

PROPOSED SCRIP DIVIDEND SCHEME

1. INTRODUCTION

The Board of Directors (the “**Directors**”) of TA Corporation Ltd. (the “**Company**”) is pleased to announce a proposed scrip dividend scheme which will be called the TA Corporation Scrip Dividend Scheme (the “**Scrip Dividend Scheme**”). The terms and conditions of the Scrip Dividend Scheme are set out in the Scrip Dividend Scheme Statement (the “**Statement**”) which forms an appendix to this announcement.

Subject to receipt of the requisite regulatory approvals for the implementation of the Scrip Dividend Scheme, the Company shall make the necessary application(s) for the listing of the new ordinary shares to be issued, credited as fully paid for the purposes of, in connection with or where contemplated by the Scrip Dividend Scheme (the “**New Shares**”).

Any approval in-principle of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) for the listing of the New Shares is not to be taken as an indication of the merits of the Scrip Dividend Scheme, the New Shares, the Company or its subsidiaries. The SGX-ST also accepts no responsibility for any statement contained herein.

For the purpose of this announcement, unless otherwise defined:

“**Books Closure Date**” means with respect to a Qualifying Dividend (as defined below), the date to be determined by the Directors on which the transfer books and register of members of the Company will be closed for the purpose of determining the entitlements of Shareholders to that Qualifying Dividend.

“**CDP**” means The Central Depository (Pte) Limited and the terms “**Depositor**”, “**Depository Register**” and “**Depository Agent**” shall have the meanings ascribed to them respectively in Section 130A of the Companies Act, Chapter 50 of Singapore.

“**Dividends**” means a dividend (including any interim, final, special or other dividend) to be paid on the issued Shares (as defined below) as resolved or proposed by the Directors or by the Company in general meeting.

“**Foreign Shareholders**” means with respect to a Qualifying Dividend, Shareholders with registered mailing addresses outside Singapore and who have not provided to the Company or (as the case may be) CDP, not later than five (5) Market Days (as defined below) (or such other cut-off date as the Directors may determine) prior to the Books Closure Date for that Qualifying Dividend with addresses in Singapore for the service of notices and documents.

“**Market Days**” means a day on which the SGX-ST is open for trading in securities.

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

“**Qualifying Dividend**” means a Dividend to which the Scrip Dividend Scheme applies, as determined by the Directors.

2. RATIONALE AND PURPOSE OF THE SCRIP DIVIDEND SCHEME

The Scrip Dividend Scheme will provide Shareholders greater flexibility in meeting their investment objectives as it would give them the choice of receiving cash or reinvesting in the Company through the acquisition of additional shares without having to incur transaction or

other related costs. There would also be greater share liquidity in the market to the extent that New Shares are issued pursuant to the Scrip Dividend Scheme. The Company will also benefit from the participation by Shareholders in the Scrip Dividend Scheme as, to the extent that Shareholders elect to receive Dividends in the form of New Shares, the cash which would otherwise be payable by way of dividends would be retained in the Company and used to fund the growth and expansion of the Company. The retention of cash and the issue of New Shares in lieu of cash dividend under the Scrip Dividend Scheme will also enlarge the Company's share capital base and strengthen its working capital position. This is part of the Company's continuing efforts to enhance and maximize Shareholders' value.

3. SUMMARY OF THE SCRIP DIVIDEND SCHEME

The following is a summary of the main features of the Scrip Dividend Scheme and is derived from, and should be read in conjunction with, the full text of the Statement.

The Scrip Dividend Scheme provides Shareholders with the option to elect to receive New Shares in lieu of the cash amount of any Dividend which is declared on the Shares held by them (after the deduction of applicable income tax).

All Shareholders are eligible to participate in the Scrip Dividend Scheme, subject to the restrictions on Foreign Shareholders, and except that participation in the Scrip Dividend Scheme shall not be available to such Shareholders or class of Shareholders, as the Directors may in their discretion determine, and further subject to the requirement that such participation by the Shareholder will not result in a breach of any other restriction on such Shareholder's holding of Shares which may be imposed by any statute, law or regulation in force in Singapore or any other relevant jurisdiction, as the case may be, or by the Articles of Association of the Company.

Shareholders may elect to participate in the Scrip Dividend Scheme in respect of part only or all of their holding of shares for any Qualifying Dividend and may also make a permanent election to receive New Shares in respect of the Qualifying Dividend and his entitlement to all future Qualifying Dividends. For the avoidance of doubt, a Shareholder may not make a permanent election to participate in respect of part only of his holdings of Shares for all future Qualifying Dividends. Where a permanent election has been made, Shareholders may, by giving the appropriate notice in accordance with the Scrip Dividend Scheme, cancel his participation and withdraw from the Scrip Dividend Scheme at any time. The cancellation of a permanent election by a Shareholder will not preclude him from making a fresh permanent election, should he wish to do so, at a later time.

The Directors may, in their absolute discretion, determine that the Scrip Dividend Scheme will apply to any particular Dividend. An announcement will be made by the Company as soon as practicable following the determination by the Directors that the Scrip Dividend Scheme is to apply to a particular Dividend, and in any event, by no later than the next Market Day immediately following the Books Closure Date in respect of that particular Dividend. Unless the Directors have determined that the Scrip Dividend Scheme will apply to any particular Dividend, the Dividend concerned will be paid in cash to the Shareholders in the usual manner.

New Shares allotted under the Scrip Dividend Scheme will rank *pari passu* in all respects with the Shares then in issue save only as regards participation in the Qualifying Dividend which is the subject of the election (including the right to make any election pursuant to the Scrip Dividend Scheme) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the Qualifying Dividend which is the subject of the election, unless the Directors shall otherwise specify. Fractional entitlements to the New Shares will be rounded up to the nearest whole number or otherwise dealt with in such manner as the Directors may deem fit in the interests of the Company and as may be acceptable to the SGX-ST.

4. HOW TO PARTICIPATE

Participation in the Scrip Dividend Scheme is optional.

A Shareholder wishing to receive New Shares in respect of all or part of any Qualifying Dividend or to make a permanent election to receive New Shares in respect of all (and not part only) of the Qualifying Dividend to which a Notice of Election relates and all future Qualifying Dividends should complete such Notice of Election and return it to the Company at the address indicated on the Notice of Election or, if the Shareholder is a Depositor, through CDP. A Shareholder receiving more than one Notice of Election and wishing to receive New Shares in respect of part only or all of his entitlement to the Qualifying Dividend in respect of all of his holding of Shares or to make a permanent election to receive New Shares in respect of the Qualifying Dividend and all future Qualifying Dividends must complete all Notices of Election received by him and return the completed Notices of Election to the Company and/or CDP, as the case may be.

To be effective in respect of any Qualifying Dividend to which a Notice of Election relates, such duly completed Notice of Election must be received by the Company or (as the case may be) CDP no later than the date to be specified by the Directors in respect of that Qualifying Dividend.

5. NOTE TO SHAREHOLDERS

The Company's Shares are currently traded in board lots of one hundred (100) Shares. A Shareholder who elects to receive New Shares in lieu of the cash amount of the Qualifying Dividend may receive such New Shares in odd lots. Shareholders who receive odd lots of New Shares and who wish to trade such odd lots on the Mainboard of the SGX-ST should do so on the Unit Share Market of SGX-ST, which allows trading of odd lots with a minimum of one (1) share.

The attention of Shareholders is drawn to Rule 14 of the Singapore Code on Take-overs and Mergers (the "**Takeover Code**"). In particular, a Shareholder should note that he may be under an obligation to extend a take-over for the Company if:

- (a) by participating in the Scrip Dividend Scheme in relation to any Qualifying Dividend, he acquires whether at one time or different times, Shares which (together with Shares owned or acquired by him or persons acting in concert with him) carry 30% or more of the voting rights of the Company; or
- (b) he, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights of the Company, and he or any person acting in concert with him, by participating in the Scrip Dividend Scheme in relation to any Qualifying Dividend, acquires in any period of six (6) months additional Shares carrying more than 1% of the voting rights of the Company.

The statements herein do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all implications that may arise under the Takeover Code. Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer under the Takeover Code as a result of any acquisition of Shares through their participation in the Scrip Dividend Scheme are advised to consult their professional advisers and/or the Securities Industry Council of Singapore at the earliest opportunity.

The Company takes no responsibility for the taxation liabilities of participating Shareholders or the tax consequences of any election made by Shareholders. As individual circumstances and laws vary considerably, specific taxation advice should be obtained by Shareholders if required. The Company takes no responsibility for the correctness or accuracy of any information as to taxation liability set out herein.

6. APPROVALS FOR THE PURPOSES OF IMPLEMENTING THE SCRIP DIVIDEND SCHEME

Pursuant to Rule 862 of the Listing Manual of the SGX-ST, an announcement must be made by an issuer if it wishes to implement a scrip dividend scheme which enables shareholders to receive dividends by shares in lieu of cash and the approval of Shareholders will not be required.

The issue of new shares under the Scrip Dividend Scheme will be subject to the approval of the Shareholders pursuant to Section 161 of the Companies Act and the authority to allow the issue of new shares under the Scrip Dividend Scheme will be sought at the forthcoming annual general meeting of the Company to be convened on 27 April 2016.

**BY ORDER OF THE BOARD
TA CORPORATION LTD**

Yap Ming Choo
Company Secretary

Date: 28 January 2016

APPENDIX

TA CORPORATION LTD.
(Incorporated in Singapore)
(Company Registration Number: 201105512R)

SCRIP DIVIDEND SCHEME STATEMENT

1. SCRIP DIVIDEND SCHEME STATEMENT

This Scrip Dividend Scheme Statement (the “**Statement**”) contains the terms and conditions of the TA Corporation Scrip Dividend Scheme (the “**Scrip Dividend Scheme**”) under which persons registered in the Register of Members of TA Corporation Ltd. (the “**Company**”) or, as the case may be, the Depository Register (as defined below), as the holders of fully paid ordinary shares in the Company (the “**Shareholders**”) may elect to receive new, fully paid ordinary shares in the capital of the Company (the “**New Shares**”) in lieu of the cash amount of any dividend (including any interim, final, special or other dividend) which is declared on the Shares held by them (after the deduction of applicable income tax).

This Statement is made as on 28 January 2016.

The Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) assumes no responsibility for the correctness of any of the statements made in this Statement.

2. SUMMARY OF MAIN FEATURES

The Scrip Dividend Scheme provides Shareholders with the option to elect to receive New Shares in lieu of the cash amount of any dividend (including any interim, final, special or other dividend) (the “**Dividend**”) declared on their holding of Shares (after the deduction of applicable income tax).

Under the present law in Singapore, there is no brokerage, stamp duty or other transaction costs payable on New Shares allotted under the Scrip Dividend Scheme.

All Shareholders are eligible to participate in the Scrip Dividend Scheme subject to the restrictions on Foreign Shareholders (as defined below), more particularly described below and except for such other Shareholders or class of Shareholders as the directors of the Company (the “**Directors**”) may in their absolute discretion decide.

Shareholders may elect to participate in respect of part only or all of their holding of Shares to which each Notice of Election (as defined below) relates in respect of any Qualifying Dividend (as defined below) and may also make a permanent election to participate in respect of all of their holding of Shares for all future Qualifying Dividends. For the avoidance of doubt, a Shareholder may not make a permanent election to participate in respect of part only of his holdings of Shares to which each Notice of Election relates to all future Qualifying Dividends.

Shareholders receiving more than one (1) Notice of Election may elect to participate in respect of their holding of Shares to which one (1) Notice of Election relates and elect not to participate in respect of their holding of Shares to which any other Notice of Election relates. Where a permanent election has been made, participating Shareholders may cancel their participation and withdraw from the Scrip Dividend Scheme at any time, subject to giving appropriate notice in accordance with paragraph 4.13 of this Statement. However, the cancellation of a permanent election by a Shareholder would not preclude him from making a fresh permanent election, should he wish to do so at a later date.

The Directors may, in their absolute discretion, determine that the Scrip Dividend Scheme will apply to any particular Dividend. An announcement will be made by the Company as soon as practicable following the determination by the Directors that the Scrip Dividend Scheme is to apply to a particular Dividend, and in any event, by no later than the next Market Day (as defined below) immediately following the Books Closure Date (as defined below) in respect of that particular Dividend. Unless the Directors have determined that the Scrip Dividend Scheme will apply to any particular Dividend, the Dividend concerned will be paid in cash to the Shareholders in the usual manner.

New Shares allotted under the Scrip Dividend Scheme will rank *pari passu* in all respects with the Shares then in issue save only as regards participation in the Qualifying Dividend which is the subject of the election (including the right to make any election pursuant to the Scrip Dividend Scheme) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the Qualifying Dividend which is the subject of the election, unless the Directors shall otherwise specify.

Shareholders participating in the Scrip Dividend Scheme will receive, at or about each dividend payment date, statements setting out, *inter alia*, the number of Shares allotted to them under the Scrip Dividend Scheme.

3. HOW TO PARTICIPATE

Participation in the Scrip Dividend Scheme is optional.

A Shareholder wishing to receive New Shares in respect of all or part of any Qualifying Dividend or to make a permanent election to receive New Shares in respect of all (and not part only) of the Qualifying Dividend to which a Notice of Election relates and all future Qualifying Dividends should complete such Notice of Election and return it to the Company at the address indicated on the Notice of Election or, if the Shareholder is a Depositor (as defined below), through CDP (as defined below). A Shareholder receiving more than one Notice of Election and wishing to receive New Shares in respect of part only or all of his entitlement to the Qualifying Dividend in respect of his holding of Shares or to make a permanent election to receive New Shares in respect of the Qualifying Dividend and all future Qualifying Dividends must complete all Notices of Election received by him and return the completed Notices of Election to the Company and/or CDP, as the case may be.

To be effective in respect of any Qualifying Dividend to which a Notice of Election relates, such duly completed Notice of Election must be received by the Company or (as the case may be) CDP no later than the date to be specified by the Directors in respect of that Qualifying Dividend.

4. TERMS AND CONDITIONS OF THE SCRIP DIVIDEND SCHEME

4.1 Establishment

The Scrip Dividend Scheme has been established by the Directors.

4.2 Terms and Conditions

The following are the terms and conditions ("**Terms and Conditions**") of the Scrip Dividend Scheme.

In these Terms and Conditions,

“**Companies Act**” shall mean the Companies Act, Chapter 50, of Singapore, as may be amended, modified or supplemented from time to time;

“**Books Closure Date**” shall mean the date and time to be determined by the Directors on which the transfer books and Register of Members of the Company will be closed for the purpose of determining the entitlements of Shareholders to a Dividend;

“**CDP**” shall mean The Central Depository (Pte) Limited or any successor entity thereto;

“**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the respective meanings ascribed to them in the Companies Act;

“**Foreign Shareholders**” shall mean Shareholders with registered mailing addresses outside Singapore and who have not provided to the Company or (as the case may be) CDP, not later than five (5) Market Days (or such other cut-off date as the Directors may determine) prior to the Books Closure Date, addresses in Singapore for the service of notices and documents;

“**Listing Manual**” shall mean the Listing Manual of the SGX-ST;

“**Mainboard**” shall mean the Mainboard of the SGX-ST;

“**Market Day**” shall mean a day on which the SGX-ST is open for trading in securities;

“**Qualifying Dividend**” shall mean any Dividend to which the Scrip Dividend Scheme applies (as determined by the Directors and as provided below);

“**SGX-ST**” shall mean Singapore Exchange Securities Trading Limited or any successor entity thereto;

“**Shares**” shall mean ordinary shares in the capital of the Company; and

“**Takeover Code**” shall mean The Singapore Code on Take-overs and Mergers, as amended, modified or supplemented from time to time.

4.3 Eligibility

All Shareholders are eligible to participate in the Scrip Dividend Scheme, subject to the restrictions on Foreign Shareholders, more particularly described in paragraph 4.4 below and except that participation in the Scrip Dividend Scheme shall not be available to such Shareholders or class of Shareholders, as the Directors may in their discretion determine, and further subject to the requirement that such participation by the Shareholder will not result in a breach of any other restriction on such Shareholder’s holding of Shares which may be imposed by any statute, law or regulation in force in Singapore or any other relevant jurisdiction, as the case may be, or by the Articles of Association of the Company.

4.4 Foreign Shareholders

For practical reasons and to avoid any violation of the securities laws applicable in countries outside Singapore where Shareholders may have their registered mailing addresses, the Directors may in their absolute discretion decide that Foreign Shareholders shall not be eligible to participate in the Scrip Dividend Scheme. No Foreign Shareholder shall have any claim whatsoever against the Company, the Company’s Share Registrar, CDP or any of their respective agents as a result of the

Scrip Dividend Scheme not being offered to such Foreign Shareholders. Where the Scrip Dividend Scheme is not offered to Foreign Shareholders, Foreign Shareholders who receive or come to have in their possession this Statement and/or a Notice of Election may not treat the same as an invitation to them and are advised to inform themselves of, and to observe, any prohibitions and restrictions, and to comply with any applicable laws and regulations relating to the Scrip Dividend Scheme as may be applicable to them. Foreign Shareholders who wish to be eligible to participate in the Scrip Dividend Scheme should provide an address in Singapore for the service of notices and documents by notifying the Company's Share Registrar, B.A.C.S Private Limited, at 8 Robinson Road, #03-00, ASO Building, Singapore 048544 (or such other address as may be announced by the Company from time to time), or, if the Foreign Shareholder is a Depositor, CDP at 9 North Buona Vista Drive, #01-19/20 The Metropolis Tower 2, Singapore 138588 (or such other address as may be announced by the Company from time to time) not later than five (5) Market Days (or such other cut-off date as the Directors may determine) prior to the Books Closure Date. Depositors should note that all correspondences and notices will be sent to their last registered mailing addresses with the Company or, as the case may be, CDP.

4.5 Level of Participation

A Shareholder may elect to participate in the Scrip Dividend Scheme (the "**Participating Shareholder**") in respect of part only or all of his holding of Shares as at each Books Closure Date to which each Notice of Election received by him relates for a Qualifying Dividend (the "**Participating Shares**"), except in the case of a Shareholder who is a Depository Agent or nominee company of a bank, merchant bank, stockbroker or other financial institution, holding Shares as custodian, such Depository Agent or nominee company may, at the absolute discretion of the Directors, be allowed to make an election to participate in the Scrip Dividend Scheme in respect of part only of the Shares to which each Notice of Election received by it relates. Accordingly, there shall be no cash payment for Shareholders who have elected to participate in the Scrip Dividend Scheme.

4.6 Permanent Election

Any permanent election to participate in the Scrip Dividend Scheme is personal to the Participating Shareholder.

A Shareholder may make a permanent election in the manner set out below for participation in respect of all future Qualifying Dividends, and where a permanent election in respect of all his holding of Shares to which a Notice of Election relates has been made, unless and until a notice of cancellation in such form as the Directors may approve (the "**Notice of Cancellation**"), in relation to such Notice of Election is received by the Company or (as the case may be) CDP as provided below, the permanent election shall be effective for all future Qualifying Dividends in respect of such Notice of Election. A notice of cancellation of participation in the Scrip Dividend Scheme in any other form will not be accepted by the Company or (as the case may be) CDP unless the Company or CDP otherwise decide.

4.7 Notice of Election to Participate

The Company will, at its discretion, send to each Shareholder one (1) or more notices of election in such form as the Directors may approve (the "**Notice of Election**"), unless a permanent election to participate in the Scrip Dividend Scheme has already been made. To be effective in respect of any Qualifying Dividend (unless a permanent election has already been made), a Notice of Election must be received by the Company or, in the case of a Notice of Election being submitted by a Shareholder who is a Depositor, by CDP, by the date to be specified by the Directors in respect of that Qualifying Dividend. A Shareholder receiving one (1) or more Notices of Election and wishing to receive New

Shares in respect of all of his entitlement to the Qualifying Dividend in respect of all his holding of Shares must complete all the Notices of Election received by him and return the completed Notices of Election to the Company and/or CDP, as the case may be. A notice of election to participate in the Scrip Dividend Scheme in any other form will not be accepted by the Company or (as the case may be) CDP.

If a Notice of Election in relation to a permanent election is received after the date specified by the Directors for any particular Qualifying Dividend, the Notice of Election will not, unless otherwise determined by the Directors, be effective for that Qualifying Dividend or for any future Qualifying Dividends in respect of such Notice of Election. A Notice of Election (other than in relation to a permanent election) in respect of any Qualifying Dividend shall not, upon its receipt by the Company or (as the case may be) CDP, be withdrawn or cancelled.

A permanent election made in the Notice of Election will remain in force until cancelled in the manner provided below or until it becomes ineffective as provided in these Terms and Conditions. A Shareholder receiving more than one Notice of Election and wishing to make a permanent election in respect of all his holding of Shares must complete all Notices of Election received by him and return the Notices of Election to the Company and/or CDP, as the case may be.

The Company is under no obligation to correct invalid Notices of Election on behalf of any Shareholder or to provide any reason for rejecting any Notice of Election. By electing to participate in the Scrip Dividend Scheme the Participating Shareholder unconditionally:

- (a) warrants to the Company that it has the legal right and full power and authority to participate in the Scrip Dividend Scheme and that its participation in the Scrip Dividend Scheme will not result in a breach of any law or regulation by which it is bound;
- (b) acknowledges that the Company may at any time determine that the Participating Shareholder's Notice of Election or any Notice of Cancellation or other form ("**Forms**") is valid, even if the relevant Form is incomplete, contains errors or is otherwise defective and conversely, that the Company is under no obligation to correct or rectify invalid, incomplete or incorrect Notices of Election on behalf of any Shareholder;
- (c) acknowledges that the Company may reject any Form without having to provide any reason for such rejection;
- (d) acknowledges that the Company has not provided the Participating Shareholder with investment or other advice and that it does not have any obligation to provide any advice in connection with the Scrip Dividend Scheme; and
- (e) agrees to abide by these Terms and Conditions and agrees not to do any act or thing which would be contrary to the intention or purpose of the Scrip Dividend Scheme, in each case, at all times until termination of the Scrip Dividend Scheme or of the Participating Shareholder's participation in the Scrip Dividend Scheme.

4.8 Extent of Application of Scrip Dividend Scheme to each Dividend

The Directors may, in their absolute discretion, in respect of any Dividend, determine whether the Scrip Dividend Scheme shall apply to such Dividend. If, in their absolute discretion, the Directors have not determined that the Scrip Dividend Scheme is to apply to a particular Dividend, such Dividend shall be paid in cash to Shareholders in the usual manner.

4.9 Share Entitlement

By electing to participate in the Scrip Dividend Scheme in respect of any Notice of Election received by him, a Shareholder elects in respect of any Qualifying Dividend (after the deduction of applicable income tax) to which such Notice of Election relates to receive New Shares in lieu of the cash amount of the Qualifying Dividend.

In respect of any Qualifying Dividend, the number of New Shares to be allotted and issued to the Participating Shareholder electing to receive New Shares in respect of a Notice of Election shall be calculated in accordance with the following formula:

$$N = \frac{S \times D}{V}$$

Where:

N is the number of New Shares to be allotted and issued as fully paid to the Participating Shareholder in respect of such Notice of Election.

S is the number of Participating Shares held by the Participating Shareholder as at the Books Closure Date for which such Notice of Election relates.

D is the amount of the Qualifying Dividend (after deduction of applicable income tax) to which such Notice of Election relates expressed in Singapore Dollars and fractions thereof per Share.

V is the issue price of a Share, which shall for the purpose of calculating the number of New Shares to be allotted and issued as fully paid to Participating Shareholders, pursuant to the Scrip Dividend Scheme, be an amount in Singapore Dollars determined by the Directors (the “**Relevant Amount**”), which Relevant Amount shall not be set at more than ten per cent. 10% discount (or such other discount as may be permitted by the Listing Manual) to, nor shall it exceed, the average of the last dealt prices of a Share on the Mainboard for each of the Market Days during the period commencing on the day on which the Shares are first quoted ex-dividend on the SGX-ST after the announcement of the Dividend and ending on the Books Closure Date (“**Price Determination Period**”). In the event that there is no trading in the Shares during the Price Determination Period, the Relevant Amount shall not exceed the average of the last dealt prices of a Share on the Mainboard for each of the Market Days during a period, to be determined by the Directors, prior to the announcement of the application of the proposed Scrip Dividend Scheme to such Dividend.

The multiple of S and D shall be rounded to the nearest 2 decimal places.

The Directors shall have full power to make such provisions as they think fit where the number of New Shares calculated in accordance with the above formula becomes attributable in fractions, including provisions whereby fractional entitlements are rounded up to the nearest whole number or otherwise dealt with in such manner as they may deem fit in the interests of the Company and which is/are acceptable to the SGX-ST.

4.10 Terms of Allotment

All New Shares allotted under the Scrip Dividend Scheme will be allotted as fully paid. All such New Shares shall rank *pari passu* in all respects with all existing Shares then in issue save only as regards participation in the Qualifying Dividend which is the subject of the election (including the right to make any election pursuant to the Scrip Dividend Scheme) or any other distributions, bonuses or rights paid, made, declared or announced

prior to or contemporaneous with the payment or declaration of the Qualifying Dividend which is the subject of the election, unless the Directors shall otherwise specify.

Participating Shareholders who are Depositors and who have submitted the Notice of Election through CDP will have the New Shares credited to their CDP accounts. In other cases, certificates for the New Shares will be despatched to Shareholders, at their own risk, to their registered mailing addresses in Singapore by ordinary post.

4.11 Statement to Participating Shareholders

The Company will send to each Participating Shareholder on or about each payment date for the Dividend which shall be a date not less than thirty (30) Market Days but not more than thirty-five (35) Market Days after the Books Closure Date for that Dividend, or such other period as the Directors may decide, a statement detailing, inter alia:

- (a) the number of the Participating Shares held by the Participating Shareholder as at the relevant Books Closure Date; and
- (b) the number of New Shares allotted or to be allotted to the Participating Shareholder under the Scrip Dividend Scheme.

4.12 Cost to Participating Shareholders

Under present law in Singapore, brokerage or other transaction costs and Singapore stamp duty will not be payable by Participating Shareholders on New Shares allotted under the Scrip Dividend Scheme.

4.13 Cancellation of Participation

A Participating Shareholder or an Authorised Representative (as defined below) may at any time cancel his permanent election to participate in the Scrip Dividend Scheme in relation to any Notice of Election by completing and returning to the Company or (as the case may be) CDP, a Notice of Cancellation in such form as the Directors may approve (a notice of cancellation of participation in the Scrip Dividend Scheme in any other form will not be accepted by the Company, or as the case may be, CDP) in relation to such Notice of Election. To be effective in respect of any Qualifying Dividend, the Notice of Cancellation must be received by the Company or (as the case may be) CDP by the date to be specified by the Directors for that Qualifying Dividend, failing which the Notice of Cancellation will not, unless otherwise determined by the Directors, be effective for that Qualifying Dividend in respect of such Notice of Election. The Notice of Cancellation will however be effective for the next Qualifying Dividend. The cancellation of a permanent election by a Shareholder will not preclude him from making a fresh permanent election in future should he wish to do so.

Where a Participating Shareholder or an Authorised Representative gives notice to the Company or, if the Participating Shareholder is a Depositor, to CDP, of a change of his mailing address for the service of notices and documents from an address within Singapore to an address outside Singapore, he shall thereupon be considered a Foreign Shareholder. Any permanent election to participate in the Scrip Dividend Scheme by such Participating Shareholder shall be deemed to have been cancelled by him upon receipt by the Company or, as the case may be, CDP of such change of address notification.

If a Participating Shareholder, who is an individual, dies, any permanent election to participate in the Scrip Dividend Scheme by that Participating Shareholder will cease upon receipt by the Company or, if the Shareholder is a Depositor, by CDP, *inter alia*, of a Notice of Cancellation and a notice of the death acceptable to the Company or, as the

case may be, CDP or at such later date as the Directors in their discretion, upon request from the personal representative(s) of the deceased Participating Shareholder, may determine. If a Participating Shareholder becomes bankrupt or, in the case where the Participating Shareholder is a company, is wound up, any permanent election to participate in the Scrip Dividend Scheme by that Shareholder will cease upon receipt by the Company or, if the Shareholder is a Depositor, by CDP, *inter alia*, of a Notice of Cancellation and a notice of the bankruptcy or, as the case may be, the winding up.

For the purpose of this paragraph, an “**Authorised Representative**” would include any guardian of an infant who is a Participating Shareholder, and any committee or any other legal curator of a lunatic person who is a Participating Shareholder, and any person becoming entitled to the legal title in a Share in consequence of the death or bankruptcy of a Participating Shareholder (who is an individual), or the winding-up of a Participating Shareholder (which is an entity) upon producing such evidence of legal title to the Share as the Company or, as the case may be, CDP may require.

4.14 Cancellation or Suspension of Application of the Scrip Dividend Scheme

Notwithstanding any provision in these Terms and Conditions, if at any time after the Directors have determined that the Scrip Dividend Scheme shall apply to any particular Dividend and before the allotment and issue of New Shares in respect of the Dividend, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such determination) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement the Scrip Dividend Scheme in respect of the Dividend, the Directors may, at their absolute discretion and as they may deem fit in the interest of the Company and without assigning any reason therefor, cancel the application of the Scrip Dividend Scheme to the Dividend.

Any suspension will continue until such time as the Directors resolve to recommence or cancel the application of the Scrip Dividend Scheme to the Dividend. The date of any commencement or cancellation will be notified to all Shareholders. In the event of a cancellation, the Dividend shall be paid in cash to Shareholders in the usual manner.

4.15 Modification, Suspension and Termination of the Scrip Dividend Scheme

The Scrip Dividend Scheme may be modified, suspended (in whole or in part) or terminated at any time by the Directors as they deem fit on giving notice in writing to all Shareholders, except that no modification shall be made without the prior written approval of the SGX-ST.

In the case of a modification, the Scrip Dividend Scheme will continue as modified in relation to each Shareholder who has made a permanent election under the Scrip Dividend Scheme unless and until the Company or, if the Shareholder is a Depositor, CDP, receives from the Participating Shareholder a Notice of Cancellation in accordance with these Terms and Conditions and in respect of a Notice of Election submitted by such Participating Shareholder or his permanent election otherwise ceases to have effect as provided in Paragraph 4.13 above, whichever is the earlier.

In the case of a suspension, the Scrip Dividend Scheme will be suspended (in whole or in part (as the case may be)) until such time as the Directors resolve to recommence or terminate the Scrip Dividend Scheme. If the Scrip Dividend Scheme is recommenced, Participating Shareholders' Notice of Election as to their participation under the previously suspended Scrip Dividend Scheme will be valid and have full force and effect in accordance with these Terms and Conditions for the purposes of the Scrip Dividend Scheme, provided that (a) the CDP or the Company has not received a Notice of Cancellation in respect of a Notice of Election submitted by such Participating Shareholder, or (b) his permanent election has not ceased to have effect as provided in

Paragraph 4.13 above. The date and conditions of the recommencement (including any directors as to Share recommencing to participate in the Scrip Dividend Scheme) will be notified to all Shareholders.

4.16 General Administration of the Scrip Dividend Scheme

The Directors may implement the Scrip Dividend Scheme in the manner they deem fit. The Directors have the power to:

- (a) determine procedures, rules and regulations for administration of the Scrip Dividend Scheme consistent with these Terms and Conditions;
- (b) settle in such manner as they think fit any difficulty, anomaly or dispute (including relating to the interpretation of any provision, regulation or procedure or as to any rights under the Scrip Dividend Scheme) which may arise in connection with the Scrip Dividend Scheme, whether gradually or in relation to any Participating Shareholder of any Share and the determination of the Directors will be conclusive and binding on all Shareholders and other persons to whom the determination relates;
- (c) delegate to any one or more persons, for such period and on such conditions as the Directors may determine, the exercise of any of their powers or discretions under or in respect of the Scrip Dividend Scheme and references to a decision, opinion or determination of the person or persons to whom the Directors have delegated their authority for the purposes of administering the Scrip Dividend Scheme; and
- (d) waive strict compliance by the Company or any Shareholder with any of these Terms and Conditions unless such waiver results or gives rise or may result or may give rise to breach of any statute, law or regulation in force in Singapore or any other relevant jurisdiction or by the Articles of Association of the Company.

4.17 Governing Law and Exclusion of Third Party Rights

This Statement, the Scrip Dividend Scheme and the Terms and Conditions thereof shall be governed by, and construed in accordance with, the laws of Singapore. A person who is not a party to these Terms and Conditions has no right under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore to enforce against the Company any of these Terms and Conditions.

5. APPLICATION FOR LISTING ON THE MAINBOARD

The Company shall make the necessary application(s) for the listing and quotation of the New Shares to be issued for the purposes of, in connection with or where contemplated by the Scrip Dividend Scheme. An appropriate announcement on receipt of such will be announced. The in-principle approval of the SGX-ST is not to be taken as an indication of the merits of the proposed Scrip Dividend Scheme, the New Shares, the Company or its subsidiaries.

6. TAKE-OVER IMPLICATIONS

The attention of Shareholders is drawn to Rule 14 of the Takeover Code. In particular, a Shareholder should note that he may be under an obligation to extend a take-over for the Company if:

- (a) by participating in the Scrip Dividend Scheme in relation to any Qualifying Dividend, he acquires whether at one time or different times, Shares which

(together with Shares owned or acquired by him or persons acting in concert with him) carry 30% or more of the voting rights of the Company; or

- (b) he, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voting rights of the Company, and he or any person acting in concert with him, by participating in the Scrip Dividend Scheme in relation to any Qualifying Dividend, acquires in any period of six (6) months additional Shares carrying more than 1% of the voting rights of the Company.

The statements herein do not purport to be a comprehensive or exhaustive description of all the relevant provisions of, or all implications that may arise under the Takeover Code. Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer under the Takeover Code as a result of any acquisition of Shares through their participation in the proposed Scrip Dividend Scheme are advised to consult their professional advisers and/or the Securities Industry Council of Singapore at the earliest opportunity.

7. TAXATION

The Company takes no responsibility for the taxation liabilities of Participating Shareholders or the tax consequences of any election made by Shareholders. As individual circumstances and laws vary considerably, specific taxation advice should be obtained by Shareholders if required.

The Company takes no responsibility for the correctness or accuracy of any information as to taxation liabilities set out in this Statement.

As a general indication, however, it is understood that as at the date of this Statement, under tax legislation in Singapore, a Shareholder's tax liability in relation to the Dividends received will not alter, nor is there any tax advantage to be gained, by reason of having elected to participate in the Scrip Dividend Scheme.

8. INCOME TAX

The Company will deduct all income tax required to be deducted from the Qualifying Dividends in accordance with applicable law.

9. ODD LOTS

A Participating Shareholder who elects to receive New Shares in lieu of the cash amount of the Qualifying Dividend may receive such New Shares in odd lots.

10. OTHER ITEMS

The New Shares are offered on the Terms and Conditions set out in this Statement and in the applicable provisions of the Articles of Association of the Company. There are no other terms other than those implied by law or set out in publicly registered documents.

11. ENQUIRIES

Enquiries about any aspect of the Scrip Dividend Scheme should be directed to:

B.A.C.S Private Limited
8 Robinson Road, #03-00
ASO Building
Singapore 048544

12. LIABILITY OF THE COMPANY

Notwithstanding anything herein, neither the Company nor any officer, director, agent or representative of the Company shall under any circumstances be liable or responsible to any Participating Shareholders for any loss, damage, cost or expense (collectively, "**Loss**") or alleged Loss in connection with or as a result, directly or indirectly, of the establishment or operation of the Scrip Dividend Scheme or participation in the Scrip Dividend Scheme, including any delay in allotting or issuing any New Shares or applying for their listing. No representation or warranty is given in respect of any New Shares, the Company or its subsidiaries or associates company or that listing approval for the New Shares will be obtained.