



Think Childcare Group

Dividend

Reinvestment Plan

28 October 2019



Think Childcare Group

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Summary of Dividend Reinvestment Plan

1. Holders of Stapled Securities are generally eligible to participate in the DRP.
2. Participation in the DRP is optional and no action is required by shareholders who wish to receive dividends in the usual manner. Shareholders may elect to participate in the DRP in respect of all or a specified number of the Stapled Securities which they hold (provided the number of Participating Securities is more than any minimum amount specified by the Boards).
3. At each dividend payment date, the dividend on Stapled Securities participating in the DRP is automatically reinvested in new Stapled Securities.
4. Stapled Securities issued under the DRP will comprise one fully paid ordinary share in TNK and one fully paid ordinary share in TND which are Stapled together and will rank equally in all respects with existing Stapled Securities and can be sold at any time.
5. When an entitlement calculation ends in a fraction of a Stapled Security, the entitlement to new Stapled Securities will be rounded down to the next full Stapled Security but the part of the dividend not applied will be carried forward.
6. Under the DRP, new Stapled Securities may be issued at a discount of up to 5% from market price (calculated by a volume weighted average price of Stapled Securities over a period determined by the Boards), with the amount of the discount to be determined by the Boards.
7. There is no brokerage, stamp duty or other charge payable by shareholders in respect of new Stapled Securities issued under the DRP. The Think Childcare Group will bear all administration costs in connection with the DRP.
8. Shareholders participating in the DRP will be issued a statement after each dividend payment setting out details of the number of Stapled Securities issued under the DRP in respect of that dividend.
9. For shareholders to participate in the DRP for a particular Dividend, the shareholder must send to the Think Childcare Group's share registrar a completed Application or Notice of Variation so that it is received by the Think Childcare Group no later than one Business Day after the relevant Record Date.
10. The DRP may be suspended, modified, terminated or reinstated by the Boards at any time in accordance with the Terms and Conditions of the DRP.
11. Shareholders may elect to terminate or modify their participation in the DRP in accordance with the Terms and Conditions of the DRP.



Dividend Reinvestment Plan

Terms and Conditions

1. Definitions

1.1 In this DRP, the following words and expressions have the meanings indicated unless the contrary intention appears:

Application means an application to participate in the DRP made in the form prescribed by the Boards from time to time (or in any other form the Boards may accept).

ASX means ASX Limited or the financial market known as the Australian Securities Exchange that it operates, as the context requires.

Boards means the board of directors of TNK and TND from time to time.

Business Day has the same meaning as in the Listing Rules.

Cash Dividend means a Dividend payable to a Participant in respect of Participating Securities wholly in cash and, in the case of a Dividend payable only partly in cash, that part of the Dividend which is payable in cash.

Corporations Act means *Corporations Act 2001* (Cth).

Dividend means a dividend or interim dividend paid by TNK and TND.

Dividend Payment Date means the date on which a Dividend is paid by the Think Childcare Group.

DRP means the Think Childcare Group's Dividend Reinvestment Plan governed by these Terms and Conditions.

DRP Statement means the statement referred to in clause 9.

Full Participant means a Participant who participates in the DRP in respect of all the Stapled Securities held by that Participant, including:

- (a) Stapled Securities currently held;
- (b) Stapled Securities issued under the DRP;
- (c) bonus Stapled Securities (if any) subsequently issued; and
- (d) any other Stapled Securities acquired subsequently.

Issue Price means the issue price of Stapled Securities issued under the DRP as determined in accordance with clause 7.2.

Limited Participant means a Participant who participates in the DRP in respect of some, but not all, of the Stapled Securities held by that Participant.

Listing Rules means the Listing Rules of the ASX.



Minimum Amount means the number of Stapled Securities (if any) that the Boards determine from time to time as notified on TNK's website.

Non-Participating Securities means, in relation to a Limited Participant, any Stapled Securities registered in the name of the Limited Participant that are not subject to the DRP.

Notice means a notice given under these Terms and Conditions, including a Notice of Variation.

Notice of Variation means a form (as approved by the Boards) by which a Participant applies to vary the level of, or withdraw from, participation in the DRP.

Participant means a Shareholder who is a participant in the DRP.

Participating Securities means, in relation to a Participant, the Stapled Securities registered in the name of the Participant that are subject to the DRP.

Price Determination Period means the period determined by the Boards, being a period of not less than 10 Business Days (commencing before or after the relevant Record Date, as determined by the Boards).

Record Date has the same meaning as in the Listing Rules.

Residual Dividend means, in respect of a Participant, the total Cash Dividend payable to that Participant reduced by any amount, including withholding tax, where appropriate, which the Think Childcare Group is required to or may, subject to the Listing Rules, deduct from the Cash Dividend payable to that Participant.

Shareholder means a person registered as the holder of Stapled Securities.

Stapled Security means one TNK Share and one TND Share in their legal capacity as separate securities but which are listed for quotation on ASX and traded together in accordance with the TNK Constitution, the TND Constitution and the Stapling Deed.

Stapling means in the case of two or more securities, being quoted on ASX together so that one such security may not be dealt with without the other or others being dealt with in an identical manner and at the same time and with such restriction.

Stapling Deed means the deed of that name between TNK and TND dated on or around 25 October 2019.

Terms and Conditions means the terms and conditions of the DRP.

Think Childcare Group means the stapled group comprising TNK and TND following Stapling admitted to the official list of the ASX.

TND means Think Childcare Development Limited ACN 635 178 166.

TND Constitution means the constitution of TND as amended or repealed and replaced from time to time.

TND Share means a fully paid ordinary share in the capital of TND.

TNK means Think Childcare Limited ACN 600 793 388.



TNK Constitution means the constitution of TNK as amended or repealed and replaced from time to time.

TNK Share means a fully paid ordinary share in the capital of TNK.

VWAP means the volume weighted average price of Stapled Securities traded on ASX 'on-market' (as defined in the ASX Market Rules) during the relevant period excluding:

- (a) special crossings, overseas trades, trades pursuant to the exercise of options, overnight trades and any other trades that are identified in section 6.3 of ASX's *Market Information Signal E-manual* as being excluded from an ASX volume weighted average price calculation; and
- (b) any trades that the Think Childcare Group determines to exclude on the basis that the trades are not reflective of the value of Stapled Securities during the period.

2. Interpretation

2.1 In these Terms and Conditions, except where the context otherwise requires:

- (a) the singular includes the plural and vice versa, and a gender includes other genders;
- (b) another grammatical form of a defined word or expression has a corresponding meaning;
- (c) a reference to a clause, paragraph, schedule or annexure is to a clause or paragraph of, or schedule or annexure to, these Terms and Conditions, and a reference to these Terms and Conditions includes any schedule or annexure;
- (d) a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;
- (e) a reference to **A\$, \$A, dollar** or **\$** is to Australian currency;
- (f) a reference to time is to Melbourne, Australia time;
- (g) a reference to a person includes a natural person, partnership, body corporate, association, governmental or local authority or agency or other entity;
- (h) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (i) a word or expression defined in the Corporations Act has the meaning given to it in the Corporations Act;
- (j) the meaning of general words is not limited by specific examples introduced by **including, for example** or similar expressions;
- (k) any agreement, representation, warranty or indemnity by two or more persons (including where two or more persons are included in the same defined term) binds them jointly and severally; and



- (l) if a day on or by which an obligation must be performed or an event must occur is not a Business Day, the obligation must be performed or the event must occur on or by the next Business Day.

2.2 Headings are for ease of reference only and do not affect interpretation.

3. The DRP

- 3.1 The DRP is established but will not commence operation (and these Terms and Conditions will have no force or effect) unless Stapling occurs and the Boards resolve that the DRP is operational.
- 3.2 Under the DRP, Shareholders may elect to receive additional Stapled Securities in substitution for Cash Dividends in respect of all, or part (as determined by each Shareholder) of their Stapled Securities on the terms and conditions as determined by the Boards in respect of each Dividend.
- 3.3 Participation by a Shareholder in the DRP is optional and is not transferable.

4. Eligibility

- 4.1 Subject to clause 4.5, all Shareholders are eligible to participate in the DRP.
- 4.2 A Shareholder may elect to participate in the DRP by delivery of an Application to the Think Childcare Group or as it directs.
- 4.3 An Application received by the Think Childcare Group to participate in the DRP is not effective for a Dividend unless it is received by 5.00pm Melbourne time on the day which is one Business Days after the Record Date for that Dividend or another date as may be determined by the Boards.
- 4.4 If an Application is made in respect of Stapled Securities jointly held by two or more Shareholders, all joint holders of such Stapled Securities must sign the Application for it to be valid.
- 4.5 The Think Childcare Group may in its discretion reject, in whole or in part, any Application and is not required to give any reason for doing so. This discretion includes, but is not limited to, a discretion for the Boards to determine that the right to participate in the DRP is not available to a Shareholder:
 - (a) who has a registered address or is a resident in a country or place where, in the absence of a disclosure document, registration statement or other prerequisite, the offer of a right of election or participation would or might be unlawful;
 - (b) whose participation in the DRP might lead to a foreign person acquiring an interest in the Think Childcare Group in breach of the *Foreign Acquisitions and Takeovers Act 1975* (Cth);
 - (c) whose level of participation is less than the Minimum Amount; or
 - (d) who holds partly paid Stapled Securities or Stapled Securities issued but not fully paid for under an employee incentive scheme.



- 4.6 In the case of joint holders of Stapled Securities, if one or more of the joint holders is not eligible to participate in the DRP, none of the joint holders is eligible to participate in the DRP in respect of the jointly held Stapled Securities.
- 4.7 The Think Childcare Group must notify a Shareholder of the rejection of any Application as soon as practicable after the Application is made.
- 4.8 A Shareholder is solely responsible for obtaining any government or regulatory approvals and consents necessary for that Shareholder to be eligible to participate in the DRP.

5. Initial Participation

- 5.1 A Shareholder may elect that all or a specified lesser number of the Stapled Securities registered or to be registered in the name of that Shareholder (provided that number of Stapled Securities at all times exceeds the Minimum Amount) will be subject to the DRP.
- 5.2 If a Shareholder nominates a number of Stapled Securities less than that Shareholder's total holding to be subject to the DRP, following receipt of the Application, and subject to clause 4.5, the Shareholder will become a Participant in the DRP but only in relation to the Stapled Securities nominated.
- 5.3 If the Shareholder does not specify the number of Stapled Securities that are to become Participating Securities, the Application will be deemed to be an Application by the Shareholder to become a Full Participant.
- 5.4 If an Application is received, then, subject to clause 4.5, the Shareholder:
 - (a) where the Application was in respect of all of the Stapled Securities registered or to be registered in the name of that Shareholder, is admitted as a Full Participant; or
 - (b) where the Application was in respect of a specified lesser number of Stapled Securities registered or to be registered in the name of that Shareholder, is admitted as a Limited Participant.
- 5.5 By providing an Application or Notice of Variation to the Think Childcare Group, the Shareholder:
 - (a) warrants to the Think Childcare Group that it is eligible to participate in the DRP;
 - (b) authorises the Think Childcare Group or its officers or agents to correct any error in or omission from any Application or Notice of Variation;
 - (c) acknowledges that the Think Childcare Group may:
 - (i) determine that any Application or Notice of Variation is valid, in accordance with these Terms and Conditions;
 - (ii) reject any Application or Notice of Variation; or
 - (iii) arrange for the DRP to be fully or partially underwritten in respect of any one or more Dividends;
 - (d) acknowledges that the Think Childcare Group has not provided the Shareholder with investment advice or financial product advice concerning its decision to apply to



participate in the DRP and that the Think Childcare Group has no obligation to provide this advice; and

- (e) agrees to be bound by these Terms and Conditions.

6. Notices of Variation

6.1 A Participant may at any time give a Notice of Variation to the Think Childcare Group:

- (a) increasing or decreasing the number of Stapled Securities participating in the DRP; or
- (b) terminating participation in the DRP.

6.2 A Notice of Variation received by the Think Childcare Group to vary the level of participation or to terminate participation in the DRP is not effective for a Dividend unless it is received by 5.00pm Melbourne time on the day which is one Business Day after the Record Date for that Dividend or another date as may be determined by the Boards.

6.3 A Participant's level of participation in the DRP, as evidenced by that Participant's Application or any subsequent Notice of Variation, will constitute that Participant's level of participation until:

- (a) the Participant formally varies or terminates the Participant's participation in the DRP by way of Notice of Variation or such participation is deemed to be formally varied or terminated in accordance with the Terms and Conditions; or
- (b) the Think Childcare Group terminates the DRP,

whichever occurs earlier.

7. Operation of the DRP

7.1 For each Dividend in respect of which the Boards determines that the DRP is to operate, the Residual Dividend must be applied by the Think Childcare Group on each Participant's behalf in subscribing for additional Stapled Securities in accordance with the Terms and Conditions.

7.2 Subject to clause 7.4, the price at which each Stapled Security is issued under the DRP in respect of a Dividend (**Issue Price**) is:

$$\text{Issue Price} = \text{Determined Percentage} \times \text{Market Price}$$

7.3 For the purpose of clause 7.2:

- (a) **Determined Percentage** means 95% or a greater percentage as the Boards in their absolute discretion determines to be applicable in respect of a Dividend; and
- (b) **Market Price** means:
 - (i) the VWAP during the Price Determination Period; or
 - (ii) if no Stapled Securities have been sold during the Price Determination Period, the last sale price of Stapled Securities sold on ASX 'on-market' (as defined in the ASX Market Rules) prior to the Price Determination Period.

7.4 If the Boards are of the opinion that determination of the Issue Price for a Dividend in accordance with the formula set out in clause 7.2 would materially disadvantage any



Shareholder or would not represent a fair and reasonable price at which to issue Stapled Securities pursuant to the DRP in respect of that Dividend, the Boards may substitute another price as the Issue Price (as determined by it in their absolute discretion) for that Dividend.

- 7.5 The Issue Price (whether determined by application of the formula in clause 7.2 or by the Boards under the residual discretion granted to it by clause 7.4) is final and binding on all Participants.
- 7.6 In respect of a Residual Dividend payable to a Participant, the Think Childcare Group will:
- (a) calculate the number of Stapled Securities (at the Issue Price) to be acquired using the Residual Dividend payable to the Participant, rounded down to the nearest whole Stapled Security;
 - (b) on behalf of and in the name of the Participant, apply the total Residual Dividend payable to that Participant to acquire that number of additional Stapled Securities calculated in accordance with clause 7.6(a); and
 - (c) issue that number of additional Stapled Securities to the Participant within five Business Days after the Dividend Payment Date.
- 7.7 The amount of any Residual Dividend payable to a Participant which is not applied by the Think Childcare Group under clause 7.6 because the number of Stapled Securities to be issued to a Participant is rounded down may at the discretion of the Boards be:
- (a) accumulated by the Think Childcare Group on behalf of the Participant until one Stapled Security can be issued to the Participant under the DRP by applying the amount accumulated; or
 - (b) paid to the Participant as the Boards determine in its absolute discretion.
- 7.8 If and to the extent that the DRP does not operate, the relevant Dividend must instead be distributed in cash to Participants in the same way as to other Shareholders who do not participate in the DRP.

8. Stapled Securities issued under the DRP

- 8.1 Subject to the TNK Constitution, the TND Constitution and the Listing Rules, all Stapled Securities issued under the DRP rank equally in every respect with the existing Stapled Securities and participate in all Dividends subsequently declared or authorised.
- 8.2 The Think Childcare Group must issue or cause to be issued a holding statement (or share certificate, as the case requires) to each Participant for the total number of Stapled Securities issued to that Participant under clause 7.6(c).



- 8.3 The Think Childcare Group must apply for the Stapled Securities issued under the DRP to be listed for quotation on the official list of the ASX as soon as reasonably practicable after their date of issue.

9. DRP Statements

- 9.1 The Think Childcare Group will send to each Participant following each Dividend Payment Date while the DRP is in effect a DRP Statement detailing the following information:
- (a) the number of Stapled Securities of the Participant participating in the DRP as at the relevant Record Date;
 - (b) the amount of the Cash Dividend payable on each Participating Share;
 - (c) if applicable, the amount of withholding tax or other amount which has been deducted from the Cash Dividend payable on the Participating Securities;
 - (d) the Residual Dividend payable on the Participating Securities;
 - (e) the current Issue Price;
 - (f) the number of Stapled Securities issued or to be issued to the Participant under the DRP in respect of that Dividend and the date of issue of those Stapled Securities;
 - (g) the franked amount (if any) of the Dividend and the imputation tax credit (if any) attaching to the Dividend;
 - (h) subject to any share transactions in the intervening period, the total number of Stapled Securities of the Participant participating in the DRP after the Dividend; and
 - (i) other information as the Boards may at any time and from time to time determine.

10. Costs to Participating Shareholders

No brokerage, commission or other transaction costs and no stamp or other duties are payable by Participants for the issue of Stapled Securities to them under the DRP.

11. Termination of Participation

- 11.1 A Participant is taken to have terminated participation in the DRP:
- (a) on receipt by the Think Childcare Group of a Notice of Variation terminating participation in the DRP in accordance with clause 6;
 - (b) on registration of one or more transfers of all of the Participant's Participating Securities;
 - (c) on termination of the DRP by the Boards in accordance with clause 13;
 - (d) on receipt by the Think Childcare Group of the notice of death, bankruptcy or liquidation of the Participant; or
 - (e) on the Participant ceasing to be eligible for participation in the DRP.



- 11.2 For the purposes of clause 11.1 the death, bankruptcy or liquidation of any one of two or more joint Shareholders does not automatically terminate the participation of the remaining Shareholder or joint Shareholders in the DRP.
- 11.3 A Share which has ceased to be a Participating Share is not precluded from subsequently again becoming subject to the DRP.

12. Acquisition and sale of Stapled Securities by Participants

- 12.1 All Stapled Securities issued or transferred to a Participant under the DRP will be added to the number of Participating Securities unless a Notice of Variation advising the Think Childcare Group to the contrary has been delivered to the Think Childcare Group.
- 12.2 Unless advised by the Limited Participant to the contrary, if a Limited Participant sells or transfers Stapled Securities, the Stapled Securities sold or transferred will, first, reduce the number of Non-Participating Securities and, secondly, the number of Participating Securities.
- 12.3 If, by the issue, purchase or transfer of Stapled Securities otherwise than under the DRP, the number of Stapled Securities held by a Limited Participant increases to a number greater than the original nominated number of Participating Securities, the excess of Stapled Securities over the number of Participating Securities are taken to be Non-Participating Securities.
- 12.4 Any further Stapled Securities acquired (by whatever means) by a Full Participant automatically become Participating Securities on being registered in the Participant's name.

13. Modification and termination of the DRP

- 13.1 The Boards may at their discretion at any time resolve to:
- (a) vary the DRP and any agreement relating to the DRP;
 - (b) suspend the operation of the DRP for any one or more Dividends or period of time; or
 - (c) terminate the DRP.
- 13.2 Any variation, suspension or termination made in accordance with clause 13.1:
- (a) is effective from the date of the resolution or a later date as determined by the Boards; and
 - (b) does not give rise to any liability on the part of the Think Childcare Group or right of action by a Participant against the Think Childcare Group or the Boards.
- 13.3 The Think Childcare Group must give written notification to the ASX of any variation, termination, suspension or reinstatement of the DRP.
- 13.4 Neither variation of the Terms and Conditions nor temporary suspension of the DRP affects a Participant's participation under the DRP (as varied or re-implemented as the case may be) unless the Think Childcare Group is notified by a Participant to the contrary by a Notice of Variation.
- 13.5 The accidental omission to give notice of any variation, suspension, termination or reinstatement of the DRP to the ASX or to any Participant or the non-receipt of any notice by any Participant does not invalidate the variation, suspension, termination or reinstatement of the DRP.



14. Disputes

The Boards have absolute discretion to resolve any dispute concerning the DRP in the manner it sees fit and to adopt any administrative procedures it thinks appropriate. The decision of the Boards is final and binding on the Participants.

15. Taxation

Neither the Think Childcare Group nor the Boards, their officers, employees, representatives or agents take any responsibility or assume any liability for the taxation liabilities of Participants. Specific taxation advice from professional advisers should be obtained by the Participants.

16. Applications and Notices

- 16.1 Applications and Notices to the Think Childcare Group must be in writing and in the form prescribed by the Boards from time to time (or in any other form the Boards may accept).
- 16.2 Applications and Notices will be effective upon receipt by the Think Childcare Group subject to these Terms and Conditions.
- 16.3 A Notice must be signed by the Shareholder (or Participant, as the case may be) or, if two or more persons hold Stapled Securities jointly, by each joint holder of the Stapled Securities.
- 16.4 If a Shareholder or Participant is a body corporate, a Notice must be executed in accordance with sub-section 127(1) of the Corporations Act or by an authorised officer, attorney or representative.
- 16.5 If a Notice is completed by an individual or a body corporate under a power of attorney, the power of attorney under which it is signed or a certified copy of that power must accompany the Notice.

17. General

- 17.1 The DRP does not apply in any case where:
 - (a) in accordance with the TNK Constitution, the TND Constitution or otherwise by law, the Think Childcare Group is entitled to retain all or part of a Dividend payable in respect of Stapled Securities which a Participant has nominated as participating in the DRP;
 - (b) where the Think Childcare Group is entitled to a charge or other security over those Stapled Securities or over any Dividend payable in respect of those Stapled Securities; or
 - (c) the issue of Stapled Securities under the DRP would be in breach of any applicable law.
- 17.2 The Boards may in its sole discretion delegate the performance or exercise of any or all of the rights, powers or discretions granted to it under the Terms and Conditions to a sub-committee of the Boards or to any other committee comprising executive officers and/or senior employees of the Think Childcare Group as determined by the Boards.



18. Governing law

The DRP, the Terms and Conditions and the operation of the DRP are governed by the laws of Victoria.

This plan was reviewed and adopted by the Board of Think Childcare Limited and Think Childcare Development Limited on 28 October 2019.