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If you have sold or otherwise transferred all your shares in the Company, please forward this document, together with the accompanying documents, to the purchaser or transferee or other agent through or by whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

Please keep hold of Appendix 1 (Alpha Real Trust Limited Scrip Dividend Alternative Terms and Conditions) of this document, as it applies to all future dividend payments unless we inform you otherwise. You will not automatically be sent another copy at the next dividend unless there has been a material change to the terms and conditions.

Alpha Real Trust Limited

Registered Office:
Old Bank Chambers
La Grande Rue
St Martin's
Guernsey GY4 6RT

Registered in Guernsey
No. 44786

18 December 2018

To holders of Ordinary Shares and, for information purposes only, Class A Shareholders

Dear Shareholder

SCRIP DIVIDEND ALTERNATIVE

Subject to the passing of Resolution 3 (Amendment Resolution) at the Extraordinary General Meeting convened for 8 January 2019 (the “EGM”), further details of which are set out in the circular accompanying this letter, the Directors are proposing to offer a scrip dividend alternative (the “**Scrip Dividend Alternative**”) which will, if the Directors choose to apply the Scrip Dividend Alternative in respect of a dividend declared by the Company, enable Ordinary Shareholders to choose whether to receive all or part of their dividends in new, fully paid, ordinary shares in the Company (the “**Scrip Shares**”) instead of in cash.

The Scrip Dividend Alternative enables Ordinary Shareholders to increase their shareholding in the Company in a simple manner without paying any dealing costs, whilst benefiting the Company by the retention of cash, which would otherwise be paid as a dividend. However, you should bear in mind that the price of the Company's shares can go down, as well as up, and whether you elect to participate in the Scrip Dividend Alternative is a matter for your own decision depending on your individual circumstances. If you are in any doubt about the contents of this document or the action you should take, you should seek your own independent financial or legal advice immediately.

Prior to conversion of the Class A Shares into Ordinary Shares in accordance with the Articles, Class A Shareholders will not be able to participate in the Scrip Dividend Alternative as to do so would require the Company to publish a prospectus. However, following such conversion, Class A Shareholders will be able to participate in the Scrip Dividend Alternative in respect of some or all of the Ordinary Shares arising on conversion in accordance with the terms and conditions of the Scrip Dividend Alternative set out in Appendix 1.

In order to enable the Directors to implement the Scrip Dividend Alternative, Resolution 3 to amend the Articles to allow the Board to offer the Scrip Dividend Alternative to Ordinary Shareholders will be proposed at the Extraordinary General Meeting. If this resolution is not passed (or if the other conditions referred to in paragraph 3 of Appendix 1 are not satisfied), no Scrip Shares will be issued under the Scrip Dividend Alternative and future dividends of the Company will be paid in cash to all Shareholders. Whether or not the Scrip Dividend Alternative will be offered in respect of any dividend declared from time to time will be determined by the Directors, at their absolute discretion, at the time of such declaration.

The terms and conditions of the Scrip Dividend Alternative are set out in Appendix 1 to this letter. A summary of certain UK taxation consequences of electing to participate in the Scrip Dividend Alternative is set out in Appendix 2 to this letter. The attention of Ordinary Shareholders not resident in the United Kingdom or Guernsey is drawn to paragraph 4 of Appendix 1.

Subject to the passing of Resolution 3 at the EGM, the Company's Ordinary Shareholders will be sent a scrip dividend mandate form which they should complete if they wish to receive all or part of their dividends in Scrip Shares instead of cash in the event that the Directors apply the Scrip Dividend Alternative to the relevant dividend. If Ordinary Shareholders do not wish to receive Scrip Shares in lieu of cash in respect of dividends, they need take no action.

If you have any questions in relation to the Scrip Dividend Alternative or wish to obtain further copies of this letter, please telephone Computershare Investor Services (Guernsey) Limited, on 0370 707 4040 (or +44 370 707 4040 if calling from outside the United Kingdom). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 8.30 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Computershare Investor Services (Guernsey) Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Yours faithfully

David Jeffrey
Chairman

PLEASE KEEP HOLD OF THIS DOCUMENT AS IT APPLIES TO ALL FUTURE DIVIDEND PAYMENTS UNLESS WE INFORM YOU OTHERWISE. YOU WILL NOT AUTOMATICALLY BE SENT ANOTHER COPY AT THE NEXT DIVIDEND UNLESS THERE HAS BEEN A MATERIAL CHANGE TO THE TERMS AND CONDITIONS.

APPENDIX 1

ALPHA REAL TRUST LIMITED SCRIP DIVIDEND ALTERNATIVE TERMS AND CONDITIONS

1. Definitions

Applicable Dividends	those Dividends to which the Company chooses to apply the Scrip Dividend Alternative
Board	the Directors
Class A Shareholders	holders of Class A Shares
Class A Shares	convertible class A ordinary shares of no par value in the capital of the Company
Company	Alpha Real Trust Limited
Computershare	Computershare Investor Services (Guernsey) Limited, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY;
Datastream	the database operated by the quotation service provider Thomson Reuters from which the middle market closing prices of the Ordinary Shares are derived
Directors	the directors of the Company from time to time
Dividends	any dividends declared and/or paid by the Company in respect of the Ordinary Shares and “ Dividend ” will be construed accordingly
Dividend Election Input Message	the dividend election input message to be submitted through CREST by any Ordinary Shareholder wishing to elect to participate in the Scrip Dividend Alternative who holds his Ordinary Shares in CREST
Mandate Form	the Scrip Dividend Alternative mandate form provided by the Company or Computershare to Ordinary Shareholders, either on request or otherwise, pursuant to which an Ordinary Shareholder can elect to participate in the Scrip Dividend Alternative and “ Mandate Forms ” will be construed accordingly
Ordinary Shareholders	holders of Ordinary Shares
Ordinary Shares	ordinary shares of no par value in the capital of the Company
Participant	an Ordinary Shareholder who has elected to participate in the Scrip Dividend Alternative by properly completing a Mandate Form and returning it to Computershare and “ Participants ” will be construed accordingly
Record Date	in respect of any Dividend, the date notified by the Company to Shareholders as the date upon which the Company will determine Shareholders entitled, and those Shareholders’ entitlements, to that Dividend
Return Date	in respect of any Applicable Dividend, the date notified by the Company to Ordinary Shareholders as the date by which the Mandate Form or Dividend Election Input Message (as applicable) must be received by Computershare in order for it to be effective in respect of that Applicable Dividend

Scrip Dividend Alternative	the Company’s scrip dividend alternative comprising these terms and conditions (as may be modified or amended by the Company from time to time)
Scrip Shares	new, fully paid, Ordinary Shares in the capital of the Company and “ Scrip Share ” will be construed accordingly
Securities Act	the United States Securities Act of 1933, as amended
Shareholders	except where the context otherwise requires, Class A Shareholders and Ordinary Shareholders and “ Shareholder ” will be construed accordingly
Specialist Fund Segment	the Specialist Fund Segment of the Main Market of the London Stock Exchange
United Kingdom or UK	the United Kingdom of Great Britain and Northern Ireland
United States or US	the United States of America (including each of its states and the District of Columbia), its territories, possessions and other areas subject to its jurisdiction

2. Introduction

This Appendix forms the terms and conditions of the Scrip Dividend Alternative.

Subject to the fulfilment of the conditions set out in paragraph 3 of this Appendix 1, if you validly elect to participate in the Scrip Dividend Alternative you will receive Scrip Shares instead of cash in respect of that part of any and all future Applicable Dividends which is specified by you in your Mandate Form, unless and until you cancel your election to participate in the Scrip Dividend Alternative (please see paragraph 14 below) or the Company suspends or terminates the Scrip Dividend Alternative (please see paragraph 15 below). If you do not elect to participate in the Scrip Dividend Alternative, you will receive Dividends in cash.

3. Conditions to the Scrip Dividend Alternative

The issue of Scrip Shares under the Scrip Dividend Alternative is conditional upon:

- the Directors exercising their discretion to offer Scrip Shares in respect of the Applicable Dividend; and
- the admission of the Scrip Shares to trading on the Specialist Fund Segment.

If either of these conditions is not met, no Scrip Shares will be issued under the Scrip Dividend Alternative and Dividends will be paid in cash to all Shareholders.

4. Who can participate in the Scrip Dividend Alternative?

All Ordinary Shareholders resident in the UK or Guernsey can participate in the Scrip Dividend Alternative.

Prior to conversion of the Class A Shares into Ordinary Shares in accordance with the Articles, Class A Shareholders will not be able to participate in the Scrip Dividend Alternative. However, following such conversion, Class A Shareholders will be able to participate in the Scrip Dividend Alternative in respect of some or all of the Ordinary Shares arising on conversion by completing a Mandate Form or submitting a Dividend Election Input Message, as applicable, in accordance with these terms and conditions.

Ordinary Shareholders who are resident outside the UK or Guernsey can only elect to participate in the Scrip Dividend Alternative if the Scrip Shares can lawfully be offered to, and be accepted by, them under the laws of the relevant jurisdiction and, in both cases, without further obligation on the part of the Company. It is the responsibility of any Ordinary Shareholder resident outside the UK or Guernsey to ensure the full observance of the laws of the relevant jurisdiction, including complying with any relevant regulatory or legal procedures, obtaining any relevant government or other consent, and observing any

and all other necessary formalities. The Directors reserve the right to refuse to issue Scrip Shares under the Scrip Dividend Alternative to any Ordinary Shareholders where they believe such issue of Scrip Shares would be contrary to any regulatory or legal provision, have any adverse consequences for the Company or impose any liability on the Company.

Shareholders should note that the Ordinary Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or under the laws of any state in the United States.

5. How do I elect to participate in the Scrip Dividend Alternative?

Sending in your Mandate Form

If you hold your Ordinary Shares in certificated form, you can elect to participate in the Scrip Dividend Alternative by completing a Mandate Form and returning it to Computershare in accordance with the instructions printed on the Form so as to be received no later than 5.00 pm on the relevant Return Date. Any Mandate Form that is received by Computershare after 5.00 pm on the relevant Return Date will only be effective from (and including) the next Applicable Dividend (if any) in respect of which the Scrip Dividend Alternative is offered for which the relevant Return Date has not passed. If you have not been provided with a Mandate Form from the Company or Computershare but wish to elect to participate in the Scrip Dividend Alternative by completing a Mandate Form, please contact Computershare at the address or on the telephone number set out in paragraph 17 below.

CREST

Mandate Forms will not be valid for Ordinary Shares held in CREST. If your holding of Ordinary Shares is in uncertificated form in CREST (and was in uncertificated form as at the relevant Record Date), you may elect to participate in the Scrip Dividend Alternative by means of the CREST procedures that require the submission of a Dividend Election Input Message in accordance with the CREST Manual. If you are a CREST member or other CREST sponsored member, you should consult your CREST sponsor who will be able to take the appropriate action on your behalf.

The Dividend Election Input Message includes a number of fields which, for a valid election to be made, must be input correctly as indicated below:

- (a) Dividend Election Reference – You must indicate here a reference for the dividend election which is unique to your CREST participant I.D.;
- (b) Your participant I.D.;
- (c) Your member account I.D. – If you have more than one member account, you must indicate the member account I.D. to which the election relates;
- (d) ISIN – This is GB00B13VDP26;
- (e) Distribution type – You must enter “SCRIP”;
- (f) Corporate Action – You must enter the Corporate Action number for the Applicable Dividend on which your election is being made. This can be found by viewing the relevant corporate action details in CREST. A Scrip Dividend Mandate in respect of future Applicable Dividends cannot be made;
- (g) Number of Ordinary Shares – You must enter here the number of Ordinary Shares over which your election is made whether this is all or part of your holding of Ordinary Shares. If you leave this field blank or enter zero, your election will be rejected. If you enter a number of Ordinary Shares greater than the your holding in CREST on the relevant Record Date, the election will be applied to the total holding on the relevant CREST member account at the relevant Record Date; and
- (h) Contact details – This field is optional, although you are asked to include details of whom to contact in the event of a query relating to your election.

A valid election made by means of a Dividend Election Input Message will, to the extent it relates to Ordinary Shares held in uncertificated form at the Record Date for the relevant Applicable Dividend,

supersede all previous written elections made in respect of holdings in the same member account. By inputting a Dividend Election Input Message as described above, you confirm your election to participate in the Scrip Dividend Alternative in accordance with the details input and with the terms and conditions of the Scrip Dividend Alternative as amended from time to time.

If part of your holding of Ordinary Shares is held in CREST and part in certificated form, you will need to complete, separately, a Dividend Election Input Message in respect of your Ordinary Shares held in uncertificated form and a Mandate Form in respect of your Ordinary Shares held in certificated form.

In respect of any election made by whichever method, the Company and/or Computershare reserve the right to treat as valid an election which is not complete in all respects.

No acknowledgement of receipt of the Mandate Form or the submission of any Dividend Election Input Messages will be issued.

6. What should I do if I do not wish to elect to participate in the Scrip Dividend Alternative?

If you do not wish to elect to participate in the Scrip Dividend Alternative, you need take no further action. Your Dividends will be paid to you in cash in the usual way.

7. What happens if I have more than one shareholding?

If you have more than one holding of Ordinary Shares, you should complete a separate Mandate Form in respect of each shareholding in relation to which you wish to elect to participate in the Scrip Dividend Alternative. If you wish to consolidate your shareholdings, please contact Computershare at the address or on the telephone number set out in paragraph 17 below.

8. If I am a Participant, how many Scrip Shares will I receive and what will the Company do with any cash balance?

The number of Scrip Shares that you will receive pursuant to the Scrip Dividend Alternative in respect of any Applicable Dividend will be equal to X in the following formula:

$$X = \frac{((A \times B) \times C) + D}{E}$$

where **A** equals the number of Ordinary Shares registered in your name as at the relevant Record Date;

B equals the cash amount of that Applicable Dividend;

C equals the proportion (expressed as a percentage) notified by you as being the proportion of any and all future Applicable Dividends for which you wish to receive Scrip Shares;

D equals the amount of your cash balance remaining from previous Applicable Dividends which were insufficient to permit a whole Scrip Share to be issued pursuant to the Scrip Dividend Alternative (if any); and

E equals the relevant price of a Scrip Share.

The relevant price of a Scrip Share will be calculated using the average of the closing middle market quotations of an Ordinary Share as published by Datastream for five consecutive dealing days as the Board shall determine, provided that the first of such days shall be on or after the day on which the Ordinary Shares are first quoted "ex" the relevant dividend, or in such other manner as may be approved by ordinary resolution of the Shareholders.

A fraction of a Scrip Share will not be issued. Instead, the cash balance ("D" in the above formula) will be carried forward, in a non-interest bearing account, and added to the amount of the next Applicable Dividend (if any) for the purposes of calculating the number of Scrip Shares that you will receive in respect of that Applicable Dividend. If:

- you cancel your election to participate in the Scrip Dividend Alternative;

- the Company suspends or terminates the Scrip Dividend Alternative;
- you sell or otherwise transfer your Ordinary Shares; or
- you (presuming you are a sole Shareholder) die, suffer from a mental incapacity, become bankrupt or, if you are a corporate Shareholder, go into liquidation,

the Company will pay to you your cash balance (if any) as soon as reasonably practicable, save that any amounts below £5.00 will not be returned and will be retained by the Company for its own account.

An example, for illustrative purposes only, of how the Company will calculate the number of Scrip Shares that will be issued to a Participant pursuant to the Scrip Dividend Alternative in respect of any Applicable Dividend is as follows:

Facts

1,000 Ordinary Shares are registered in your name as at the Record Date (“A” in the above formula). The amount of the Applicable Dividend is 5p per Ordinary Share (“B” in the above formula.). You have elected to receive Scrip Shares in respect of 100% of any and all future Applicable Dividends (“C” in the above formula). You have a cash balance of an amount equal to zero (“D” in the above formula). The relevant price of a Scrip Share is £0.75 (“E” in the above formula).

Calculation

- Total value of your entitlement to the Applicable Dividend: $1,000 \times 5p = £50$
- Proportion to which the Scrip Dividend Alternative applies: 100%
- Number of Scrip Shares: $£50 \div £0.75 = 66.66$, rounded down to 66 Scrip Shares
- Value of Scrip Shares: $66 \times £0.75 = £49.50$, leaving a surplus cash balance of £0.50 which would be carried forward to the next Applicable Dividend payment.

If on any occasion your Applicable Dividend entitlement, together with any surplus cash brought forward from previous Applicable Dividends, is insufficient to acquire at least one Scrip Share, you will not be issued with any Scrip Shares. You will, however, receive a statement explaining that no Scrip Shares have been issued to you under the Scrip Dividend Alternative and showing how much surplus cash has been carried forward to the next Applicable Dividend.

9. If I am a Participant, how will I know how many Scrip Shares I have received?

On each and any Applicable Dividend payment date, you will receive a statement detailing the number of Scrip Shares that you have received pursuant to the Scrip Dividend Alternative in respect of the relevant Applicable Dividend. This statement will also detail the cash equivalent of the Scrip Shares and the cash balance carried forward (if any). If you wish to know the number of Scrip Shares that you will receive before this, please contact Computershare at the address or on the telephone number set out in paragraph 17 below.

10. When will I receive my Scrip Shares and how will the Scrip Shares rank?

Application will be made for the Scrip Shares to be admitted to trading on the Specialist Fund Segment. Subject to such application being successful, the Scrip Shares are expected to be issued and admitted to trading on the relevant Applicable Dividend payment date. Dealings in the Scrip Shares are also expected to commence on the relevant Applicable Dividend payment date. In the unlikely event that the London Stock Exchange does not admit the Scrip Shares to the Specialist Fund Segment, or if any other condition is not fulfilled, the relevant elections for Scrip Shares under the Scrip Dividend Alternative will be disregarded and the Company will pay the relevant Applicable Dividend in cash in the usual way as soon as practicable on or after the relevant Applicable Dividend payment date.

Share certificates in respect of the Scrip Shares will be sent to Participants who hold Ordinary Shares in certificated form as at the relevant Record Date on the same day as dividend cheques are posted to Ordinary Shareholders who have not elected to participate in the Scrip Dividend Alternative. Participants who hold Ordinary Shares in uncertificated form in CREST as at the relevant Record Date will have their CREST accounts credited in respect of the Scrip Shares on the relevant Applicable

Dividend payment date, although the Company reserves the right to issue Scrip Shares in certificated form in case of an interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by Computershare in connection with CREST.

All documents, including share certificates, that are sent to or by any Participant will be sent at that Participant's own risk.

The Scrip Shares that are issued pursuant to the Scrip Dividend Alternative will rank equally in all respects with the existing issued Ordinary Shares on the date of their issue (save as regards participation in the relevant Applicable Dividend) and will rank for all future Dividends.

11. Does the Scrip Dividend Alternative apply to Ordinary Shares in joint names?

Yes, but each joint Ordinary Shareholder must sign the Mandate Form for the election to participate in the Scrip Dividend Alternative to be effective.

12. Can I elect to participate in the Scrip Dividend Alternative in respect of part of my holding of Ordinary Shares?

Yes. You can elect to participate in the Scrip Dividend Alternative in respect of the whole of, or any part of, your holding of Ordinary Shares. If you complete your Mandate Form and return it to Computershare (or in case of Participants holding their Ordinary Shares in CREST, submit a Dividend Election Input Message), without validly specifying the proportion of your shareholding to which your election relates you will be deemed to have elected to participate in the Scrip Dividend Alternative in respect of the total number of Ordinary Shares registered in your name as at the relevant Record Date.

13. What happens if I buy or sell Ordinary Shares after I have elected to participate in the Scrip Dividend Alternative?

If you buy or sell some (but not all) of your Ordinary Shares after you have elected to participate in the Scrip Dividend Alternative in respect of all of your Ordinary Shares, you will be deemed to have elected to participate in the Scrip Dividend Alternative in respect of your increased or decreased shareholding, provided that such increase or decrease is reflected in the Company's register of Ordinary Shareholders as at the relevant Record Date.

If you sell all of your Ordinary Shares after you have elected to participate in the Scrip Dividend Alternative, your participation in the Scrip Dividend Alternative will cease, provided that such sale is reflected in the Company's register of Ordinary Shareholders as at the relevant Record Date.

If you buy or sell some or all of your Ordinary Shares and such increase, decrease or sale is not reflected in the Company's register of Ordinary Shareholders as at the relevant Record Date, you will be deemed to have elected to participate in the Scrip Dividend Alternative in respect of your original shareholding (i.e. the number of Ordinary Shares you held prior to you buying more or selling some or all of your Ordinary Shares) and will therefore receive Scrip Shares in respect of your original shareholding.

14. If I am a Participant, can I cancel or amend my election to participate in the Scrip Dividend Alternative?

Yes. You can cancel or amend your election to participate in the Scrip Dividend Alternative by giving written notice to Computershare at the address set out in paragraph 17 below. For a cancellation or amendment to be effective in relation to any Applicable Dividend, notice of that cancellation or amendment must be received by Computershare no later than 5.00 pm on the relevant Return Date. If notice of that cancellation or amendment is not so received, the cancellation or amendment will be effective from (and including) the next Applicable Dividend (if any).

Participants who hold their Ordinary Shares in CREST can only revoke an election which has been made by the submission of a Dividend Election Input Message by utilising the CREST procedure for deletions described in the CREST Manual. Your deletion must be received and, in accordance with CREST procedures, accepted by the Company, prior to the deadline for receipt of cancellations as set out above. It is recommended that you input any deletion message at least 24 hours in advance of the above deadline to give the Company and Computershare sufficient time to accept the deletion. There

is no facility to amend an election which has been made by the submission of a Dividend Election Input Message. If you wish to change your election details, you must first delete the existing election and then input a new Dividend Election Input Message with the required new details.

15. Can the Company modify, amend, suspend or terminate the Scrip Dividend Alternative?

Yes. The Scrip Dividend Alternative can be modified, amended, suspended or terminated at any time at the discretion of the Directors, in which case notice will normally be given to all Participants. In the case of a modification or amendment to the Scrip Dividend Alternative, a Participant will be deemed to have agreed to such modification or amendment unless and until he cancels his election to participate in the Scrip Dividend Alternative in accordance with these terms and conditions (see paragraph 14 above). If the Scrip Dividend Alternative is suspended or terminated, Participants will receive cash (as opposed to Scrip Shares) in respect of any and all future Dividends (during the period of suspension of the Scrip Dividend Alternative, in the case of a suspension rather than a termination of the Scrip Dividend Alternative).

16. What is the governing law of the Scrip Dividend Alternative?

The Scrip Dividend Alternative, including any election to participate in the Scrip Dividend Alternative is governed by, and its terms are to be construed in accordance with, the laws of the Island of Guernsey. Participants agree to submit to the exclusive jurisdiction of the courts of the Island of Guernsey in relation to any matters arising out of, or in connection with, the Scrip Dividend Alternative.

17. What do I do if I have any questions in relation to the Scrip Dividend Alternative?

If you have any questions in relation to the Scrip Dividend Alternative, please contact Computershare Investor Services (Guernsey) Limited, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or by telephone on 0370 707 4040 (or +44 370 707 4040 if calling from outside the United Kingdom). Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 8.30 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Computershare Investor Services (Guernsey) Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

APPENDIX 2

UNITED KINGDOM TAXATION

The following is a general summary of the UK tax consequences of electing to receive Scrip Shares pursuant to the Scrip Dividend Alternative instead of a cash dividend and is based on current UK law and published HMRC practice as at the date of this document (which are subject to change, possibly with retrospective effect). The following summary is general in nature and does not constitute tax advice and applies only to Shareholders who are resident at all times in the UK for tax purposes, who are the absolute beneficial owners of the Shares and who hold their Ordinary Shares and Scrip Shares as investments. In particular, the following does not address the position of certain classes of Shareholders, such as dealers in securities.

Any decision to elect to receive Scrip Shares will be a matter for individual determination by each Ordinary Shareholder and will depend upon their circumstances, as will the precise tax consequences of such an election. **Ordinary Shareholders should consult their own professional tax advisers, however, in relation to the tax consequences of electing to receive Scrip Shares.**

Ordinary Shareholders who are in any doubt about the contents of this document or the action they should take should seek their own independent financial or legal advice immediately.

UK taxation of chargeable gains

A UK resident corporate Shareholder will not be liable to UK corporation tax where it elects to receive Scrip Shares from the Company in lieu of a cash dividend. UK resident corporate Shareholders may be subject to UK corporation tax on chargeable gains on a subsequent disposal. For the purposes of computing any future liability to UK corporation tax on chargeable gains, no consideration will be treated as having been paid for the Scrip Shares. The Scrip Shares will be added to the corporate Shareholder's existing holding of Ordinary Shares and treated as though they had been acquired when the corporate Shareholder's existing holding was acquired.

A UK resident individual Shareholder will not be liable to UK income tax where it elects to receive Scrip Shares from the Company in lieu of a cash dividend. For capital gains tax purposes, where the election to receive Scrip Shares is made then no consideration will be treated as having been paid for the Scrip Shares and the Scrip Shares are treated, along with the original holding of Ordinary Shares, as the same asset acquired at the same time as the existing holding of Ordinary Shares (as is the case for a UK resident corporate Shareholder). UK resident individual Shareholders may be subject to UK capital gains tax in respect of chargeable gains arising on a subsequent disposal depending on their individual circumstances.

Stamp duty and stamp duty reserve tax

No UK stamp duty or stamp duty reserve tax will be payable on the issue of the Scrip Shares.

