

OPG Power Ventures Plc

Terms and Conditions of the Scrip Dividend Scheme

This document is important. If you are in any doubt as to the action you should take, you should seek your own advice from an independent professional adviser.

1. What is The OPG Power Ventures plc Scrip Dividend Scheme?

The OPG Power Ventures plc Scrip Dividend Scheme (the Scrip Dividend Scheme) is a scheme designed to enable Shareholders of OPG Power Ventures plc to receive New Shares instead of cash dividends. This enables Shareholders to increase their shareholdings in OPG Power Ventures plc without incurring dealing costs or stamp duty.

A final share dividend of 1p was approved at the tenth Annual General Meeting held on 23 October 2018 to be paid on 3 December 2018 to shareholders on the register on 9 November 2018. This is a full share dividend with no cash option. The reference price will be calculated as the average of the Company's closing middle market price, as derived from the London Stock Exchange's Daily Official List, for the five consecutive business days commencing on the ex-dividend date, being 8 November 2018.

A Notice of Scrip Dividend was announced on 30th October 2018.

Conditions to the Scrip Dividend Scheme

The allotment and issue of New Shares pursuant to the Scrip Dividend Scheme is, at all times, conditional upon:

- all authorities in respect thereof being in full force and effect, including the passing of any resolution of the Company required by law, regulations or the Company's Articles of Association and AIM rules; and
- the admission to trading on the AIM market of the London Stock Exchange of such New Shares.

2. Who can join the Scrip Dividend Scheme?

All shareholders can join the Scrip Dividend Scheme. If the dividend is announced as a share only dividend, all eligible shareholders will receive shares in lieu of a cash dividend. Please refer to Question 14.

3. How do I join the Scrip Dividend Scheme? (This Question is not applicable in the case of a full share dividend payment as all eligible shareholders will receive shares in lieu of a cash dividend by default, no election is required to be made)

You can join the Scrip Dividend Scheme by completing a Scrip Dividend Election Form (which may be amended from time to time) and sending it to Link Asset Services at the address given at Question 20. A Scrip Dividend Election Form may be obtained from the Company's website www.opgpowers.com or upon request from Link Asset Services.

Alternatively, shareholders who hold shares in certificated form and who wish to make an evergreen election (i.e. for all future dividends for a period of 5 years) can join the Scrip Dividend Scheme online by completing the electronic equivalent of the Scrip Dividend Election Form via www.signalshares.com

The Company will offer shareholders the opportunity to elect to participate in the Scrip Dividend Scheme either partially (i.e. in respect of only some of their shares), on a one-off basis (i.e. in respect of all of their shares, but only for specific dividends which the Company declares, as opposed to every dividend) or (for certificated shareholders only) in relation to the shareholders full

holding for the current and all future dividends (evergreen election).

Scrip Dividend Election Forms (hard copy and electronic) must be

making an evergreen election), dividends. Forms received after that time will be applied in time for the next dividend. Please note that no acknowledgement of receipt of Scrip Dividend Election Forms will be issued.

Scrip Dividend Election Forms, once completed, remain in force for all future dividends until cancelled in writing. For further details see Question 17.

Shareholders who hold their Ordinary Shares in CREST can only elect to receive dividends in the form of New Shares by use of the CREST Dividend Election Input Message. Any Scrip Dividend Election Forms or other forms of instruction received from CREST holders will not be accepted and will be ignored. For further details please refer to Question 4.

4. What if my Ordinary Shares are held in CREST? (This Question is not applicable in case of full share dividend payment as all eligible shareholders will receive shares in lieu of a cash dividend, no election is required to be made)

If your shareholding is in uncertificated form in CREST (and was in uncertificated form as at the relevant record date), you can only elect to receive your dividend in the form of New Shares by means of the CREST procedure to effect such an election. No other method of election will be permitted under the Scrip Dividend Scheme and any purported alternative method of election will be rejected. CREST shareholders, by effecting their elections by means of the CREST procedure, will be taken to have confirmed their election to participate in the Scrip Dividend Scheme and to have confirmed their acceptance of these terms and conditions, as amended from time to time.

If you are a CREST sponsored member, you should consult your CREST sponsor, who will be able to take appropriate action on your behalf. All elections made via the CREST system should be submitted using the Dividend Election Input Message in accordance with the procedures as stated in the CREST Reference Manual.

The Dividend Election Input Message submitted must contain the number of shares on which the election is being made. If the relevant field is left blank or completed with zero, the election will be rejected. If you enter a number of shares greater than the holding in CREST on the relevant record date, the election will be applied to your total holding as at the relevant record date for the dividend. Evergreen elections will not be permitted. If you wish to receive New Shares instead of cash in respect of future dividends for which a scrip dividend alternative is offered, you must complete a Dividend Election Input Message on each occasion otherwise you will receive your dividend in cash. Elections via CREST should be received by CREST no later than 4.30pm on the last date for Scrip election for the relevant dividend in respect of which you wish to make an election.

Once an election is made using the CREST Dividend Election Input Message it cannot be amended. Therefore, if a CREST shareholder wishes to change their election, the previous election would have to be cancelled.

5. How many New Shares will I receive under the Scrip Dividend Scheme?

Your entitlement to New Shares will be calculated by taking the amount of cash dividend to which you are entitled and dividing it by the Scrip Reference Share Price. The Scrip Reference Share Price is the average of the closing middle market quotations for the Company's Ordinary Shares, as derived from the London Stock Exchange Daily Official List, for the five dealing days commencing on the relevant ex-dividend date. Details of the Scrip Reference Share Price will be announced on the London Stock Exchange and

posted on the Company's website www.opgpower.com. The formula which will be used is as follows:

Number of Ordinary Shares held at relevant dividend record date
multiplied by
the cash dividend rate
divided by
the Scrip Reference Share Price

See example below:

Example

Number of Ordinary Shares held	10,000
Dividend paid per Ordinary Share	1.00p (£0.01)
Scrip Reference Share Price ¹	65.00p (£0.65)

Step 1 – calculate maximum cash available

Cash dividend payable	
10,000 x £0.01	£100

Step 2 – calculate number of New Shares to be issued

Maximum cash available (Step 1) divided by the Scrip Reference Share Price: 100 ÷ 0.65	153.85 shares
Number of whole New Shares acquired	153 shares
Value of New Shares acquired (number of shares multiplied by the Scrip Reference Share Price): 153 x £0.65	£99.45

Step 3 – calculate residual cash balance to be retained by the Company

Residual cash (Step 1) less value of New Shares (Step 2)	£0.55
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Note

1. This Scrip Reference Share Price used in this example is indicative for illustrative purposes only. The Scrip Reference Share Price will be calculated according to the Terms and Conditions of the Scrip Dividend Scheme.

6. What will happen with any Scrip Dividend Scheme cash balance?

No fraction of a New Share will be allotted and calculation of entitlement to New Shares will always be rounded down to the nearest whole share. Any residual cash balance will be retained for the benefit of the Company.

If you withdraw from the Scrip Dividend Scheme or sell or transfer your entire holding of Ordinary Shares, or if the Company terminates the Scrip Dividend Scheme, any cash balance will be retained for the benefit of the Company.

7. How will I know how many New Shares I have received?

You will receive a statement, along with your new share certificate, showing the number of New Shares allotted, the relevant Scrip Reference Share Price and the total cash equivalent of the New Shares for tax purposes. If your cash dividend entitlement is insufficient to acquire at least one New Share, your statement will explain that no New Shares have been issued.

CREST holders will have their member accounts credited directly with the New Shares on the dividend payment date or as soon as practicable thereafter and will separately receive a statement showing the number of New Shares allotted, the relevant Scrip Reference Share Price and the total cash equivalent of the New Shares for tax purposes.

8. Will I have to apply again for the Scrip Dividend Scheme for the next dividend? (This Question is not applicable in case of full share dividend payment as all eligible shareholders will receive shares in lieu of a cash dividend, no election is required to be made or carried forward for future share only dividend)

No, unless you only elect to participate in the Scrip Dividend Scheme on a partial and/or one-off basis. If you have made an evergreen Scrip election this will apply for all future dividends for which a Scrip Dividend is offered. For the avoidance of doubt, existing evergreen Scrip elections will remain effective and will apply to future dividends for which a Scrip alternative is offered unless cancelled in accordance with these terms and conditions.

Shareholders holding via CREST and certificated shareholder making a partial and/or one off election will, however, need to elect for each dividend by means of the Dividend Election Input Message or Scrip Dividend Election Form respectively.

9. Are my new Scrip Dividend Shares included in the next Scrip Dividend?

Provided you continue to hold them at the relevant dividend record date, and have made an evergreen election, all New Shares will automatically increase your shareholding on which the next entitlement to a Scrip Dividend alternative will be calculated. Where your cash dividend is insufficient to acquire New Shares, funds representing your fractional cash entitlement will be retained for the benefit of the Company.

10. Will my New Shares under the Scrip Dividend Scheme have the same voting rights as my existing Ordinary Shares?

Yes. New Shares will carry the same voting rights as your existing Ordinary Shares.

11. When will I receive my share certificate?

Subject to the New Shares being admitted to trading on the AIM, London Stock Exchange, your New Share certificate will be posted to you, at your own risk, on the same date as the cash dividend is paid. In the case of a full share dividend payment no cash dividend will be paid and the shares will be credited and share certificates issued on the announced dividend payment date.

12. Does the Scrip Dividend Scheme apply to Ordinary Shares held in joint names?

Yes. The Scrip Dividend Scheme will apply to shareholding accounts in joint names, so long as all joint holders have signed the Scrip Dividend Election Form.

13. Can I complete a Scrip Dividend Election Form for part of my holding? (This Question is not applicable in the case of a full share dividend payment as all eligible shareholders will receive shares in lieu of a cash dividend by default, no election is required to be made)

Yes.

14. Can Overseas shareholders join the Scrip Dividend Scheme?

Yes. If you are a resident outside the UK you may treat this as an invitation to receive New Shares unless such an invitation could not lawfully be made to you without any further obligation on the part of the Company or in compliance with any registration or other legal requirements. It is the responsibility of any person resident outside the UK wishing to elect to receive New Shares to be satisfied as to full observance of the laws of the relevant territory, including obtaining any government or other consents which may be required and observing any other formalities in such territories.

15. What happens if I sell/buy shares after I complete a Scrip Dividend Election Form? (This Question is not applicable in case of a full share dividend payment as there is no scrip dividend election form)

If you sell some of your Ordinary Shares before a record date for a dividend, the Scrip Dividend Scheme will apply to the remainder of your Ordinary Shares.

If you buy any additional Ordinary Shares after a record date, these additional shares will not be eligible to receive the cash dividend or New Shares, but will be eligible for future dividends without a new Scrip Dividend Election Form being completed (where an existing evergreen election is in place) so long as they are registered in the same way as your existing shareholding. If your Ordinary Shares are not registered in the same way, you may request your shareholding accounts to be amalgamated and/or you may complete a new Scrip Dividend Election Form in respect of your new shareholding.

16. What happens if I have more than one holding? (This Question is not applicable in case of full share dividend payment as there is no scrip dividend election form)

Holding shares in different accounts is a means by which you may select different preferences for dividend payments. For example, if for any reason shares are registered in more than one shareholder

account, then unless such multiple accounts are consolidated, they will be treated as separate. As a result separate Scrip Dividend Election Forms will need to be completed (and received by Link Asset Services as set out at Question 3) for each shareholder account in order to participate in the Scrip Dividend Scheme. For the avoidance of doubt, dividends will be paid in cash for any shareholder accounts in which a Scrip Dividend Election Form has not been validly received by Link Asset Services.

17. Can I cancel my instructions? (This Question is not applicable in case of full share dividend payment as there is no scrip dividend election form)

Yes, you may cancel your evergreen election at any time. However notice of cancellation must be given in writing to Link Asset Services no later than 4.30pm on the last date for Scrip elections for the relevant dividend payment for it to be effective for that dividend. Shareholders holding through the CREST system can only cancel their election via the CREST system. In such circumstances Shareholders would receive cash for that dividend and subsequent dividends. A notice of cancellation will take effect upon its receipt and process by Link Asset Services in respect of all dividends payable after the date of receipt of such notice.

Your election will be deemed to be cancelled if you sell or otherwise transfer your Ordinary Shares to another person but only with effect from the registration of the relevant transfer. Your election will also terminate immediately on receipt of notice of your death, notice of your insolvency or your inability to maintain your financial affairs due to mental incapacity. If a joint Shareholder dies, the election will continue in favour of the surviving joint Shareholder(s) (unless and until cancelled by the surviving joint Shareholder(s)). Funds representing fractional cash entitlements accumulated on your behalf will be retained for the benefit of the Company.

18. Can the Company change or cancel the Scrip Dividend Scheme?

Yes. The Scrip Dividend Scheme may be modified, suspended, terminated or cancelled at any time at the discretion of the Directors without notice to Shareholders individually. In the case of any modification, existing elections (unless otherwise specified by the Directors) will be deemed to remain valid under the modified arrangements unless and until Link Asset Services receive a cancellation in writing from you. The operation of the Scrip Dividend Scheme is always subject to the Directors' decision to make an offer of New Shares in respect of any particular dividend. The Directors also have the power, after such an offer is made, to revoke the offer generally at any time prior to the allotment of the New Shares under the Scrip Dividend Scheme. This may, in particular, be exercised if 20 business days prior to the dividend payment date, the price of an Ordinary Share of the Company has fallen 15% or more below the Scrip Reference Share Price used to calculate Shareholders' entitlements. If the Directors revoke an offer, Shareholders will receive their dividends in cash on or as soon as possible after the dividend payment date. An announcement of any cancellation or modification to the terms and conditions of participation in the Scrip Dividend Scheme will be made on our website at www.opgpower.com

19. Governing Law

The Scrip Dividend Scheme is subject to the Company's Articles of Association and is governed by and its terms are to be construed in accordance with Isle of Man law. By electing to receive New Shares the Shareholder agrees to submit to the exclusive jurisdiction of the Isle of Man courts in relation to the Scrip Dividend Scheme.

20. What do I do if I have any questions?

If you have any questions about the procedure for election or on how to complete the Scrip Dividend Election Form, please contact Link Asset Services on 0371 664 0321. 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 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes
Scrip Dividend Election Forms should be returned to the following address:

Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.

Requests to withdraw from the Scrip Dividend Scheme should be submitted in writing to the same address stated above.

If you wish to receive dividends in cash in the usual way you need take no further action and should not complete or return a Scrip Dividend Election Form. (This paragraph is not applicable in case of a full share dividend payment as there is no scrip dividend election form)

Definitions

Articles of Association means the Articles of Association of the Company as amended from time to time.

AIM means AIM, a market of the London Stock Exchange.

AIM Rules means the rules applicable to companies whose shares are admitted to trading on AIM or such other rules and regulations as may be applicable to the Company from time to time.

Link Asset Services means the Company's Registrar, and is a trading name of Link Registrars Limited.

CREST means the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI/3755)) in respect of which Euroclear UK & Ireland Limited is the operator.

Directors means the Directors of **OPG Power Ventures plc**

Full share dividend payment means a dividend where no cash payments is offered and all eligible shareholders will receive their dividend entitlement in shares. No election for the Scrip Scheme is required.

London Stock Exchange means the London Stock Exchange plc.

New Shares means new fully paid Ordinary Shares issued under the Scrip Dividend Scheme.

Ordinary Shares means Ordinary Shares of 0.0147 pence each in the capital of the Company.

OPG Power Ventures plc or Company means **OPG Power Ventures plc**.

The OPG Power Ventures plc Scrip Dividend Scheme or the Scrip Dividend Scheme means The **OPG Power Ventures plc** Scrip Dividend Scheme as comprised under and subject to the terms and conditions contained in this document as amended from time to time.

Scrip Dividend Election Form or election means an election in a form provided by the Company from a Shareholder to the Directors to allot New Shares under the terms of the Scrip Dividend Scheme in lieu of a cash dividend to which they may become entitled from time to time.

Scrip Reference Share Price means the price of New Shares, calculated by reference to the average of the closing middle market quotations for the Company's Ordinary Shares, as derived from the London Stock Exchange Daily Official List, for the five dealing days commencing on the relevant ex-dividend date.

Shareholder means a holder of Ordinary Shares in the Company.

UKLA means the United Kingdom Listing Authority.

UK or United Kingdom means the United Kingdom of Great Britain and Northern Ireland and its dependent territories.

Taxation

The tax consequences of electing to receive New Shares in place of a cash dividend will depend on Shareholders' individual circumstances and the prevailing law and practice. If Shareholders are not sure how they will be affected from a tax perspective, they should consult their solicitor, accountant or other professional adviser before taking any action.

United Kingdom taxation

The following information is provided as a general guide to current UK tax law and to the current practice of Her Majesty's Revenue and Customs, both of which are subject to change at any time, possibly with retrospective effect. It is not advice. Except where specifically stated, the information is intended to apply only to Shareholders who are resident (or in the case of an individual, domiciled and resident) in the UK for UK tax purposes, who hold Ordinary Shares as investments and who are the absolute beneficial owners of Ordinary Shares. The information may not apply to certain classes of Shareholders, such as dealers in securities, broker-dealers, insurance companies, collective investment schemes, and persons who have acquired (or are deemed for tax purposes to have acquired) their shares by reason of office or employment.

Shareholders who are in any doubt as to their tax position or who are resident or domiciled in or subject to tax in a jurisdiction other than the UK should consider their tax position and consult their own professional advisers as appropriate before participating in the Scrip Dividend Scheme.

Income tax

Because the Company is tax resident outside the UK, a UK resident individual shareholder who elects to receive New Shares instead of a cash dividend is not likely to be subject to UK income tax in respect of New Shares received under the Scrip Dividend Scheme.

Capital gains tax

Because the Company is tax resident outside the UK, a UK resident individual shareholder who elects to receive New Shares instead of a cash dividend may be treated as having acquired those New Shares for nil consideration, ie there should be no addition to the Shareholders' existing base cost regarding the shares held in the Company. The Original Shares and the New Shares should be treated as the same asset acquired as the Original Shares were acquired.

Corporation tax

To the extent that a company which is resident (for tax purposes) in the United Kingdom elects to receive New Shares instead of a cash dividend, the issue of the New Shares should not give rise to a charge to corporation tax. No acquisition cost should be obtained for the New Shares and, consequently, the calculation of any chargeable gain or allowable loss on a future disposal of, or of part of, that company's enlarged holding should fall to be made by reference to the base cost of the original holding.

Stamp Duty

No stamp duty or stamp duty reserve tax will be payable on receipt of New Shares under the Scrip Dividend Scheme.'