</a>
3.	Al Reem Engineering Co. LLC
4.	<del>Artlas</del> <a href="#">Allied Freight Logistics</a> Pte Ltd
5.	<del>Baker &amp; McKenzie Wong &amp; Leow</del> <a href="#">Apex Logistics International (S) Pte Ltd</a>
6.	<del>Bilfinger Water Technologies GmbH</del> <a href="#">Artlas Pte Ltd</a>
7.	Boon Poh Refuse Disposal Pte Ltd
<del>8.</del>	<del>Breen International Pte. Ltd.</del>
<del>8.</del> <u>9.</u>	Cabcharge Asia Pte Ltd
<del>9.</del> <u>10.</u>	Chevalier Singapore Holdings Pte Ltd
<del>10.</del> <u>11.</u>	China Telecom (Singapore) Pte Ltd
<del>12.</del>	<del>Cisco Recall Total Information Management Pte Ltd</del>
<del>13.</del>	<del>City International Advocates &amp; Legal Consultants</del>
<del>11.</del> <u>14.</u>	Comtel Solutions Pte Ltd
<del>12.</del> <u>15.</u>	CST Industries Inc
<del>13.</del> <u>16.</u>	<del>DBR Engineering</del> <a href="#">D2A Singapore Pte Ltd</a>
<del>14.</del> <u>17.</u>	Dell Global B.V.(Singapore Branch)
<del>15.</del> <u>18.</u>	<del>DJJ ENGINEERING SERVICES (S) PTE LTD</del> <a href="#">Eco-Enviro Trading Pte Ltd</a>
<del>16.</del> <u>19.</u>	ECO & SONS PTE LTD
<del>17.</del> <u>20.</u>	<del>Ernst &amp; Young Solutions LLP</del> <a href="#">Energy Recovery Inc</a>
<del>18.</del> <u>21.</u>	<del>Eversafe Academy</del> <a href="#">Eth Enterprise</a> Pte Ltd
<u>19.</u>	<a href="#">Everstar Engineering &amp; Services Pte Ltd</a>
<del>20.</del> <u>22.</u>	Exion Asia Pte Ltd
<del>21.</del> <u>23.</u>	Filedex Marketing (S) Pte Ltd
<del>22.</del> <u>24.</u>	Fortran Singapore Pte Ltd
<del>23.</del> <u>25.</u>	Fortune Travel Pte Ltd
<del>24.</del> <u>26.</u>	<del>Gac (Fuji Xerox Singapore)</del> Pte Ltd
<del>25.</del> <u>27.</u>	<del>Gulf Talent</del> <a href="#">Gac (Singapore) Pte Ltd</a>
<del>28.</del>	<del>HAN MING [SHANGHAI] M &amp; E EQUIPMENT CO., LTD</del>
<del>29.</del>	<del>Herrenknecht(Asia) Ltd</del>
<del>26.</del> <u>30.</u>	<a href="#">Hitachi Systems Digital Services (Singapore) Pte. Ltd. (F.K.A</a> Hitachi Sunway Network Solutions (S) Pte Ltd)

<del>27.</del> <del>31.</del>	Host Pte Ltd
<del>28.</del> <del>32.</del>	<del>Imperium Solutions</del> <a href="#">Huatong Cables (S) Pte Ltd</a>
<del>29.</del> <del>33.</del>	<del>Innoveng Engineering And Construction</del> <a href="#">Hup Hong Machinery (S) Pte Ltd</a>
<del>30.</del>	<a href="#">Hydratech Industries Pte Ltd</a>
<del>31.</del>	<a href="#">Imperium Solutions Pte Ltd</a>
<del>32.</del> <del>34.</del>	<del>Island Orthopaedic Consultants</del> <a href="#">International SOS Pte Ltd</a>
<del>33.</del> <del>35.</del>	J.M. Pang & Seah (Pte) Ltd
<del>34.</del> <del>36.</del>	Jardine Lloyd Thompson Private Limited
<del>35.</del> <del>37.</del>	Jenmon International Pte Ltd
<del>36.</del> <del>38.</del>	<del>Jurong Health Services</del> <a href="#">K L Au Consultants Pte Ltd</a>
<del>37.</del> <del>39.</del>	<del>KPMG LLP</del> <a href="#">K.U.S Pre-Cast (S) Pte Ltd</a>
<del>38.</del>	<a href="#">Keystone Cable (S) Pte Ltd</a>
<del>39.</del> <del>40.</del>	<del>KSB ALGERIE EURL</del> <a href="#">KPMG LLP</a>
<del>40.</del> <del>41.</del>	<del>Leeds HR Solutions</del> <a href="#">Kuehne+Nagel Pte Ltd</a>
<del>41.</del> <del>42.</del>	M5 Technologies Pte Ltd
<del>43.</del>	<del>Macmet India Ltd</del>
<del>42.</del> <del>44.</del>	<del>Mercer Health &amp; Benefits (Singapore)</del> <a href="#">Macvin Pte Ltd</a>
<del>43.</del> <del>45.</del>	<del>Metrohm</del> <a href="#">Maxbond Singapore Pte Ltd</a>
<del>44.</del> <del>46.</del>	Minimax GmbH & Co. KG <a href="#">(Singapore Branch)</a>
<del>45.</del> <del>47.</del>	Mitsui & Co. Plant Systems, Ltd.
<del>46.</del> <del>48.</del>	<del>MODULAS DESIGN ENGINEERING &amp; CONSTRUCTION PTE LTD</del> <a href="#">Mitsui Sumitomo Insurance Company Limited</a>
<del>47.</del> <del>49.</del>	MUHIBBAH TRAVEL-TOURS & TRADING PTE LTD
<del>48.</del>	<a href="#">National University Health Services Group</a>
<del>49.</del> <del>50.</del>	Nautilus Maritime Pte Ltd
<del>50.</del> <del>51.</del>	NDT Instruments Pte Ltd
<del>51.</del> <del>52.</del>	Nitto Denko (Singapore) Pte Ltd
<del>52.</del> <del>53.</del>	Noggrann Asia Pacific Limited
<del>53.</del>	<a href="#">OVS Engineering Pte Ltd</a>
<del>54.</del>	Pentair Pacific Rim (Water) Limited
<del>55.</del>	PeopleWorldwide Consulting Pte Ltd
<del>56.</del>	PTC SYSTEM (S) PTE LTD
<del>57.</del>	<a href="#">Qinda Engineering Pte Ltd</a>
<del>58.</del> <del>57.</del>	Qesh Consultants (Pte) Ltd

<del>59.</del> <del>58.</del>	Raffles Hospital Pte Ltd
<del>60.</del> <del>59.</del>	Raffles Medical Group
<del>61.</del>	<a href="#">Ramatex Textiles Industrial Sdn Bhd</a>
<del>62.</del> <del>60.</del>	Ranger Investigation & Security Services Pte Ltd
<del>63.</del> <del>61.</del>	<a href="#">SAIPEMRH Synergy (S) Pte Ltd</a>
<del>62.</del>	<del>Saudi Arabian Amiantit Co.</del>
<del>64.</del> <del>63.</del>	Selas FTPA Lawyers
<del>65.</del> <del>64.</del>	Shimadzu (Asia Pacific) Pte Ltd
<del>66.</del> <del>65.</del>	Sigma-Aldrich Pte Ltd
<del>67.</del> <del>66.</del>	<del>SISTEMAS DE FILTRADO Y TRATAMIENTO DE FLUIDOS SA</del> <a href="#">Singapore Precision Industries Pte Ltd</a>
<del>68.</del> <del>67.</del>	<del>SUCCESS TRADING FIELDS ENTERPRISE</del> <a href="#">Singapore University Of Technology And Design</a>
<del>69.</del>	<a href="#">Sistemas De Filtrado Y Tratamiento De Fluidos Sa</a>
<del>70.</del>	<a href="#">Snamprogetti Saudi Arabia Co Ltd (Saipem)</a>
<del>71.</del>	<a href="#">Soon Bee Huat Trading Pte Ltd</a>
<del>72.</del>	<a href="#">Spiral Marine Pte Ltd</a>
<del>73.</del>	<a href="#">Sulzer Pumps Spain, S.A.</a>
<del>74.</del>	<a href="#">Sumitomo Mitsui Finance And Leasing (Singapore) Pte Ltd</a>
<del>75.</del> <del>68.</del>	Sunnic Pte Ltd
<del>76.</del>	<a href="#">Super Steel Pte Ltd</a>
<del>77.</del>	<a href="#">Tai Sin Electric Ltd</a>
<del>78.</del> <del>69.</del>	Teknik Janakuasa Sdn. Bhd.
<del>79.</del> <del>70.</del>	<del>The Singapore Mint</del> <a href="#">Thio Employment Consultant Pte Ltd</a>
<del>80.</del> <del>71.</del>	<del>Thio Employment Consultant</del> <a href="#">Thye Hong Esolutions</a> Pte Ltd
<del>81.</del> <del>72.</del>	Toray International Singapore Pte Ltd
<del>82.</del>	<a href="#">U Printing Press</a>
<del>83.</del> <del>73.</del>	<del>United Group Infrastructure (Singapore)</del> <a href="#">Unit4 Asia Pacific</a> Pte Ltd
<del>84.</del> <del>74.</del>	<del>VAS</del> <a href="#">Vas</a> Networks Pte Ltd
<del>85.</del>	<a href="#">Wong Partnership LLP</a>
<del>86.</del>	<a href="#">Worleyparsons Engineers Egypt Ltd.</a>
<del>87.</del> <del>75.</del>	<del>YJ Waterproofing</del> <a href="#">Xin Networks</a> Pte Ltd

**SCHEDULE 2  
LIST OF TUASONE TRADE CLAIMANTS**

S/N	Name
1.	<del>Hiap Chuan Hardware</del> ( <a href="#">Abyl Engineering &amp; Trading Pte</a> ) Ltd
2.	<del>Continental Steel</del> <a href="#">Active System Engineering Pte</a> Ltd
<u>3.</u>	<a href="#">Addcel Engineering Pte</a> Ltd
<u>4.</u> <del>3.</del>	<del>Hempel (Singapore)</del> <a href="#">Advance Inspection &amp; Testing (S)</a> Pte Ltd
<u>5.</u> <del>4.</del>	<del>MMM Engineering</del> <a href="#">Aik Hock Industrial Pte</a> Ltd
<u>6.</u>	<a href="#">Allinton Engineering &amp; Trading Pte</a> Ltd
<u>7.</u>	<a href="#">Amcoweld Inc Pte</a> Ltd
<u>8.</u>	<a href="#">American International Industries (Pte)</a> Ltd
<u>9.</u>	<a href="#">Archer Trading Group</a>
<u>10.</u>	<a href="#">Asia Industrial Gases Pte</a> Ltd
<u>11.</u>	<a href="#">Asiagroup Leasing Pte</a> Ltd
<u>12.</u>	<a href="#">Baker &amp; Mckenzie. Wong &amp; Leow</a>
<u>13.</u>	<a href="#">Ban Soon Cheong Pte</a> Ltd
<u>14.</u>	<a href="#">Barnsbury Engineering (S) Pte</a> Ltd
<u>15.</u>	<a href="#">Beng Siang Machinery Pte</a> Ltd
<u>16.</u>	<a href="#">Beng Soon Machinery Services (S) Pte</a> Ltd
<u>17.</u>	<a href="#">Benning Power Electronics Pte</a> Ltd
<u>18.</u>	<a href="#">Bentz Jaz Singapore Pte</a> Ltd
<u>19.</u>	<a href="#">Best Global Fuels Pte</a> Ltd
<u>20.</u>	<a href="#">Bok Seng Logistics Pte</a> Ltd
<u>21.</u>	<a href="#">Boon Meng Equipment Rental Pte</a> Ltd
<u>22.</u>	<a href="#">Buildmate (S) Pte</a> Ltd
<u>23.</u>	<a href="#">Cable Solutions (Sea) Pte</a> Ltd
<u>24.</u>	<a href="#">Camly Pte</a> Ltd
<u>25.</u> <del>5.</del>	Central Engineering (Pte) Ltd
<u>26.</u>	<a href="#">Cesco Pipeline Technologies Pte</a> Ltd
<u>27.</u>	<a href="#">Chint Electric Co., Ltd</a>
<u>28.</u>	<a href="#">Choon Huat Engineering Pte</a> Ltd
<u>29.</u>	<a href="#">Chye Guan Huat Transport &amp; Trading</a>
<u>30.</u>	<a href="#">Continental Steel Pte</a> Ltd

<u>31.</u> <del>6-</del>	<del>Primera</del> <u>Cyclelect</u> Electrical <del>And Control</del> Engineering Pte Ltd
<u>32.</u>	<u>DBS Bank Limited</u>
<u>33.</u>	<u>Deluge Fire Protection (S.E.A) Pte Ltd</u>
<u>34.</u>	<u>Denka Infrastructure Technologies Pte Ltd</u>
<u>35.</u>	<u>Dle Solutions Pte Ltd</u>
<u>36.</u>	<u>Doka Formwork Pte Ltd</u>
<u>37.</u>	<u>Echelon Engineering Pte Ltd</u>
<u>38.</u>	<u>Electser Engineering Pte Ltd</u>
<u>39.</u>	<u>Emerson Process Management Asia Pacific Pte Ltd</u>
<u>40.</u>	<u>Emix Industry (S) Pte Ltd</u>
<u>41.</u>	<u>Enviro Pro Green Innovations (S) Pte Ltd</u>
<u>42.</u>	<u>Evergreen Waste Management Pte Ltd</u>
<u>43.</u>	<u>Fasten Enterprises (Pte) Ltd</u>
<u>44.</u> <del>7-</del>	<del>LCP Building Products</del> <u>Ege Control</u> Pte Ltd
<u>45.</u>	<u>Flexi Systems (Singapore) Pte Ltd</u>
<u>46.</u>	<u>Fuji Xerox Singapore Pte Ltd</u>
<u>47.</u>	<u>Galmon (S) Pte Ltd</u>
<u>48.</u>	<u>Garbarino Pumps Asia Pte Ltd</u>
<u>49.</u>	<u>Genfor Lease Pte Ltd</u>
<u>50.</u>	<u>Grande Alliance Corporation Pte Ltd</u>
<u>51.</u>	<u>Greensafe International Pte Ltd</u>
<u>52.</u>	<u>Grundfos (Singapore) Pte Ltd</u>
<u>53.</u>	<u>H.K. Hardware &amp; Engineering Pte Ltd</u>
<u>54.</u> <del>8-</del>	<del>Chye Hin Hardware</del> <u>H.K.L Scaffolding &amp; Formwork</u> Pte Ltd
<u>55.</u>	<u>Healthway Medical Enterprises Pte Ltd</u>
<u>56.</u>	<u>Hempel (Singapore) Pte Ltd</u>
<u>57.</u>	<u>HG Metal Manufacturing Ltd</u>
<u>58.</u>	<u>Hiap Chuan Hardware (Pte) Ltd</u>
<u>59.</u> <del>9-</del>	Hiap Teck Metal Co (1968) <del>Pte</del> Ltd
<u>60.</u> <del>10-</del>	<del>Ace Quality Testing &amp; Inspection Services</del> <u>Hiap Tong Crane &amp; Transport</u> Pte Ltd
<u>61.</u> <del>11-</del>	<del>OVS Engineering</del> <u>Hilti Far East</u> Pte Ltd
<u>62.</u>	<u>Hin Kah Logistics Pte Ltd</u>
<u>63.</u>	<u>Hock Hin Leong Timber Trading (Pte) Ltd</u>

<a href="#">64.</a>	<a href="#">Hock Seng Heng Transport &amp; Trading Pte Ltd</a>
<del>65.</del> <del>12.</del>	<del>Ann Aik</del> <a href="#">Hs Xpress Pte Ltd</a>
<del>66.</del> <del>13.</del>	<del>Z-Power Automation</del> <a href="#">Huatong Cables (S) Pte Ltd</a>
<a href="#">67.</a>	<a href="#">Hui Fok Pte Ltd</a>
<a href="#">68.</a>	<a href="#">Hup Hin Transport Co. Pte Ltd</a>
<a href="#">69.</a>	<a href="#">Hwa Aik Engineering Pte Ltd</a>
<del>70.</del> <del>14.</del>	<del>Beng Siang Machinery</del> <a href="#">Hwa Cheng Development Pte Ltd</a>
<del>71.</del> <del>15.</del>	<del>WKS Welding Products</del> <a href="#">Ina Engineering &amp; Construction Pte Ltd</a>
<a href="#">72.</a>	<a href="#">Ingersoll-Rand South East Asia (Pte) Ltd</a>
<a href="#">73.</a>	<a href="#">Interion Private Limited</a>
<a href="#">74.</a>	<a href="#">Intermarine Supply Co. (Pte) Ltd</a>
<a href="#">75.</a>	<a href="#">International Paint Singapore Pte Ltd</a>
<a href="#">76.</a>	<a href="#">Island Concrete (Pte) Ltd</a>
<a href="#">77.</a>	<a href="#">Island Orthopaedic Consultants Pte Ltd</a>
<a href="#">78.</a>	<a href="#">Jereco Singapore Pte Ltd</a>
<a href="#">79.</a>	<a href="#">Jiangsu Hupeng Transformer Co., Ltd</a>
<a href="#">80.</a>	<a href="#">Jotun (Singapore) Pte Ltd</a>
<a href="#">81.</a>	<a href="#">JP Nelson Access Equipment Pte Ltd</a>
<a href="#">82.</a>	<a href="#">JRP &amp; Associates Pte Ltd</a>
<a href="#">83.</a>	<a href="#">K L Au Consultants Pte Ltd</a>
<a href="#">84.</a>	<a href="#">K.U.S Formwork &amp; Scaffolding Pte Ltd</a>
<a href="#">85.</a>	<a href="#">KH Foges Pte Ltd</a>
<a href="#">86.</a>	<a href="#">Kian Hock Piling Pte Ltd</a>
<a href="#">87.</a>	<a href="#">Kjm Curry House &amp; Restaurant Pte Ltd</a>
<a href="#">88.</a>	<a href="#">L H Construction And Machinery Leasing Pte Ltd</a>
<del>89.</del> <del>16.</del>	<del>Sterling Engineering</del> <a href="#">L.T.M. Corporation Pte Ltd</a>
<del>90.</del> <del>17.</del>	<del>Tai Sin Electric</del> <a href="#">Lee Construction Pte Ltd</a>
<a href="#">91.</a>	<a href="#">Lee Yuen Engineering Pte Ltd</a>
<del>92.</del> <del>18.</del>	<del>HG Metal Manufacturing</del> <a href="#">Leeden National Oxygen Ltd</a>
<del>88.</del> <del>19.</del>	<del>WKS Industrial Gas</del> <a href="#">Leeds HR Solutions Pte Ltd</a>
<a href="#">93.</a>	<a href="#">Leesonmech Singapore Pte Ltd</a>
<a href="#">94.</a>	<a href="#">Lian Wang Trading Pte Ltd</a>
<a href="#">95.</a>	<a href="#">M Metal Pte Ltd</a>

<u>96.</u>	<a href="#">Masstron Pte Ltd</a>
<del>97.</del> <del>20.</del>	<del>Avatank</del> <a href="#">Mcknight Engineering Pte Ltd</a>
<del>98.</del> <del>21.</del>	<del>Vision Fibreglass</del> <a href="#">Megamarine Services Pte Ltd</a>
<del>99.</del> <del>22.</del>	<del>D2A SINGAPORE PTE. LTD.</del> <a href="#">Megarig Heavy Lift Services Pte Ltd</a>
<u>100.</u> <del>23.</del>	<del>Schneider Electric Singapore</del> <a href="#">Ming Hup Trading Pte Ltd</a>
<u>101.</u> <del>24.</del>	<del>FineTek</del> <a href="#">Mooreast Asia Pte Ltd</a>
<u>102.</u>	<a href="#">Nrb Builders Pte Ltd</a>
<u>103.</u>	<a href="#">Ns Bluescope Lysaght (Singapore) Pte Ltd</a>
<u>104.</u>	<a href="#">Nyf Marine Services Pte Ltd</a>
<u>105.</u> <del>25.</del>	<del>Seng Heng</del> <a href="#">Oceanic Offshore Engineering Pte Ltd</a>
<u>106.</u> <del>26.</del>	<del>Thye Hong Esolutions</del> <a href="#">Oscar Pest Pte Ltd</a>
<u>107.</u> <del>27.</del>	<del>Aik Heok Industrial</del> <a href="#">Parexgroup Pte Ltd</a>
<u>108.</u>	<a href="#">Peck Tiong Choon Transport Pte Ltd</a>
<u>109.</u>	<a href="#">Peltech (S) Pte Ltd</a>
<u>110.</u> <del>28.</del>	Pipeline Process & Systems Pte Ltd
<u>111.</u> <del>29.</del>	<del>Anplas Asia</del> <a href="#">Pipelink-Beckham Pte Ltd</a>
<u>112.</u> <del>30.</del>	<del>YSL Machinery &amp; Equipments</del> <a href="#">Power Security Guard Agency Pte Ltd</a>
<u>113.</u> <del>31.</del>	<del>Abraweld</del> <a href="#">Precept Electrical (S) Pte Ltd</a>
<u>114.</u>	<a href="#">Qool Enviro Pte Ltd</a>
<u>115.</u>	<a href="#">Red Forklifts Pte Ltd</a>
<u>116.</u>	<a href="#">Rentokil Initial Singapore Pte Ltd</a>
<u>117.</u>	<a href="#">Ribar Industries Pte Ltd</a>
<u>118.</u>	<a href="#">Rigel Technology (S) Pte Ltd</a>
<u>119.</u>	<a href="#">Rockwool Building Materials (Singapore) Pte Ltd</a>
<u>120.</u>	<a href="#">Samwoh Premix Pte Ltd</a>
<u>121.</u>	<a href="#">Sante Machinery Pte Ltd</a>
<u>122.</u>	<a href="#">Say Guan Transport Services</a>
<u>123.</u>	<a href="#">Schneider Electric Singapore Pte Ltd</a>
<u>124.</u>	<a href="#">See Hup Seng Cp Pte. Ltd.</a>
<u>125.</u>	<a href="#">Shan Xi Liang Pi F&amp;B Pte Ltd</a>
<del>126.</del> <del>32.</del>	<del>H.K. Hardware &amp; Engineering</del> <a href="#">Siang Sun Plumbing &amp; Sanitary Pte Ltd</a>
<u>127.</u>	<a href="#">Signify Singapore Pte Ltd</a>
<u>128.</u>	<a href="#">Sika (Singapore) Pte Ltd</a>

<a href="#">129.</a>	<a href="#">Sin Chew Woodpaq Pte Ltd</a>
<a href="#">130.</a>	<a href="#">Sin Heng Heavy Machinery Limited</a>
<a href="#">131.</a>	<a href="#">Sing Heng Hoe Construction (1988) Pte Ltd</a>
<a href="#">132.</a>	<a href="#">Singapore Cables Manufacturers Pte Ltd</a>
<a href="#">133.</a>	<a href="#">Sinmetal International Pte Ltd</a>
<a href="#">134.</a>	<a href="#">Sk Inspection Pte Ltd</a>
<a href="#">135.</a>	<a href="#">Sls Bearings (S) Pte Ltd</a>
<a href="#">136.</a>	<del>33.</del> <a href="#">LHT Holdings Limited</a> <a href="#">Srd Pte Ltd</a>
<a href="#">137.</a>	<a href="#">Sree Ram Construction Pte Ltd</a>
<a href="#">138.</a>	<a href="#">Starcity Construction Pte Ltd</a>
<a href="#">139.</a>	<a href="#">Straits Ventura Pte Ltd</a>
<a href="#">140.</a>	<a href="#">Super Bend Pte Ltd</a>
<a href="#">141.</a>	<a href="#">Super Tower Industries Pte Ltd</a>
<a href="#">142.</a>	<a href="#">Taka Hardware &amp; Engineering (S) Pte Ltd</a>
<a href="#">143.</a>	<del>34.</del> <a href="#">Voortman Steel Machinery B.V.</a> <a href="#">Tan Ah Hui Trading And Transport</a>
<a href="#">144.</a>	<del>35.</del> <a href="#">Allinton Engineering &amp; Trading</a> <a href="#">Tat Hong Plant Leasing</a> Pte Ltd
<a href="#">145.</a>	<del>36.</del> <a href="#">CN Canvas</a> <a href="#">Tean Chay Crane Rental</a> Pte Ltd
<a href="#">146.</a>	<del>37.</del> <a href="#">ERIKS</a> <a href="#">Tean Chay Earthworks</a> Pte Ltd
<a href="#">147.</a>	<del>38.</del> <a href="#">Apec Metal &amp; Engineering</a> <a href="#">Tech Offshore Marine (S)</a> Pte Ltd
<a href="#">148.</a>	<del>39.</del> <a href="#">HAN MING [SHANGHAI] M &amp; E EQUIPMENT CO., LTD</a> <a href="#">Tenda Equipment &amp; Services</a> Pte Ltd
<a href="#">149.</a>	<a href="#">Tenwit Consultants Pte Ltd</a>
<a href="#">150.</a>	<a href="#">The Babbitt Trading Pte Ltd</a>
<a href="#">151.</a>	<a href="#">Thye Hong Esolutions Pte Ltd</a>
<a href="#">152.</a>	<a href="#">Tiong Woon Crane Pte Ltd</a>
<a href="#">153.</a>	<a href="#">TMC Concrete Pumping Services Pte Ltd</a>
<a href="#">154.</a>	<a href="#">Tmeic Asia Pte Ltd</a>
<a href="#">155.</a>	<a href="#">Top-Mix Concrete Pte Ltd</a>
<a href="#">156.</a>	<a href="#">Tristars Engineering And Services Pte Ltd</a>
<a href="#">157.</a>	<del>40.</del> <a href="#">Leeden National Oxygen</a> <a href="#">Uni-Crane</a> Pte Ltd
<a href="#">158.</a>	<a href="#">V8 Environmental Pte Ltd</a>
<a href="#">159.</a>	<a href="#">Wanco Electric Pte Ltd</a>
<a href="#">160.</a>	<a href="#">Wika Instrumentation Pte Ltd</a>

<u>161.</u>	<u>Wilo (Singapore) Pte Ltd</u>
<u>162.</u>	<u>WKS Industrial Gas Pte Ltd</u>
<u>163.</u>	<u>Z-Power Automation Pte Ltd</u>
<u>164.</u>	<u>Zulin (S.E.A) Pte Ltd</u>

**SCHEDULE 3**  
**LIST OF CLAIMS TO BE INCLUDED IN SCHEME CLAIMS DESPITE NOT BEING AS AT 22 MAY 2018 A LEGALLY VALID AND BINDING DEBT OF A DEFINITE AMOUNT THEN ACTUALLY DUE FROM THE COMPANY**

<b>S/N</b>	<b>Name</b>	<b>Nature of claim</b>
1.	Rametex Textiles Industrial Sdn Bhd	Disputed amount demanded from Company under contracts entered into on 23 February 2011 and 17 January 2013.
2.	Sumitomo Mitsui Finance And Leasing (Singapore) Pte Ltd	Amounts demanded for leases of equipment left on Company premises in respect of leases entered into on 26 September 2011.

SCHEDULE 4  
FORM OF PROOF OF CLAIM



<b>Summary report:</b>	
<b>Litera® Change-Pro for Word 10.6.0.7 Document comparison done on 26/3/2019</b>	
<b>Style name:</b> Default Style	
<b>Intelligent Table Comparison:</b> Active	
<b>Original filename:</b> 20190221 Hydrochem Scheme (clean).docx	
<b>Modified filename:</b> 20190326 Hydrochem Scheme (amended).docx	
<b>Changes:</b>	
<u>Add</u>	257
<del>Delete</del>	236
<del>Move From</del>	0
<u>Move To</u>	0
<u>Table Insert</u>	144
<del>Table Delete</del>	7
<u>Table moves to</u>	0
<del>Table moves from</del>	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	4
Embedded Excel	0
Format changes	0
<b>Total Changes:</b>	<b>648</b>

## **Appendix C – Revised overview of Schemes**

PARTIES	VALUE OF CLAIMS (APPROX.) <sup>1</sup>	SHARES IN HYFLUX POST-REORGANISATION (Assumed equity value of S\$667 million <sup>2</sup> )	EQUITY / CASH DISTRIBUTION (APPROX.)				ESTIMATED TOTAL RETURNS (APPROX.)	ESTIMATED PERCENTAGE RETURNS PER CLAIMANT (APPROX.) <sup>3</sup>		
			28 days (tentative) after RED <sup>4</sup>	Assuming TuasOne reaches PCOD	One (1) year after RED	Two (2) years after RED				
Investor – SM Investment Pte Ltd		60% in exchange for S\$400m investment								
Ordinary Shareholders of Hyflux		4% which includes 1.38% (approx.) existing ordinary shares of directors which will be given to the P&Ps								
HYFLUX	Unsecured Scheme Parties	Bank Lenders	S\$714m <sup>5</sup>	27%	S\$135.1m + 15.72% equity	Pro-rata equity payout to all Unsecured Scheme Parties from escrow upon Contingent Claims being Extinguished	Pro-rata equity payout to all Unsecured Scheme Parties from escrow upon Contingent Claims being Extinguished and/or Expired	up to S\$232m <sup>8</sup> + S\$180m (assumed equity value of 27% equity)	≥23.8% <sup>9</sup>	
		MTNs	S\$278m <sup>10</sup>							
		Trade and other claimants	S\$18m <sup>11</sup>							
	Contingent Claimants	S\$724m	S\$96.9m + 11.28% equity placed in escrow (payout for each Contingent Claim distributed upon Crystallisation less incentive)	Pro-rata cash payout to all Debt Securities Scheme Parties and Unsecured Scheme Parties from escrow upon Contingent Claims being Extinguished <sup>6</sup>	Pro-rata cash payout to all Debt Securities Scheme Parties and Unsecured Scheme Parties from escrow upon Contingent Claims being Extinguished <sup>7</sup> and/or Expired	≥S\$27m <sup>13</sup> + S\$69.2m (assumed equity value of 10.38% equity)	≥10.69%			
	Debt Securities Scheme Parties	Perpetual Capital Securities	S\$500m principal <sup>12</sup>	9% (from Hyflux Scheme)	S\$27m + 10.38% equity	Pro-rata cash payout to all Debt Securities Scheme Parties and Unsecured Scheme Parties from escrow upon Contingent Claims being Extinguished <sup>6</sup>	Pro-rata cash payout to all Debt Securities Scheme Parties and Unsecured Scheme Parties from escrow upon Contingent Claims being Extinguished <sup>7</sup> and/or Expired	Returns received by directors for their P&P holdings will be redistributed to other P&Ps	increased to ≥10.74% (factoring redistribution of directors' returns)	
Preference Shares		S\$400m principal <sup>14</sup>	1.38% (approx.) from Hyflux directors' contribution of their existing ordinary shares in Hyflux	Cash distributions allocated to Contingent Claims which Expire (after deducting incentive) or Extinguish to be distributed pro-rata between Debt Securities Scheme Parties and Unsecured Scheme Parties						increases to approx. 12.6% if approx. 50% of Contingent Claims become Extinguished or Expired
Subordinated Scheme Parties	S\$106m			Nominal <sup>15</sup>			Nominal	≈ 0%		
HYDROCHEM	General Trade and Other Claimants	S\$21.98m		S\$2.81m	Up to S\$7.96m <sup>16</sup>		Minimum return	Assuming TuasOne reaches PCOD	Minimum return	Assuming TuasOne reaches PCOD
	TuasOne Trade Claimants	S\$19.64m		S\$2.90m	S\$13.92m		S\$2.81m	S\$2.81m to S\$10.77m	S\$5,000 + ~11.03%	S\$5,000 + ~11.03% to 47.97%
	Subordinated Scheme Parties	S\$254.2m		Nominal			S\$2.90m	S\$16.82m <sup>17</sup>	S\$5,000 + ~11.03%	S\$5,000 + ~85.03%
HMM	General Trade and Other Claimants	S\$19.68 m		S\$2.98m	Up to S\$7.05m <sup>18</sup>		Nominal		≈ 0%	
	TuasOne Trade Claimants	S\$1.57m		S\$0.30m	S\$1.07m		S\$2.98m	S\$2.98m to S\$10.03m	S\$5,000 + ~12.42%	S\$5,000 + ~12.42% to 49.36%
	Subordinated Scheme Parties	S\$205.3m		Nominal			Nominal		≈ 0%	
HE	All Claimants	S\$13.88m		S\$4.01m			S\$4.01m		S\$5,000 + ~26.78%	
	Subordinated Scheme Parties	S\$79.8m		Nominal			Nominal		≈ 0%	

<sup>1</sup> These approximations are based on the adjudication of Proofs of Claim by the Chairman, and may be amended if there are changes to the adjudication results following, among other things, any determination by an independent assessor as may be appointed by a party disputing the results of the Chairman's adjudication of a Proof of Claim.

<sup>2</sup> On the assumption that 60% of Hyflux's shareholding is valued at S\$400 million.

<sup>3</sup> These approximations are based on the adjudication of Proofs of Claim by the Chairman, and may be amended if there are changes to the adjudication results following, among other things, any determination by an independent assessor as may be appointed by a party disputing the results of the Chairman's adjudication of a Proof of Claim.

<sup>4</sup> Restructuring Effective Date, which will likely take place on 16 April 2019 or shortly thereafter.

<sup>5</sup> Inclusive of loan by KfW IPEX GmbH of S\$144 million (approx.) to Hydrochem which is guaranteed by Hyflux and crystallised debt of approximately S\$65 million (approx.) from bonds and guarantees that have been called before November 2018.

<sup>6</sup> After deducting a 10% cash incentive component (First Contingent Claim Management Payout) to be paid to project teams/employees responsible for extinguishment of contingent claim.

<sup>7</sup> Where Contingent Claims become Extinguished, payment of the cash component will be made after deducting a 10% cash incentive component (Second Contingent Claim Management Payout) to be paid to project teams/employees responsible for extinguishment of contingent claim.

<sup>8</sup> Assuming all the Contingent Claims Crystallise and are paid out.

<sup>9</sup> Assuming all the Contingent Claims Crystallise and are paid out. The return per Claimant increases with each Contingent Claim becoming Extinguished instead of becoming Crystallised. 2 years after RED, any Contingent Claims that have not Crystallised or Extinguished will become Expired.

<sup>10</sup> S\$265 million Principal + S\$13 million (approx.) accrued interest

<sup>11</sup> Inclusive of crystallised debt of S\$10 million (approx.) from bonds and guarantees that have already been called since November 2018 and minor trade debt of an aggregate sum <S\$500k.

<sup>12</sup> Inclusive of the S\$3.15 million in principal held by directors.

<sup>13</sup> The return per Claimant increases with each Contingent Claim becoming Extinguished instead of becoming Crystallised. 2 years after RED, any Contingent Claims that have not Crystallised or Extinguished will become Expired.

<sup>14</sup> Inclusive of the S\$1.202 million in principal held by directors.

<sup>15</sup> S\$1 per Subordinated Claimant.

<sup>16</sup> From Hydrochem's share of the Net Cash Flow from TuasOne EPC Contract upon TuasOne PCOD after making necessary deductions under MHI Settlement Agreement (eg, First Priority Payment to MHI, Trade Creditors' Payment, cost overruns and LDs)

<sup>17</sup> From Trade Creditors' Payment of S\$15m under MHI Settlement Agreement that can only be paid to TuasOne trade creditors.

<sup>18</sup> From Hydrochem's share of the Net Cash Flow from TuasOne EPC Contract upon TuasOne PCOD after making necessary deductions under MHI Settlement Agreement (eg, First Priority Payment to MHI, Trade Creditors' Payment, cost overruns and LDs)

<sup>19</sup> From Trade Creditors' Payment of S\$15m under MHI Settlement Agreement that can only be paid to TuasOne trade creditors.