APPENDIX: SCRIP DIVIDEND SCHEME STATEMENT

1. INTRODUCTION

This Scrip Dividend Scheme Statement (the "**Statement**") contains the terms and conditions of the Fuxing Scrip Dividend Scheme (the "**Scrip Dividend Scheme**") under which persons registered in the Register of Members of Fuxing China Group Limited (the "**Company**") or, as the case may be, the Depository Register (as defined below) as holders of fully paid ordinary shares of par value S$0.02 each in the Company (the "**Members**") may elect to receive fully paid new ordinary shares of par value S$0.02 each in the capital of the Company (the "**Shares**") in lieu of part only or all of the cash amount of any dividend (including any interim, final, special or other dividend) which is declared on the Shares held by them or registered in their names in the Depository Register, as the case may be (after the deduction of applicable income tax).

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 OF THE SCRIP DIVIDEND SCHEME

2.1 Overview

The Scrip Dividend Scheme provides Members with the option to elect to receive new Shares in lieu of part only or all 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).

2.2 Eligibility

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

2.3 Level of Participation

Members 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 their holding of Shares to which each Notice of Election relates for all future Qualifying Dividends. Members should note that they may not make a permanent election to participate in respect of part only of their holdings of Shares to which each Notice of Election relates for any Qualifying Dividend and all future Qualifying Dividends.

Members receiving more than one Notice of Election may elect to participate in respect of their holding of Shares to which one 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 Members may cancel their participation and withdraw from the Scrip Dividend Scheme at any time, subject to giving appropriate notice in accordance with paragraph 4.14 of this Statement. The cancellation of a permanent election by a Member would not preclude him from making a fresh permanent election should he wish to do so at a later date.

2.4 Extent of Application of Scrip Dividend Scheme to each Dividend

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 Record 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.

2.5 Terms of Allotment

New Shares allotted under the Scrip Dividend Scheme will rank *pari passu* in all respects with the fully paid 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 contemporaneously with the payment or declaration of the Qualifying Dividend which is the subject of the election, unless the Directors shall otherwise specify.

Members participating in the Scrip Dividend Scheme will receive, at or about each Qualifying Dividend payment date, statements setting out, amongst others, the number of new Shares allotted to them under the Scrip Dividend Scheme.

2.6 Cost to Participating Members

Under present law in Bermuda and Singapore, there are no brokerage, stamp duty or other transaction costs payable by Participating Members on new Shares allotted under the Scrip Dividend Scheme.

3. HOW TO PARTICIPATE

Participation in the Scrip Dividend Scheme is optional and not transferable.

Members do not need to take any action if they wish to receive their entitlement to the Qualifying Dividend wholly in cash.

A Member wishing to make an election to receive new Shares in respect of any Qualifying Dividend or to make a permanent election to receive new 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, in the case of a Depositor (as defined below) holding Shares through CDP, to CDP, in the manner described in the Notice of Election.

A Member 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 or to make a permanent election to receive new 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, in the manner described in each such Notice of Election.

A Member may only make a permanent election to receive new Shares in respect of all and not part only of his entitlement to future Qualifying Dividends under a Notice of Election. Where a Member elects to receive new Shares in respect of part only of his entitlement to any Qualifying Dividend to which a Notice of Election relates, permanent election shall not be available.

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.

Members 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 of the Company.

4.2 Terms and Conditions

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

"**Bermuda Companies Act**"	:	The Companies Act 1981 of Bermuda, as amended or modified from time to time
"**Bye-laws**"	:	The bye-laws of the Company as amended, supplemented or modified from time to time
"CDP"	:	The Central Depository (Pte) Limited
"**Depositor**", "**Depository Agent**" and "**Depository Register**"	:	Have the respective meanings ascribed to them in Section 81SF of the Securities and Futures Act 2001 of Singapore
"Directors"	:	The directors of the Company for the time being
"Dividend"	:	Any dividend of the Company (including any interim, final, special or other dividend), as defined in paragraph 2.1 of this Statement

"**Listing Manual**"	:	The listing manual of the SGX-ST, as may be amended or modified from time to time
"Market Day"	:	A day on which the SGX-ST is open for trading of securities
"Member"	:	A duly registered holder from time to time of Shares
"Notice of Election"	:	The notice of election in respect of the Scrip Dividend Scheme, in such form as the Directors may approve, as defined in paragraph 4.7 of this Statement
"Overseas Members"	:	Members or, as the case may be, Depositors holding Shares through CDP with registered addresses outside Singapore and who have not provided to the Company or (as the case may be) CDP, not later than five Market Days prior to the Record Date, addresses in Singapore for the service of notices and documents
"Participating Members"	:	Members or, as the case may be, Depositors holding Shares through CDP who have elected to participate in the Scrip Dividend Scheme, as defined in paragraph 4.5 of this Statement
"Participating Shares"	:	The Shares held by a Participating Member as at each Record Date to which each Notice of Election received by him relates for a Qualifying Dividend, as defined in paragraph 4.5 of this Statement
"**Qualifying Dividend**"	:	A Dividend to which the Scrip Dividend Scheme applies, as determined by the Directors
"**Record Date**"	:	The date to be determined by the Directors on which the Register of Members and transfer books of the Company will be closed for the purpose of determining the entitlements of Members to a Dividend
"**Register of Members**"	:	The principal register of Members of the Company and where applicable, any branch register of Members to be kept pursuant to the provisions of the Bermuda Companies Act
"SGX-ST"	:	The Singapore Exchange Securities Trading Limited
"Shares"	:	Ordinary shares of par value S$0.02 each in the capital of the Company

"**Take-over Code**"	:	The Singapore Code on Take-overs and Mergers, including all practice notes, rules, and guidelines thereunder, as may be amended from time to time
"**S$**"	:	The lawful currency of the Republic of Singapore
"**%**" or "**per cent.**"	:	Percentage or per centum

Unless the context otherwise requires, words importing the singular shall include the plural and vice versa, and words importing a specific gender shall include the other genders (male, female or neuter). References to "**person**" shall include an individual, corporation, company, partnership, firm, trustee, trust, executor, administrator or other legal personal representative, unincorporated association, joint venture, syndicate or other business enterprise, any governmental, administrative or regulatory authority or agency (notwithstanding that "**person**" may be sometimes used herein in conjunction with some of such words), and their respective successors, legal personal representatives and assigns, as the case may be, and pronouns shall have a similarly extended meaning.

Any provision in these Terms and Conditions requiring any notice, form or other document to be completed by a Member may be satisfied by the signing of such notice, form or other document by the Member, or by way of a telephone or electronic communication involving the execution of any act, procedure or routine (electronic or otherwise) designated by the Company to signify the Member's intention to be bound by such communication. A Member is deemed to have agreed that he shall have no claim whatsoever against the Company for any delay, failure or inaccuracy in the recording, storage, transmission or delivery of data (in each case whether or not within the control of the Company) or for any compensation, loss or damages in connection therewith or in relation thereto.

4.3 Eligibility

All Members are eligible to participate in the Scrip Dividend Scheme, subject to the restrictions on 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 Bermuda, Singapore or any other relevant jurisdiction, as the case may be, or by the Bye-laws.

4.4 Overseas Members

The circulation of this Statement and the distribution of the new Shares under the Scrip Dividend Scheme may be prohibited or restricted (either absolutely or subject to various securities requirements, whether legal or administrative, being complied with) in certain jurisdictions under the relevant securities laws of those jurisdictions.

For practical reasons and to avoid any violation of the securities laws applicable outside Singapore where Members (or, as the case may be, Depositors) may have their registered addresses, the Scrip Dividend Scheme may, at the discretion of the Directors, not be offered to Overseas Members. No Overseas Member 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 Overseas Members, Overseas Members 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.

Without prejudice to the foregoing, the receipt of this Statement, a Notice of Election or any other document in connection with the Scrip Dividend Scheme, the crediting of new Shares to any securities account and/or the receipt of new Shares howsoever by an Overseas Member, will not constitute an offer or sale of Shares in those jurisdictions in which it will be illegal to make such offer or sale, or where such offer or sale will otherwise violate the securities laws of such jurisdiction or be restricted or prohibited.

The Company reserves the right, but shall not be obliged, in its absolute discretion, to treat as invalid any Notice of Election which appears to the Company or its agents to have been submitted in violation of any applicable legislation of any jurisdiction, and further reserves the right, in its absolute discretion, to reject the submission of any Notice of Election where it believes, or has reason to believe, that such submission may violate any applicable legislation of any jurisdiction.

Overseas Members who wish to change their registered mailing address maintained with the Company, or in the case of Overseas Members who are Depositors, their registered mailing address maintained with CDP, to a Singapore mailing address in substitution thereof, may do so by sending a notice in writing to (a) the Company's Singapore Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd, at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 (or such other address as may be announced by the Company from time to time) or, (b) if the Overseas Member is a Depositor, to CDP via email at asksgx@sgx.com or via telephone at +65 6535 7511 (or such other email address or telephone number as may be announced by the Company), at least three (3) Market Days prior to the Record Date (or such other period as the Board may determine in its absolute discretion). Such Overseas Members should note that all correspondence, notices and documents will be sent to their last registered mailing address in Singapore maintained with the Company or, in the case of such Overseas Members who are Depositors, their last registered mailing address in Singapore maintained with CDP.

Overseas Members should note that where they are requested by the Company, the Singapore Share Transfer Agent or, as the case may be, CDP, to provide any supporting documents in connection with the provision of a mailing address in Singapore for the service of notices and documents, such Overseas Members will not be treated as having provided a Singapore mailing address for these purposes until such time as the supporting documents have been received by the Company, the Singapore Share Transfer Agent or, as the case may be, CDP.

THE DISTRIBUTION OF THE NEW SHARES UNDER THE SCRIP DIVIDEND SCHEME TO OVERSEAS MEMBERS MAY BE SUBJECT TO LAWS OF JURISDICTIONS OUTSIDE SINGAPORE. OVERSEAS MEMBERS RESIDING OR LOCATED IN A JURISDICTION OTHER THAN SINGAPORE ARE REQUIRED TO INFORM THEMSELVES OF AND SHOULD OBSERVE ALL LEGAL AND REGULATORY REQUIREMENTS APPLICABLE TO THEM. IT IS THE

RESPONSIBILITY OF THE OVERSEAS MEMBERS IN SUCH JURISDICTIONS TO SATISFY THEMSELVES AS TO THE FULL OBSERVANCE OF THE LAWS OF THE RELEVANT JURISDICTIONS APPLICABLE TO THEM IN CONNECTION WITH THEIR PARTICIPATION IN THE SCRIP DIVIDEND SCHEME, INCLUDING OBTAINING OF ANY GOVERNMENTAL, EXCHANGE CONTROL OR OTHER CONSENTS WHICH MAY BE REQUIRED, OR COMPLIANCE WITH ANY OTHER NECESSARY FORMALITIES AND PAYMENT OF ANY ISSUE, TRANSFER OR OTHER TAXES DUE IN SUCH JURISDICTION.

OVERSEAS MEMBERS WHO ARE SUBJECT TO THE LAWS AND REGULATIONS OF JURISDICTIONS OUTSIDE SINGAPORE SHALL, BY PARTICIPATING IN THE SCRIP DIVIDEND SCHEME, BE DEEMED TO HAVE COMPLIED WITH ALL APPLICABLE LEGAL AND REGULATORY REQUIREMENTS OF THE RELEVANT JURISDICTIONS.

4.5 Level of Participation

Participation in the Scrip Dividend Scheme is optional and is not transferable.

Subject to the restrictions on Overseas Members, a Member may elect to participate in the Scrip Dividend Scheme (the "**Participating Member**") in respect of part only or all of his holding of Shares as at each Record Date to which each Notice of Election received by him relates for a Qualifying Dividend (the "**Participating Shares**").

4.6 Permanent Election

Any permanent election to participate in the Scrip Dividend Scheme is personal to the Participating Member. A Member may make a permanent election in the manner set out below for participation in respect of all of his holdings of Shares to which each Notice of Election relates for any Qualifying Dividend and all future Qualifying Dividends. 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 or his permanent election otherwise ceases to have effect under these Terms and Conditions, 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. The cancellation of a permanent election by a Member will not preclude him from making a fresh permanent election, should he wish to do so, at a later date.

4.7 Notice of Election to Participate

(a) Notice of Election

The Company will, at its absolute discretion, provide to each eligible Member one or more notices of election (in such form and through such medium as the Directors may approve) (the "**Notice of Election**"), unless a permanent election to participate in the Scrip Dividend Scheme has already been made.

(b) Submission of Notice of Election

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 Depositor holding Shares through CDP, by CDP, by the date to be specified by the Directors in respect of that Qualifying Dividend, in the manner prescribed in the Notice of Election.

A Member 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 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, in the manner prescribed in each such Notice of Election.

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 and time specified by the Directors for any particular Qualifying Dividend, the Notice of Election shall not, unless otherwise determined by the Directors in their absolute discretion, be effective for that Qualifying Dividend, or for any future Qualifying Dividends in respect of such Notice of Election.

(c) Withdrawal or Cancellation

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.

(d) Indemnity

The Company and/or CDP is under no obligation whatsoever to correct invalid Notices of Election on behalf of any Member or to provide any reason for rejecting any Notice of Election. A Notice of Election submitted to, and received by, the Company or, in the case of a Depositor holding Shares through CDP, CDP, shall be conclusive evidence in favour of the Company and/or CDP, as the case may be, of the right, title, power and authority of the person(s) submitting it to deal in the same. The Company and/or CDP shall be entitled to assume the accuracy of any information and/or documents submitted together with any Notice of Election, and is under no obligation whatsoever to verify or question the validity of the same.

Neither the Company, the Singapore Share Transfer Agent nor CDP shall be liable for any act or omission in respect of any Notice of Election received by it, and any information and/or documents submitted therewith. A Member who submits a Notice of Election (or on whose behalf a Notice of Election is submitted) shall indemnify and hold harmless from, and, at their respective request defend, the Company, the Singapore Share Transfer Agent and CDP and their respective directors, officers, employees, agents and related corporations ("**Indemnified Parties**") against (a) any claim, demand, action or proceeding made or initiated against, and (b) all losses, damages, costs and expenses (including all legal costs and expenses) suffered or incurred by, any of the Indemnified Parties as a result of or in relation to that Notice of Election and any information and/or documents submitted therewith.

4.8 Acknowledgements by Participating Members

By electing to participate in the Scrip Dividend Scheme, the Participating Member unconditionally:

(a) warrants to the Company that it has the legal right and capacity and has full power and authority to participate in the Scrip Dividend Scheme and that his participation in the Scrip Dividend Scheme will not result in a breach of any statute, law or regulation by which it is bound;

(b) acknowledges that the Company may at any time determine that the Participating Member's Notice of Election or any Notice of Cancellation or other form (collectively, "**Forms**" and each, a "**Form**") is valid, even if the relevant Form or part thereof is incomplete, illegible, contains errors or is otherwise defective;

(c) acknowledges that the Company may reject any Form without providing any reason for such rejection;

(d) acknowledges that the Company has not provided the Participating Member 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 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 Member's participation in the Scrip Dividend Scheme.

4.9 Extent of Application of 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 Members notwithstanding their elections under the Scrip Dividend Scheme.

4.10 Share Entitlement

By electing to participate in the Scrip Dividend Scheme in respect of any Notice of Election 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 relates, to receive new Shares in lieu of part only or all 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 a Participating Member 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 Member in respect of such Notice of Election.

S = is the number of Participating Shares held by the Participating Member as at the Record 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 S$ in cents and fractions of a cent per Participating Share

V = is the issue price of a new 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, be an amount in S$ determined by the Directors (the "**Relevant Amount**"), which Relevant Amount shall not be set at more than 10% discount to, 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 Record 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 in their absolute discretion, prior to the announcement of the application of the Scrip Dividend Scheme to such Dividend.

In no event, however, will new Shares be allotted and issued under the Scrip Dividend Scheme at an issue price which is 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 Members.

The Directors shall, in their absolute discretion, make such provisions as they deem fit where the number of new Shares calculated in accordance with the above formula becomes attributable in fractions, including provisions as to rounding or whereby fractional entitlements are 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.

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

4.11 Terms of Allotment

All new Shares allotted and issued under the Scrip Dividend Scheme will be allotted and issued as fully paid.

All such new Shares shall rank *pari passu* in all respects with all existing fully paid 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 contemporaneously with the payment or declaration of the Qualifying Dividend which is the subject of the election, unless the Directors shall otherwise specify.

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

4.12 Statement to Participating Members

The Company or, if the Participating Member is a Depositor, CDP will send to each Participating Member on or about each payment date for the Qualifying Dividend which shall be a date not more than thirty-five (35) Market Days after the Record Date for that Qualifying Dividend, or such other period as the Directors may decide, a statement detailing, amongst others:

(a) the number of the Participating Shares held by the Participating Member as at the relevant Record Date; and

(b) the number of new Shares to be allotted or, as the case may be, credited to the Participating Member under the Scrip Dividend Scheme.

4.13 Costs to Participating Members

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

4.14 Cancellation of Participation

A Participating 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 (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 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 gives notice to the Company or, if the Participating Member is a Depositor, to CDP, of a change of his registered mailing address for the service of notices and documents from an address within Singapore to an address outside Singapore, he shall, unless otherwise determined by the Directors in their absolute discretion, thereupon be considered a Overseas Member and shall not be eligible to participate in the Scrip Dividend Scheme, notwithstanding any permanent election to participate in the Scrip Dividend Scheme, unless he provides a mailing address in Singapore for the service of notices and documents by notifying the Company, or if he is a Depositor, CDP, at least three (3) Market Days prior to the Record Date (or such other period as the Directors may determine in their absolute discretion). If such Overseas Member fails to provide a mailing address in Singapore as aforesaid, any permanent election to participate in the Scrip Dividend Scheme made by such Overseas Member shall, unless otherwise determined by the Directors in their absolute discretion, 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 and the Notice of Cancellation, and the Company shall be authorised and entitled (if he is a Depositor) to make arrangements with CDP to cancel such permanent election.

If a Participating Member, who is an individual, dies, any permanent election to participate in the Scrip Dividend Scheme by that Member will cease upon receipt by the Company or, if that Participating 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 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 Member, the relevant Notices of Election must be submitted by such personal representative(s) in accordance with these Terms and Conditions.

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 Member will cease upon receipt by the Company or, if in the case of a Depositor holding Shares through CDP, by CDP of notice of the bankruptcy or, as the case may be, the winding up.

4.15 Cancellation 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 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 the Dividend. In such event, the Dividend shall be paid in cash to Members in the usual manner.

4.16 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.

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, in the case of a Depositor holding Shares through CDP, CDP, receives from the Participating Member a Notice of Cancellation in respect of a Notice of Election submitted by such Participating Member in accordance with these Terms and Conditions or such permanent election otherwise ceases to have effect under these Terms and Conditions, whichever is earlier.

4.17 General Administration of the Scrip Dividend Scheme

The Directors may implement the Scrip Dividend Scheme in any manner they deem fit. The Directors have the power and full discretion 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 deem 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 generally or in relation to any Participating Member or any new Shares to be allotted under the Scrip Dividend Scheme, and the determination of the Directors will be conclusive and binding on all Members 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 Directors include a reference to the 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 Member 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 Bermuda, Singapore or any other relevant jurisdiction or the Bye-laws.

4.18 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 and each Member submits to the exclusive jurisdiction of the Singapore courts.

4.19 Collection, Use and Disclosure of Personal Data

For the purposes of implementing and administering the Scrip Dividend Scheme, responding to instructions or enquiries made or purportedly made by a Member and enforcing rights or fulfilling obligations under any applicable laws, listing rules, regulations or guidelines or these Terms and Conditions, the Company, the Singapore Share Transfer Agent and/or CDP will collect, use and disclose the personal data of regulations who are individuals, as contained in each submitted Notice of Election/Election Form and any other Forms, or which is otherwise collected from regulations (or their authorised representatives) and public sources. Each regulations consents to the collection, use and disclosure of his personal data for all such purposes, including disclosure of data to related corporations of the Company, the Singapore Share Transfer Agent, CDP and/or third parties who provide services to the Company, the Singapore Share Transfer Agent and/or CDP, and to the collection, use and further disclosure by such parties for such purposes.

4.20 Exclusion of Third-Party Rights

A person who is not a party to these Terms and Conditions has no right under the Contracts (Right of Third Parties) Act 2001 of Singapore to enforce against the Company any of these Terms and Conditions.

4.21 Notices and Correspondence

Unless otherwise provided in these Terms and Conditions, any notices, documents and correspondence required to be given or sent by the Company to a Participating Member shall be given or sent in accordance with the applicable provisions of the Bye-laws.

4.22 Take-Over Implications

The attention of Members is drawn to Rule 14 of the Take-over Code where, except with the Securities Industry Council of Singapore's consent:

(a) any person, by participating in the Scrip Dividend Scheme in relation to any Qualifying Dividend, acquires whether by a series of transactions over a period of time or not, Shares which (taken together with Shares held or acquired by persons acting in concert with him) carry 30% or more of the voting rights of the Company; or

(b) any person who, 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 such person, 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,

such person must extend offers immediately, on the basis set out in Rule 14 of the Take-over Code, to the holders of any class of share capital of the Company which carries votes and in which such person, or persons acting in concert with him, hold shares. In addition to such person, each of the principal members of the group of persons acting in concert with him may, according to the circumstances of the case, have the obligation to extend an offer.

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 Take-over Code. Members who are in doubt as to whether they would incur any obligation to make a mandatory offer under the Take-over 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.

5. LISTING AND QUOTATION OF THE NEW SHARES

The Company will make the necessary application(s) for the listing of and quotation for the new Shares to be allotted and issued for the purposes of, in connection with or where contemplated by the Scrip Dividend Scheme to the SGX-ST. Any approval in-principle from the SGX-ST for listing of and quotation for the new Shares on the SGX-ST is not to be taken as an indication of the merits of the Scrip Dividend Scheme, the Shares, the new Shares, the Company and/or its subsidiaries.

6. TAXATION

The Company takes no responsibility for the taxation liabilities of Participating Members or the tax consequences of any election made by Members. As individual circumstances and laws vary considerably, specific taxation advice should be obtained by Members if they are in doubt or if they otherwise require.

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, a Member's Singapore 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.

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.

7. OTHER TERMS

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

8. ENQUIRIES

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

The Company's Singapore Share Transfer Agent
Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
Keppel Bay Tower, #14-07
Singapore 098632

9. LIABILITY OF THE COMPANY

Notwithstanding anything in this Statement or in any of the documents to be issued by the Company and/or CDP in connection with the Scrip Dividend Scheme, neither the Company nor any officer, agent or representative of the Company shall under any circumstances be liable or responsible to any Participating Members 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 or in relation to any matter in connection with the Scrip Dividend Scheme, including without limitation any delay in allotting or issuing any new Shares under the Scrip Dividend Scheme or applying for the listing and quotation of such new Shares. No representation or warranty is given in respect of any Shares, the Company or its subsidiaries or associated companies or that listing approval for the new Shares will be obtained.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Statement and confirm, after making all reasonable enquiries that, to the best of their knowledge and belief, this Statement constitutes full and true disclosure of all material facts about the Scrip Dividend Scheme, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Statement misleading.

Where information in this Statement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Statement in its proper form and context.