

## **HT&E Limited**

### **Dividend Reinvestment Plan Guide**

Participation in the Dividend Reinvestment Plan (**DRP**) is subject to the Dividend Reinvestment Plan Terms and Conditions (**DRP Terms**) which are available on HT&E's website ([www.htande.com.au](http://www.htande.com.au)). These questions and answers are intended only as a summary and guide to the **DRP Terms**.

This guide has been prepared without taking account of individual shareholder's investment objectives, financial situation or needs and does not constitute investment advice. HT&E recommends that you review the **DRP Terms** in full and seek professional tax and financial advice before making an application.

#### **How does the **DRP** work?**

Under the **DRP** eligible shareholders can choose to reinvest dividends on all or a specified number of their shares to receive further fully paid ordinary shares in HT&E (instead of receiving dividends in cash).

#### **Do I have to participate?**

No, participation is entirely optional. If you do not lodge an Application Form you will continue to receive cash dividends in the usual way.

If you previously elected to participate in the **DRP**, you will participate in the **DRP** on the basis of your last notice provided to our share registry unless you otherwise notify the share registry.

#### **What will it cost me to participate?**

There are no fees for participation. You will not be charged brokerage, commission, transaction or stamp duty costs for any issue or transfer of shares under the **DRP**. Please refer to the tax summary at the back of this guide.

#### **Who can participate?**

**DRP** participation is open to all shareholders (holding at least the minimum number of shares as may be specified by the Directors, if any) other than shareholders with a registered address where, in the opinion of the Directors, participation in the **DRP** would require a prospectus under foreign law or other regulatory compliance which the Directors determine to be excessive or impracticable.

#### **Can I participate in the **DRP** for only a portion of my shares?**

Yes, you can indicate this on the Application Form. In the case of partial participation, your participation in the **DRP** will depend on the specified number of your shares you have nominated to participate in the **DRP**. Your entitlement to cash dividend payments in respect of shares not participating in the **DRP** will be paid in the normal way.

If you lodge an Application Form and do not specify partial participation then you will be deemed to have elected full participation.

#### **At what price will shares be issued under the **DRP**?**

Shares will be issued at the weighted average sale price for HT&E's shares on ASX during the five trading days commencing on the trading day after the record date for the relevant dividend. The Directors have a discretion to adjust the issue price if it is considered that it does not represent the fair market value of shares.

#### **Is there a discount?**

No. However, the Directors have a discretion to implement a discount for future dividends. If this occurs an announcement will be made to ASX.

## When will my shares be issued?

Shares will be issued on or as soon as practicable after the payment date for the relevant dividend.

## How many shares will I receive?

The number of shares to be allotted will be the amount of the cash dividend payable on your participating DRP shares, divided by the issue price per share, and rounded down to the nearest whole number if a fractional share would be issued.

**Example:** Say you elect for 10,000 shares to participate, the dividend is 4 cents per share, and the weighted average sale price for HT&E's shares on ASX during the five trading days commencing on the trading day after the record date is \$2.60 per share.

The dividend you would have received on these shares is:  $10,000 \times 4 \text{ cents} = \$400.00$

The issue price is: \$2.60 per share

The number of new shares to be issued is:  $\$400.00 / \$2.60 = \mathbf{153 \text{ shares}}$  (rounded down)

Because of rounding, only \$397.80 of the \$400.00 dividend was used to acquire new shares. The residual balance of \$2.20 will be carried forward, as described below.

(**Note:** these figures are hypothetical and do not represent actual dividends or prices)

If any withholding tax is payable in respect of the dividend or if there is any other amount HT&E must retain or withhold (e.g. if you have not provided a Tax File Number), these amounts will be deducted from the dividend before making the calculation.

## What happens if the number of shares to be issued is rounded down?

Where there is a residual balance following the calculation of the number of shares to be issued, the residual balance amount will be carried forward and added to your next dividend for reinvestment in further shares under the DRP. This is illustrated in the above example.

However, if you sell all your shares that are participating in the DRP, terminate your participation in the DRP, or the DRP is suspended or terminated by the Directors, then the amount of any residual balance held on your behalf will become the property of HT&E to be used for purposes decided by the Directors at their discretion.

## Can I sell my shares when I choose?

Shares participating in the DRP or acquired under the DRP may be sold at any time.

If you have elected partial participation in the DRP with a fixed number of shares participating, the shares sold will be deducted first from your holding of shares which are not shares participating in the DRP and then from shares that are participating in the DRP.

## What happens if I acquire more shares?

If you acquire more shares (including under the DRP) and you have elected for full participation, those shares will also become participating shares in the DRP.

If you have elected partial participation in the DRP with a specified number of shares participating, then any shares you acquire over and above that number (including under the DRP) will not become participating shares in the DRP.

## What do I have to do to participate?

Complete an Application Form and return it to the following address:

**Link Market Services Limited**  
**Locked Bag A14,**  
**Sydney South NSW 1235**

**Joint holders:** If your shares are held in joint names, all joint holders must sign the Application Form.

**Multiple holdings:** If you hold shares in multiple holdings or accounts, you will need to complete an Application Form for each holding.

### **When will my participation begin?**

Subject to eligibility, your participation will begin with the first dividend payment after receipt of your Application Form. This is subject to the Application Form being received by the share registry no later than the next business day after the record date for that dividend (or a later date approved by HT&E).

### **Can I terminate or change my participation?**

Yes, at any time. Simply complete and return a Cancellation Form which is available from the share registry (contact details below) or from HT&E's website ([www.htande.com.au](http://www.htande.com.au)). The change will be effective from the next dividend after it is received, provided the Cancellation Form is received by the share registry no later than the next business day after the record date for that dividend (or a later date approved by HT&E).

### **How does the DRP affect my tax position?**

Please note that neither HT&E or its share registry is in a position to provide advice or answer enquiries concerning the financial or taxation implications for shareholders. Such enquiries should be addressed to professional accounting or taxation advisers.

HT&E does not accept any responsibility for any interpretation of, or application by, shareholders of the general information set out in this document. In particular, this information is relevant only for residents of Australia.

In general, for Australian resident tax payers, under current Australian tax legislation, dividends reinvested under the DRP will be assessable for income tax purposes in the same manner as cash dividends. The dividend may also be fully or partly franked under Australia's dividend imputation system. Any franking credits attached to the dividend also form part of your Australian taxable income. However you are generally entitled to a rebate of tax based on the franking credits attached to the dividend.

For Capital Gains Tax purposes under current Australian tax legislation, shares issued or transferred under the DRP will have a cost base equal to the amount of the cash dividend entitlement which is reinvested. Shareholders may be subject to tax on disposal of the shares depending on the sale proceeds and the cost base of the shares.

### **Can the DRP be amended?**

The DRP may be modified, suspended, reintroduced or terminated by the Board at any time on announcing to ASX.

### **How can I get more information?**

The DRP Terms are available on HT&E's website ([www.htande.com.au](http://www.htande.com.au)). If you require any further information you may wish to contact HT&E's share registry:

**Link Market Services**

Info line: +61 1300 553 550

Email: [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au)