

TAI SIN ELECTRIC LIMITED

(Incorporated in the Republic of Singapore on 4 January 1980)
(Company Registration No. 198000057W)

APPLICATION OF THE TAI SIN ELECTRIC LIMITED SCRIP DIVIDEND SCHEME TO THE INTERIM ONE-TIER TAX EXEMPT DIVIDEND OF THREE-QUARTER (0.75) CENT PER ORDINARY SHARE FOR THE FINANCIAL YEAR ENDING 30 JUNE 2019

On 13 February 2019, Tai Sin Electric Limited (the “**Company**”) announced in its Second Quarter Financial Statement And Dividend Announcement, the declaration of an interim one-tier tax exempt dividend (the “**Interim Dividend**”) of three-quarter (0.75) cent per ordinary share (“**Share**”) for the financial year ending 30 June 2019.

The Board of Directors of the Company wishes to further announce that the Tai Sin Electric Limited Scrip Dividend Scheme (the “**Scheme**”) will be applicable to the Interim Dividend of three-quarter (0.75) cent per Share for the financial year ending 30 June 2019.

The Scheme will provide holders of fully-paid ordinary shares in the Company (“**Members**”) with an option to elect to receive new Shares credited as fully paid (the “**New Shares**”) in lieu of the **all (and not part only)** of the cash amount of the Interim Dividend. Entitlements to the Interim Dividend will be based on the Shares held by Members as at 5.00 p.m. on **20 March 2019** (the “**Books Closure Date**”).

Members who wish to receive the Interim Dividend in CASH need not take any action, provided they have not previously made permanent elections under the Scheme to receive New Shares in lieu of cash. Members who have previously made such permanent elections under the Scheme (and whose permanent elections have not been cancelled or deemed cancelled) will receive New Shares in lieu of cash for the Interim Dividend if they do not take any action.

1. ELIGIBILITY

All Members entitled to the Interim Dividend will be eligible to participate in the Scheme in respect of the Interim Dividend, subject to the terms and conditions of the Scheme including the restrictions on Overseas Members (as described below).

Members with registered addresses outside Singapore (“**Overseas Members**”), and who have not provided the Company or (as the case may be) The Central Depository (Pte) Limited (the “**CDP**”) with addresses in Singapore for the service of notices and documents latest **by 5.00 p.m. on 14 March 2019** (being not later than five market days prior to the Books Closure Date) will not be eligible to participate in the Scheme.

Overseas Members who wish to be eligible to participate in the Scheme should provide an address in Singapore for the service of notices and documents by notifying the Company c/o the Share Registrar, B.A.C.S. Private Limited at 8 Robinson Road #03-00, ASO Building, Singapore 048544 or, if the Overseas Member is a CDP depositor, to CDP at 9 North Buona Vista Drive #01-19/20, The Metropolis, Singapore 138588, not later than 5.00 p.m. on 14 March 2019.

Participation in the Scheme is further subject to the requirement that such participation by a Member will not result in a breach of any other restriction on such Member's holding of Shares which may be imposed by any statute, law or regulation in force in Singapore or any other relevant jurisdiction, or by the Constitution of the Company.

2. NOTICES OF ELECTION

Notices of Election are proposed to be despatched to eligible Members on or about 1 April 2019.

Eligible Members may elect to participate in the Scheme in relation to the Interim Dividend only, or they may make a permanent election to participate in the Scheme in respect of the Interim Dividend and all future dividends to which the Scheme is applied. These electives will be provided for in the Notices of Election.

Eligible Members who wish to participate in the Scheme must complete, sign and return the Notices of Election by 5.00 p.m. on 16 April 2019 to the Company c/o the Share Registrar, B.A.C.S. Private Limited at 8 Robinson Road #03-00, ASO Building, Singapore 048544, or if the eligible Member is a depositor to the CDP, at 9 North Buona Vista Drive #01-19/20, The Metropolis, Singapore 138588. The Notices of Election shall not, upon receipt by the Company or CDP, be withdrawn or cancelled.

Notices of Election for participation in the Scheme received after 5.00 p.m. on 16 April 2019 will not be effective. Eligible Members who do not elect to participate in the Scheme and Overseas Members who have not provided address in Singapore to the Company or CDP, as the case may be by 14 March 2019, will receive all of their respective entitlements to the Interim Dividend in cash.

Members who have not received their Notices of Election by 8 April 2019 should notify the Company's Share Registrar or CDP as the case may be.

3. PERMANENT ELECTIONS

Eligible Members who have previously made permanent elections under the Scheme (and whose permanent elections have not been cancelled or deemed cancelled) will receive New Shares in lieu of the cash amount of the Interim Dividend. They will be sent **Scrip Dividend Entitlement Advices** instead of Notices of Election.

Where an eligible Member chooses to make a permanent election in respect to his holdings of Shares to which a Notice of Election relates, the permanent election will be effective for all future qualifying dividends unless and until a notice of cancellation in the prescribed form is received by the Company's Share Registrar or (as the case may be) CDP.

4. PRICE DETERMINATION PERIOD AND ISSUE PRICE

The price determination period to determine the issue price of the New Shares (the "**Issue Price**") shall commence on 19 March 2019 and end on 20 March 2019 (both dates inclusive) (the "**Price Determination Period**").

In accordance with the restated Scheme Statement, the Issue Price shall not be set at more than 10% discount to the average of the last dealt price of a Share on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) during the Price Determination Period.

The Issue Price will be announced on 21 March 2019.

5. FRACTIONAL ENTITLEMENTS

Where the number of New Shares which may be issued to a participating Member under the Scheme includes a fraction but is not less than one (1), the number of New Shares to be issued will be rounded down to the nearest whole number and the fraction will be disregarded.

Where the number of New Shares which may be issued to a participating Member under the Scheme is less than one (1) New Share, such participating Member will not, regardless of whether he may have elected to do so, receive any New Shares, but will instead be paid his dividend in cash.

6. NOTICE OF BOOKS CLOSURE DATE AND DIVIDEND PAYMENT DATE

NOTICE IS HEREBY GIVEN that the Transfer Books and Register of Members of the Company will be closed from 5.00 p.m. on 20 March 2019 up to (and including) 21 March 2019 for the purpose of determining Members’ entitlements to the Interim Dividend.

Duly completed registrable transfers of Shares received by the Company’s Share Registrar, B.A.C.S. Private Limited, 8 Robinson Road #03-00, ASO Building, Singapore 048544 up to 5.00 p.m. on 20 March 2019 will be registered before entitlements to the Interim Dividend are determined. Members whose securities accounts with CDP are credited with Shares as at 5.00 p.m. on 20 March 2019 will rank for the Interim Dividend.

The Interim Dividend will be paid on 8 May 2019.

7. INDICATIVE TIMETABLE

Members should take note of the following important dates and events. All references to dates and times below are made by reference to Singapore dates and times.

<u>Indicative Date</u>	<u>Event</u>
5.00 p.m. on 14 March 2019	Last day for Overseas Members to provide Singapore addresses
18 March 2019	Last day on which Shares quoted “cum-dividend”
19 March 2019	Shares quoted “ex-dividend”

<u>Indicative Date</u>	<u>Event</u>
19 March 2019 to 20 March 2019 (both dates inclusive)	Period for determining the Issue Price ("Price Determination Period")
5.00 p.m. on 20 March 2019	Books Closure Date
21 March 2019	Announcement of Issue Price
On or about 1 April 2019	Despatch of Notices of Election
16 April 2019	Last day for eligible Members to submit Notices of Election
8 May 2019	Dividend Payment Date (in cash or in New Shares) New Shares to be credited to Securities Account of Depositors and listed on the SGX-ST

By Order of the Board

Mr. Tan Shou Chieh
Secretary

8 March 2019