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CHINA EVERBRIGHT WATER LIMITED

中國光大水務有限公司

(Incorporated in Bermuda with limited liability)

(Hong Kong Stock Code: 1857)

(Singapore Stock Code: U9E)

OVERSEAS REGULATORY ANNOUNCEMENT

This overseas regulatory announcement is issued pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Please refer to the announcement on “APPLICATION OF SCRIP DIVIDEND SCHEME TO INTERIM DIVIDEND FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2019 AND NOTICE OF BOOKS CLOSURE” which has been published by China Everbright Water Limited (the “**Company**”) on the website of the Singapore Exchange Securities Trading Limited on 19 August 2019.

By Order of the Board

China Everbright Water Limited

An Xuesong

Executive Director and Chief Executive Officer

Hong Kong, 19 August 2019

As at the date of this announcement, the board of directors of the Company comprises: (i) a non-executive director, Mr. Wang Tianyi (Chairman); (ii) two executive directors, namely Mr. An Xuesong (Chief Executive Officer) and Mr. Luo Junling; and (iii) four independent non-executive directors, namely Mr. Zhai Haitao, Mr. Lim Yu Neng Paul, Ms. Cheng Fong Yee and Ms. Hao Gang.



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APPLICATION OF SCRIP DIVIDEND SCHEME TO INTERIM DIVIDEND FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2019 AND NOTICE OF BOOKS CLOSURE

1. INTRODUCTION

As set out in the announcement dated 13 August 2019 relating to the financial results of China Everbright Water Limited (the “**Company**”) for the second quarter and half year ended 30 June 2019 (the “**1HFY2019 Results Announcement**”), the Company’s scrip dividend scheme (the “**Scrip Dividend Scheme**”) will be applicable to the interim one-tier tax exempt dividend of 0.65 Singapore cents (equivalent to 3.74 Hong Kong cents) per ordinary share (a “**Share**” and “**Shares**” shall be construed accordingly) for the financial year ending 31 December 2019 (the “**1HFY2019 Interim Dividend**”).

Accordingly, the Scrip Dividend Scheme will provide persons registered in the register of members of the Company or, as the case may be, the Depository Register (as defined in the Scheme Statement) as holders of fully-paid Shares in the Company (the “**Members**”) with an option to elect to receive new Shares pursuant to the Scrip Dividend Scheme (the “**New Shares**”) in lieu of the cash amount of the 1HFY2019 Interim Dividend. In relation to persons registered in the register of members of the Company in Singapore or the Depository Register (“**Singapore Members**”), entitlements to the 1HFY2019 Interim Dividend will be based on the Shares held by Singapore Members as at 5:00 p.m. (Singapore time) on 3 September 2019 (the “**Singapore Books Closure Date**”). In relation to persons registered in the Hong Kong branch register of members of the Company (“**Hong Kong Members**”), entitlements to the 1HFY2019 Interim Dividend will be based on the Shares held by Hong Kong Members as at 4:30 p.m. (Hong Kong time) on 3 September 2019 (the “**Hong Kong Record Date**”).

Members who wish to receive the 1HFY2019 Interim Dividend in CASH need not take any action, provided they have not previously made permanent elections under the Scrip Dividend Scheme to receive New Shares in lieu of cash. Members who have previously made such permanent elections under the Scrip Dividend Scheme (and whose permanent elections have not been cancelled or deemed cancelled) will receive New Shares in lieu of cash for the 1HFY2019 Interim Dividend if they do not take any action.

2. ELIGIBILITY

All Members entitled to the 1HFY2019 Interim Dividend will be eligible to participate in the Scrip Dividend Scheme in respect of the 1HFY2019 Interim Dividend, subject to the restrictions on Overseas Singapore Members (as defined below) and Overseas Hong Kong Members (as defined below).

Participation in the Scrip Dividend Scheme is also subject to the requirement that such participation by a Member will not result in a breach of any other restrictions on such Member’s holding of Shares which may be imposed by any statute, law or regulation in force in Singapore, Hong Kong or any other relevant jurisdiction, or by the bye-laws of the Company.

Singapore Members

Singapore Members with registered addresses outside Singapore (“**Overseas Singapore Members**”) as shown in the register of members of the Company in Singapore or the Depository Register on the Singapore Books Closure Date, and who have not provided the Company or (as the case may be) The Central Depository (Pte) Limited (“**CDP**”) with addresses in Singapore for the service of notices and documents latest by 5:00 p.m. (Singapore time) on 27 August 2019 will not be eligible to participate in the Scrip Dividend Scheme.

Overseas Singapore Members 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 c/o Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 or, if the Overseas Singapore Member is a CDP depositor, CDP at 11 North Buona Vista Drive, #06-07 The Metropolis Tower 2, Singapore 138589, not later than 5.00 p.m. (Singapore time) on 27 August 2019 (Tuesday).

Hong Kong Members

If any Hong Kong Member with a registered address outside Hong Kong (“**Overseas Hong Kong Members**”) is shown in the Hong Kong branch register of members of the Company on the Hong Kong Record Date, the Company will make an enquiry regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange to consider whether to exclude such Overseas Hong Kong Member from the Scrip Dividend Scheme. The Company may only exclude such Overseas Hong Kong Member on the basis that, having made such enquiry, it would be necessary or expedient to do so on account of either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place.

3. ADVANTAGES OF THE SCRIP DIVIDEND SCHEME

As eligible Members will be given the choice of receiving the payment of the 1HFY2019 Interim Dividend in cash and/or in New Shares, eligible Members will thus have greater flexibility in meeting their investment objectives. It will also enable eligible Members to participate in the equity capital of the Company without incurring brokerage fees, stamp duty and other related costs.

The Company will also benefit from the participation by eligible Members in the Scrip Dividend Scheme as, to the extent that eligible Members elect to receive the 1HFY2019 Interim Dividend in the form of New Shares, the cash which would otherwise be payable in respect of the 1HFY2019 Interim Dividend may be retained in the Company to fund the growth of the Company, if required. The issue of New Shares in lieu of cash under the Scrip Dividend Scheme will also enlarge the Company's share capital base and the retention of cash will strengthen its working capital position.

4. NOTICES OF ELECTION AND ELECTION FORMS

Notices of Election (as defined in the Scheme Statement) (in the case of Singapore Members) and Election Forms (as defined in the Scheme Statement) (in the case of Hong Kong Members) are proposed to be despatched to eligible Members on or about 13 September 2019.

Eligible Members may elect to participate in the Scrip Dividend Scheme in relation to the 1HFY2019 Interim Dividend only, or they may make a permanent election to participate in the Scrip Dividend Scheme in respect of the 1HFY2019 Interim Dividend and all future dividends to which the Scrip Dividend Scheme is applied. These electives will be provided for in the Notices of Election and the Election Forms.

In the case of Singapore Members, eligible Members may elect to participate in the Scrip Dividend Scheme in respect of all or part of their holdings of Shares as at the Singapore Books Closure Date.

In the case of Hong Kong Members, eligible Members may elect to participate in the Scrip Dividend Scheme in respect of all or part of their holdings of Shares as at the Hong Kong Record Date.

5. PERMANENT ELECTIONS (FOR ALL SHARES ONLY)

Eligible Members who have previously made permanent elections under the Scrip Dividend Scheme (and whose permanent elections have not been cancelled or deemed cancelled) will receive New Shares in lieu of the cash amount of the 1HFY2019 Interim Dividend. **They will be sent scrip dividend entitlement advices instead of Notices of Election.**

Where an eligible Member chooses to make or has previously made a permanent election in respect of his holdings of Shares to which a Notice of Election relates, the permanent election will be effective for all future Qualifying Dividends (as defined in the Scheme Statement) unless and until a notice of cancellation (in the prescribed form in the case of Singapore Members) is received by the Company, CDP or the Hong Kong Share Registrar (as defined below) (as the case may be).

For the avoidance of doubt, any prior permanent elections made by Members whose Shares were transferred from the Company's register of members in Singapore to the Company's Hong Kong branch register of members or vice versa will be deemed cancelled and will not be effective in respect of the 1HFY2019 Interim Dividend and all future Qualifying Dividends.

6. ISSUE PRICE

The Company will announce the Issue Price (as defined below) on 4 September 2019.

For the purposes of the application of the Scrip Dividend Scheme to the 1HFY2019 Interim Dividend, the price at which each New Share is to be issued (the "**Issue Price**") will be set at the average of the last dealt prices of a Share on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for each of the days on which the SGX-ST is open for trading during the period commencing on the day on which the Shares are first quoted ex-dividend on the SGX-ST after the date of the 1HFY2019 Results Announcement and ending on the Singapore Books Closure Date (both dates inclusive).

7. FRACTIONAL ENTITLEMENTS

Where the number of New Shares which may be issued to an eligible Member under the Scrip Dividend Scheme includes a fraction but is not less than one, the number of New Shares to be issued will be rounded down to the nearest whole number and the fraction will be disregarded. No cash will be paid on such disregarded fraction of a share.

Where less than one New Share is to be issued to an eligible Member under the Scrip Dividend Scheme, such participating Member will not, regardless of whether he has elected to do so, receive any New Share, but will instead be paid his dividend in cash. This would be the case even if he has made a permanent election previously.

8. NOTICE OF SINGAPORE BOOKS CLOSURE DATE, HONG KONG RECORD DATE, HONG KONG BOOKS CLOSURE PERIOD, AND DIVIDEND PAYMENT DATE

NOTICE IS HEREBY GIVEN THAT

Singapore Members

The register of transfer and register of members of the Company will be closed from 5:00 p.m. (Singapore time) on 3 September 2019, being the Singapore Books Closure Date, for the purpose of determining the entitlements of the Singapore Members to the 1HFY2019 Interim Dividend of 0.65 Singapore cents for every Share held.

Duly completed registrable transfers of Shares received by the Company's share registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to 5:00 p.m. (Singapore time) on 3 September 2019 will be registered before entitlements to the 1HFY2019 Interim Dividend are determined. Members whose securities accounts with CDP are credited with Shares as at 5:00 p.m. (Singapore time) on 3 September 2019 will rank for the 1HFY2019 Interim Dividend.

The 1HFY2019 Interim Dividend will be paid on 18 October 2019 (the "**Dividend Payment Date**"). For participating Singapore Members who are Depositors, the New Shares are expected to be listed and credited on the SGX-ST on 18 October 2019 (the "**Listing and Crediting Date**"). In other cases, certificates for the New Shares will be despatched to participating Singapore Members, at their risk, at their registered addresses in Singapore on 18 October 2019.

Hong Kong Members

The Hong Kong branch register of members of the Company will be closed from 4 September 2019 up to (and including) 5 September 2019 (the "**Hong Kong Books Closure Period**") for the purpose of determining the entitlements of Hong Kong Members to the 1HFY2019 Interim Dividend of 0.65 Singapore cents (equivalent to 3.74 Hong Kong cents) for every Share held.

Duly completed registrable transfers of Shares received by the Hong Kong branch share registrar of the Company, Boardroom Share Registrars (HK) Limited, 2103B, 21/F, 148 Electric Road, North Point, Hong Kong (the "**Hong Kong Share Registrar**"), up to 4:30 p.m. (Hong Kong time) on 3 September 2019, being the Hong Kong Record Date, will be registered before entitlements to the 1HFY2019 Interim Dividend are determined.

The 1HFY2019 Interim Dividend will be paid on 18 October 2019, being the Dividend Payment Date. Certificates for the New Shares will be despatched to participating Hong Kong Members, at their risk, at their registered addresses in Hong Kong on 18 October 2019 and the first day of dealings in the New Shares on The Stock Exchange of Hong Kong Limited (the "**SEHK**") is expected to be on 18 October 2019.

9. IMPORTANT INDICATIVE DATES AND EVENTS

Members should note the following important dates and events. In the event of a change, the Company will publicly announce such change through a SGXNET announcement posted on the website of the SGX-ST at <http://www2.sgx.com> and a HKEx announcement posted on the website of the SEHK at <https://www.hkexnews.hk>. Unless otherwise stated, all references to dates and times above are made by reference to Singapore dates and times.

Indicative Date	Event
5:00 p.m. on 27 August 2019 (<i>Tuesday</i>)	Last day for Overseas Singapore Members to provide Singapore addresses
30 August 2019 (<i>Friday</i>)	Last day on which Shares quoted cum dividend
2 September 2019 (<i>Monday</i>)	First day on which Shares quoted ex-dividend
2 September 2019 (<i>Monday</i>) to 3 September 2019 (<i>Tuesday</i>) (both days inclusive)	Period for determining the Issue Price
4:30 p.m. (Hong Kong time) on 3 September 2019 (<i>Tuesday</i>)	Hong Kong Record Date
5:00 p.m. on 3 September 2019 (<i>Tuesday</i>)	Singapore Books Closure Date
4 September 2019 (<i>Wednesday</i>)	Announcement of the Issue Price
4 September 2019 (<i>Wednesday</i>) to 5 September 2019 (<i>Thursday</i>) (both days inclusive)	Hong Kong Books Closure Period
On or about 13 September 2019 (<i>Friday</i>)	Despatch of Notices of Election and scrip dividend entitlement advices to Singapore Members

Indicative Date**Event**

	Despatch of circular and Election Forms to Hong Kong Members
3 October 2019 (<i>Thursday</i>)	Last day for eligible Singapore Members to submit Notices of Election and/or Notices of Cancellation
	Last day for eligible Hong Kong Members to submit Election Forms
18 October 2019 (<i>Friday</i>)	Dividend Payment Date
	Listing and crediting of New Shares for participating Singapore Members who are Depositors
	Despatch of certificates for New Shares to participating Singapore Members who are not Depositors
	Expected first day of dealings in New Shares on the SEHK
	Despatch of dividend warrants and certificates for New Shares to participating Hong Kong Members

10. SCRIP DIVIDEND SCHEME STATEMENT

A copy of the statement containing the terms and conditions of the Scrip Dividend Scheme (the “**Scheme Statement**”) is set out in the Appendix to this announcement.

By Order of the Board

CHINA EVERBRIGHT WATER LIMITED

An Xuesong

Executive Director and Chief Executive Officer

Date: 19 August 2019

APPENDIX — SCRIP DIVIDEND SCHEME STATEMENT

1. SCRIP DIVIDEND SCHEME STATEMENT

This Scrip Dividend Scheme Statement (the “**Statement**”) contains the terms and conditions of the China Everbright Water Limited Scrip Dividend Scheme (the “**Scrip Dividend Scheme**”) under which persons registered in the register of members of China Everbright Water Limited (the “**Company**”) or, as the case may be, the Depository Register (as defined below) as holders of fully paid ordinary shares in the Company (the “**Members**”) may elect to receive fully paid ordinary shares of HK\$1.00 each in the capital of the Company (the “**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).

2. SUMMARY OF MAIN FEATURES

The Scrip Dividend Scheme provides the Members with the option to elect to receive 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 present laws in Singapore and Hong Kong, there are no brokerage, stamp duty or other transaction costs payable on Shares allotted under the Scrip Dividend Scheme.

All Members are eligible to participate in the Scrip Dividend Scheme subject to the restrictions on Overseas Members (as defined below), more particularly described below.

Save in the case of making a permanent election, Members may elect to participate in respect of all or part of their holding of Shares to which each Notice of Election (as defined below) or Election Form (as defined below) (as the case may be) relates in respect of any Qualifying Dividend (as defined below). Members may also make a permanent election to participate in respect of all their holding of Shares to which each Notice of Election or Election Form (as the case may be) relates for all future Qualifying Dividends.

Members receiving more than one Notice of Election or Election Form (as the case may be) may elect to participate in respect of their holding of Shares to which one Notice of Election or Election Form (as the case may be) relates and elect not to participate in respect of their holding of Shares to which any other Notice of Election or Election Form (as the case may be) relates. Where a permanent election has been made, Participating Members may cancel their participation and withdraw from the Scrip Dividend Scheme at any time, subject to giving appropriate notice in accordance with paragraph 4.6 of this Statement.

The directors of the Company (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 the 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 Members in the usual manner. An announcement will also be made by the Company as soon as may be practicable if the Scrip Dividend Scheme is not to apply to any particular Dividend.

All shares allotted under the Scrip Dividend Scheme will rank *pari passu* in all respects with the Shares then in issue save only in relation to 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 otherwise specify.

Participating Members 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.

For Singapore Members

A Singapore Member (as defined below) wishing to receive Shares in respect of any Qualifying Dividend or to make a permanent election to receive Shares in respect of all future Qualifying Dividends to which a Notice of Election received by him relates should complete the Notice of Election and return it to the Company at the address indicated on the Notice of Election or, if the Singapore Member is a Depositor (as defined below), to CDP (as defined below). A Singapore Member receiving more than one Notice of Election and wishing to receive Shares in respect of all his entitlement to the Qualifying Dividend in respect of all or part of his holding of Shares or to make a permanent election to receive Shares in respect of 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 CDP (as the case may be) no later than the date to be specified by the Directors in respect of that Qualifying Dividend.

For Hong Kong Members

A Hong Kong Member (as defined below) who elects to receive his Qualifying Dividend wholly in cash does not need to take any action. A Hong Kong Member who elects to receive an allotment of Shares, partly in cash and partly in Shares or to make a permanent election to receive Shares for all future Qualifying Dividends, should use the Election Form. If a Hong Kong Member has signed the Election Form but does not specify the number of Shares in respect of which he is entitled to receive under the Scrip Dividend Scheme, or if a Hong Kong Member elects to receive Shares in respect of a greater number of Shares than his registered holding on the Books Closure Date, he will be deemed to have chosen to receive Shares in respect of all the Shares of which he was then registered as the holder. Election Form should be completed in accordance with the instructions printed thereon and returned so that it is received by the Hong Kong Share Registrar, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, no later than the date to be specified by the Directors in respect of the Qualifying Dividend. Failure to complete and return the Election Form in accordance with the instructions printed thereon will result in the relevant Hong Kong Member's Qualifying Dividend being paid wholly in the form of cash. No acknowledgment of receipt of the Election Form will be issued. Hong Kong Member will receive the Qualifying Dividend in cash if they fail to elect to participate in the Scrip Dividend Scheme.

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 of the Scrip Dividend Scheme. In these Terms and Conditions:

“Act”	:	shall mean the Securities and Futures Act, Chapter 289 of Singapore;
“Books Closure Date”	:	shall mean the date to be determined by the Directors on which the register of members of the Company will be closed for the purpose of determining the entitlements of Members to a Dividend;
“Bye-laws”	:	shall mean the Bye-laws of the Company, as amended, supplemented or modified from time to time;
“CDP”	:	shall mean The Central Depository (Pte) Limited;
“Depositor”, “Depository Agent” and “Depository Register”	:	shall have the respective meanings ascribed to them in the Act;
“Election Form”	:	shall mean the form of election in relation to a Qualifying Dividend to be used by the Hong Kong Members;
“Hong Kong Share Registrar”	:	shall mean Boardroom Share Registrars (HK) Limited;

“Hong Kong Member(s)”	:	shall mean registered shareholders who are registered in the Hong Kong branch register of members as at the relevant Books Closure Date;
“Listing Rules”	:	shall mean the Rules Governing the Listing of Securities of SEHK;
“Market Day”	:	shall mean a day on which the SGX-ST is open for trading;
“Notice of Election”	:	shall mean the form of election in relation to a Qualifying Dividend to be used by the Singapore Members;
“Overseas Hong Kong Member(s)”	:	shall mean Hong Kong Members with registered addresses outside Hong Kong as shown in the Hong Kong branch register of members of the Company on the Books Closure Date;
“Overseas Members”	:	shall mean Overseas Hong Kong Members and Overseas Singapore Members;
“Overseas Singapore Member(s)”	:	shall mean Singapore Members with registered addresses outside Singapore as shown in the register of members of the Company in Singapore or the Depository Register on the Books Closure Date;
“Participating Members”	:	shall mean the Singapore Members and Hong Kong Members who are participating in the Scrip Dividend Scheme;
“Participating Shares”	:	the Shares held by a Participating Member in respect of which such Participating Member is receiving new Shares pursuant to the Scrip Dividend Scheme;
“Qualifying Dividend”	:	shall mean a Dividend to which the Scrip Dividend Scheme applies, as determined by the Directors;

“SEHK”	:	shall mean The Stock Exchange of Hong Kong Limited;
“SGX-ST”	:	shall mean Singapore Exchange Securities Trading Limited;
“Shares”	:	shall mean ordinary shares of HK\$1.00 each in the capital of the Company; and
“Singapore Member(s)”	:	shall mean registered shareholders who are registered in the register of members in Singapore or Depositors who have Shares entered against their names in the Depository Register, as at the relevant Books Closure Date.

4.3 Eligibility

All Members are eligible to participate in the Scrip Dividend Scheme, subject to the restrictions on the Overseas Members, more particularly described in paragraph 4.4 below, and further subject to the requirement that such participation by the 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, Hong Kong or any other relevant jurisdiction, as the case may be, or by the Bye-laws.

4.4 Overseas Members

For practical reasons and to avoid any violation of the securities laws applicable outside Singapore or Hong Kong where the Members may have their registered addresses, the Scrip Dividend Scheme may, at the discretion of the Directors, not be offered to the Overseas Members. No Overseas Members shall have any claim whatsoever against the Company as a result of the Scrip Dividend Scheme not being offered to such Overseas Members. If the Directors have decided not to offer the Scrip Dividend Scheme to the Overseas Members, the Overseas Members who receive or come to have in their possession this Statement and/or a Notice of Election and/or an Election Form 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.

For Singapore Members

Overseas Singapore Members 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, c/o Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 (or such other address as may be announced by the Company from time to time) or, if the Overseas Member is a Depositor, CDP at 11 North Buona Vista Drive, #06-07 The Metropolis Tower 2, Singapore 138589 (or such other address as may be announced by the Company from time to time) not later than five Market Days prior to the Books Closure Date. Depositors should note that all correspondences and notices will be sent to their last registered addresses with CDP.

For Hong Kong Members

If any Hong Kong Member with his registered address in a place outside Hong Kong is shown in the Hong Kong branch register of members of the Company on the Books Closure Date, the Company will make an enquiry regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange to consider whether to exclude such Overseas Hong Kong Member from the Scrip Dividend Scheme. The Company may only exclude such Overseas Hong Kong Member on the basis that, having made such enquiry, it would be necessary or expedient to do so on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place.

4.5 Level of Participation

Save in the case of making a permanent election, both Singapore Members and Hong Kong Members may elect to participate in the Scrip Dividend Scheme in respect of all or part of their holdings of Shares as at the Books Closure Date.

4.6 Permanent Election

For Singapore Members

Any permanent election to participate in the Scrip Dividend Scheme is personal to the Participating Member. A Singapore Member 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 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 CDP (as the case may be) as provided below, the permanent election shall be effective for all future Qualifying Dividends. A notice of cancellation of participation in the Scrip Dividend Scheme in any other form will not be accepted by the Company or CDP (as the case may be).

For Hong Kong Members

Any permanent election to participate in the Scrip Dividend Scheme is personal to the Participating Member. A Hong Kong Member may make a permanent election in respect of all his holding of Shares to which an Election Form relates by completing the relevant section in the Election Form. No Election Form will be sent to a Participating Member who has earlier made a permanent election to receive new Shares in lieu of cash. Any such Participating Member wishing to change his existing permanent election for new Shares and to elect to receive cash, should write to the Hong Kong Share Registrar for such intention.

For the avoidance of doubt, any prior permanent elections made by Hong Kong Members whose Shares were transferred from the Company’s register of members in Singapore to the Company’s Hong Kong branch register of members or vice versa will be deemed cancelled and will not be effective in respect of all future Qualifying Dividends.

4.7 Notice of Election or Election Form (as the case may be) to Participate

For Singapore Members

The Company will, at its discretion, send to each Singapore Member (save for a Singapore Member who has made a permanent election) one or more Notices of Election (in such form as the Directors may approve). 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 Singapore Member who is a Depositor, by CDP, by the date to be specified by the Directors in respect of that Qualifying Dividend. A Singapore Member receiving two or more Notices of Election and wishing to receive Shares in respect of all of his entitlement to the Qualifying Dividend in respect of all or part of 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 CDP (as the case may be). 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 be effective for that Qualifying Dividend, but will be effective for all 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 CDP (as the case may be), 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 the Terms and Conditions of the Scrip Dividend Scheme. A Singapore Member 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 Notice of Election to the Company and/or CDP, as the case may be.

For Hong Kong Members

A Hong Kong Member who elects to receive an allotment of Shares, partly in cash and partly in Shares or to make a permanent election to receive Shares for all future Qualifying Dividends, should use the Election Form. If a Hong Kong Member has signed the Election Form but does not specify the number of Shares in respect of which he is entitled to receive Shares under the Scrip Dividend Scheme, or if a Hong Kong Member elects to receive Shares in respect of a greater number of Shares than his registered holding on the Books Closure Date, he will be deemed to have chosen to receive Shares in respect of all the Shares of which he was then registered as the holder. The Election Form should be completed in accordance with the instructions printed thereon and returned so that it is received by the Hong Kong Share Registrar, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, no later than the date to be specified by the Directors in respect of the Qualifying Dividend. Failure to complete and return the Election Form in accordance with the instructions printed thereon will result in the relevant Hong Kong Member's Qualifying Dividend being paid wholly in the form of cash. No acknowledgment of receipt of the Election Form will be issued.

4.8 Extent of Application of the Scrip Dividend Scheme to each Dividend

The Directors may determine, in their absolute discretion, in respect of any Dividend, 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 the Members notwithstanding their elections under the Scrip Dividend Scheme.

4.9 Share Entitlement

By electing to participate in the Scrip Dividend Scheme in respect of any Notice of Election or Election Form (as the case may be) received by him, a Member elects in respect of any Qualifying Dividend (after the deduction of applicable income tax) to which such Notice of Election or Election Form (as the case may be) relates to receive Shares in lieu of the cash amount of the Qualifying Dividend. In respect of any Qualifying Dividend, the number of Shares to be allotted and issued to a Participating Member electing to receive Shares in respect of a Notice of Election or Election Form (as the case may be) 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 Member in respect of such Notice of Election or Election Form (as the case may be).

S = is the number of Participating Shares held by the Participating Member as at the Books Closure Date for which such Notice of Election or Election Form (as the case may be) relates.

D = is the Qualifying Dividend (after deduction of applicable income tax) to which such Notice of Election or Election Form (as the case may be) relates.

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 Members, pursuant to the Scrip Dividend Scheme, being an amount in S\$ determined by the Directors (the “**Relevant Amount**”), which the Relevant Amount shall not be set at more than 10% discount (or such other discount as may be permitted by the Listing Manual of the SGX-ST and the Listing Rules), nor shall it exceed, the average of the last dealt prices of a Share on the SGX-ST 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 (the “**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 SGX-ST, for each of the Market Days during a period to be determined by the Directors prior to the announcement of the application of the Scrip Dividend Scheme to such Dividend.

The Directors shall have full power to make such provisions as they think fit where the number of Shares calculated in accordance with the above formula becomes attributable in fractions, including provisions whereby fractional entitlements are rounded down 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 and SEHK.

In no event, however, will the Shares be allotted under the Scrip Dividend Scheme at less than the par value of the Shares. Should the issue price, as determined above (being represented in the above formula as “V”) be less than the par value of the Shares, the Scrip Dividend Scheme will not operate for that Dividend and the Dividend will be paid in cash in the usual manner to all Participating Members.

4.10 Terms of Allotment

All Shares allotted under the Scrip Dividend Scheme will be allotted as fully paid. All such Shares shall rank *pari passu* in all respects with the Shares then in issue save only in relation to 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 otherwise specify.

For Singapore Members

Participating Members who are Depositors and who have supplied their CDP account numbers in the Notice of Election will have the Shares credited to their securities accounts maintained with CDP. In other cases, certificates for the Shares will be despatched to Singapore Members, at their risk, at their registered addresses in Singapore.

For Hong Kong Members

Certificates for the Shares will be despatched to Hong Kong Members, at their risk, at their registered addresses in Hong Kong by ordinary post.

4.11 Statement to the Participating Members

The Company will send to each Participating Member on or about each payment date for the Dividend which shall be a date not less than 30 Market Days but not more than 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 Member as at the relevant Books Closure Date; and
- (b) the number of Shares to be allotted to the Participating Member under the Scrip Dividend Scheme.

4.12 Cost to the Participating Members

Under the present laws in Singapore and Hong Kong, brokerage or other transaction costs and Singapore or Hong Kong stamp duty (as the case may be) will not be payable by the Participating Members on Shares allotted under the Scrip Dividend Scheme.

4.13 Cancellation of Participation (For Singapore Members only)

A Participating Member, who is also a Singapore Member, 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 CDP (as the case may be), 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 CDP (as the case may be) 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, CDP (as the case may be), by the date to be specified by the Directors for that Qualifying Dividend, failing which the Notice of Cancellation will not be effective for that Qualifying Dividend but will be effective for all future Qualifying Dividends in respect of such Notice of Election. If a Participating Member, who is a Singapore Member and an individual, dies, any permanent election to participate in the Scrip Dividend Scheme by that Singapore Member will cease upon receipt by the Company or, if that Singapore Member is a Depositor, by CDP, of 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 Member, may determine. If the personal representative(s) of the deceased Singapore Member wish(es) to participate in the Scrip Dividend Scheme in respect of any Qualifying Dividend or in respect of all future Qualifying Dividends in relation to the Shares forming part of the estate of the deceased Singapore Member, the relevant Notices of Election must be submitted by such personal representative(s) in accordance with the Terms and Conditions of the Scrip Dividend Scheme. If a Participating Member becomes bankrupt or, in the case where the Participating Member is a company, is wound up, any permanent election to participate in the Scrip Dividend Scheme by that Singapore Member will cease upon receipt by the Company or, if that Singapore Member is a Depositor, by CDP of notice of the bankruptcy or, as the case may be, the winding up.

4.14 Cancellation of Application of the Scrip Dividend Scheme

Notwithstanding any provision in the Terms and Conditions of the Scrip Dividend Scheme, 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 Shares in respect of that 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 such 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 such Dividend. In such event, such Dividend shall be paid in cash to the Members in the usual manner.

4.15 Modification and Termination of the Scrip Dividend Scheme

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

In the case of a modification, the Scrip Dividend Scheme will continue as modified in relation to each Member who has made a permanent election under the Scrip Dividend Scheme unless and until the Company or the Hong Kong Share Registrar (as the case may be), if the Member is a Depositor, CDP, receives a Notice of Cancellation in respect of a Notice of Election submitted by such Participating Member, from the Participating Member.

4.16 Governing Law

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.

5. LISTING ON SGX-ST AND SEHK

The Company will submit an application to the SGX-ST for the Shares allotted under the Scrip Dividend Scheme to be listed on the SGX-ST and, subject to the approval of the SGX-ST, such Shares will be quoted upon completion of allotment procedures. However, the SGX-ST accepts no responsibility for any statement in this Statement.

The Company will submit an application to the SEHK for the listing and permission to deal in the new Shares on the SEHK, at such time(s) as may be appropriate and determined by the Company. It should be noted that the Company is unable to represent, warrant or give any assurance that the approval for the listing and permission to deal in the new Shares will be granted by the SEHK. In such event that new Shares cannot be issued by the Company or listed and dealt in on the SEHK, appropriate steps will be taken by the Company for the relevant Members to receive the Dividends in cash.

6. TAXATION

The Company takes no responsibility for the taxation liabilities of Participating Members or the tax consequences of any election made by the Members. As individual circumstances and laws vary considerably, specific taxation advice should be obtained by the Members if required. The Company takes no responsibility for the correctness or accuracy of any information as to taxation liability 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 and Hong Kong, a Member's Singapore and Hong Kong 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.

7. INCOME TAX

The Company, where applicable, will deduct all income tax required to be deducted from the Qualifying Dividends in accordance with applicable law. Certificates of income tax deductions, where applicable, will be sent to Participating Members in the usual manner.

8. OTHER ITEMS

The Shares are offered on the terms and conditions set out in this Statement and in the applicable provisions of the Bye-laws. There are no other terms other than those implied by law or set out in publicly registered documents.

9. ENQUIRIES

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

For Singapore Members

Boardroom Corporate & Advisory Services Pte. Ltd.
50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

For Hong Kong Members

Boardroom Share Registrars (HK) Limited
2103B, 21/F
148 Electric Road
North Point
Hong Kong

10. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept responsibility for the accuracy of the information contained in this Statement and confirm that, having made all reasonable enquiries and to the best of their knowledge and belief, there are no material facts the omission of which would make any statement in this Statement misleading.