QAF LIMITED

(Company Registration No. 195800035D)
(Incorporated in the Republic of Singapore)

SCRIP DIVIDEND SCHEME STATEMENT

1 SCRIP DIVIDEND SCHEME STATEMENT

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

Definitions

In this Statement, the following definitions apply throughout unless otherwise stated:-

"Books Closure Date"	:	The date and time to be determined by the Directors on and at which the Register of Members of the Company will be closed for the purpose of determining the entitlements of Shareholders to a Dividend
"CDP"	:	The Central Depository (Pte) Limited
"Company"	:	QAF Limited
"Directors"	:	The directors for the time being of the Company and "Director" means each or any one of them
"Dividend"	:	A dividend (including any interim, final, special or other dividend) to be paid on the issued ordinary shares of the Company as resolved or proposed by the Directors or by the Company in general meeting
"Market Day"	:	A day on which the SGX-ST is open for trading in securities
"New Shares"	:	New Shares to be issued, credited as fully paid, pursuant to the Scrip Dividend Scheme
"Overseas Shareholders"	:	Shareholders whose registered addresses with CDP or the Company, as the case may be, are addresses not in Singapore as at the Books Closure Date and who have not, at least three (3) market days before the Books Closure Date, provided CDP or the Company, as the case may be, addresses in Singapore for the service of notices and documents
"Price Determination Period"	:	The period commencing on the day on which the Shares are first quoted ex-dividend on the SGX-ST after the announcement of the Dividend and ending on the Books Closure Date
"Qualifying Dividend"	:	A Dividend to which the Scrip Dividend Scheme applies, as determined by the Directors
"SGX-ST"	:	Singapore Exchange Securities Trading Limited

"Scrip Dividend Scheme"	:	The QAF Limited Scrip Dividend Scheme
"Shareholders"	:	Registered holders of Shares in the Register of members of the Company, except that where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares and where the context so admits, mean the persons whose securities accounts maintained with CDP are credited with Shares
"Shares"	:	Ordinary shares in the capital of the Company
"S$" and "cents"	:	Singapore dollars and cents, respectively
"%"	:	Percentage or per centum

The terms "Depositor", "Depository Agent" and "Depository Register" shall have the meanings ascribed to them respectively in Section ~~130A~~ 81SF of the ~~Companies~~ Securities and Futures Act (Chapter 2895~~0~~) of Singapore.

2 SUMMARY OF MAIN FEATURES

The Scrip Dividend Scheme provides Shareholders with the option to elect to receive Shares in lieu of part only or all of the cash amount of any Dividend declared on their holding of Shares (after the deduction of applicable income tax, if any).

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

All Shareholders are eligible to participate in the Scrip Dividend Scheme subject to the restrictions on Overseas Shareholders, more particularly described below.

Shareholders may elect to participate in respect of ~~all and not~~ part only or all of their holding of Shares to which each Notice of Election relates in respect of any Qualifying Dividend and may also make a permanent election to participate in respect of all their holding of Shares to which each Notice of Election relates for all future Qualifying Dividends. Shareholders receiving more than one Notice of Election may elect to participate in respect of their holding of Shares to which one Notice of Election relates and elect not to participate in respect of their holding of Shares to which any other Notice of Election relates. Where a permanent election has been made, participating Shareholders may cancel their participation and withdraw from the Scrip Dividend Scheme at any time, subject to giving appropriate notice in accordance with paragraph 4.13 of this Statement.

The Directors may, in their absolute discretion, determine that the Scrip Dividend Scheme will apply to any particular Dividend. An announcement will be made by the Company as soon as practicable following the determination by the Directors that the Scrip Dividend Scheme is to apply to a particular Dividend, and in any event, by no later than the next Market Day immediately following the Books Closure Date in respect of the particular Dividend. Unless the Directors have determined that the Scrip Dividend Scheme will apply to any particular Dividend, the Dividend concerned will be paid in cash to the Shareholders in the usual manner.

Shares allotted and issued under the Scrip Dividend Scheme will *rank pari passu* in all respects with the Shares then in issue save only as regards participation in the Qualifying Dividend which is the subject of the election (including the right to make any election pursuant to the Scrip Dividend Scheme) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the Qualifying Dividend which is the subject of the election, unless the Directors shall otherwise specify.

Shareholders participating in the Scrip Dividend Scheme will receive, at or about each dividend payment date, notification letters setting out, *inter alia,* the number of Shares allotted to them under the Scrip Dividend Scheme.

3 HOW TO PARTICIPATE

Participation in the Scrip Dividend Scheme is optional. A Shareholder who does not wish to elect to participate in the Scrip Dividend Scheme need not take any action.

A Shareholder wishing to receive new Shares in respect of any Qualifying Dividend, or to make a permanent election to receive new Shares in respect of all future Qualifying Dividends to which a Notice of Election received by him relates should complete the Notice of Election and return it to the Company at the address indicated on the Notice of Election or, if the Shareholder is a Depositor, to CDP. A Shareholder receiving more than one Notice of Election and wishing to receive new Shares in respect of all of his entitlement to the Qualifying Dividend in respect of all of his holding of Shares or to make a permanent election to receive Shares in respect of all future Qualifying Dividends, must complete all Notices of Election received by him and return the completed Notices of Election to the Company and/or CDP, as the case may be.

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

To be effective in respect of any Qualifying Dividend to which a Notice of Election relates, such duly completed Notice of Election must be received by the Company or (as the case may be) CDP no later than the date to be specified by the Directors in respect of that Qualifying Dividend.

4 TERMS AND CONDITIONS OF THE SCRIP DIVIDEND SCHEME

4.1 Establishment

The Scrip Dividend Scheme has been established by the Directors of the Company.

4.2 Terms and Conditions

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

4.3 Eligibility

All Shareholders are eligible to participate in the Scrip Dividend Scheme, subject to the restrictions on Overseas Shareholders, more particularly described below, and further subject to the requirement that such participation by the Shareholders will not result in a breach of any other restriction on such Shareholders' holding of Shares which may be imposed by any statute, law or regulation in force in Singapore or any other relevant jurisdiction, as the case may be.

4.4 Shareholders Resident Outside Singapore

For practical reasons and to avoid any violation of the securities laws applicable outside Singapore where Shareholders may have their registered addresses, the Scrip Dividend Scheme may, at the discretion of the Directors, not be offered to Overseas Shareholders. No Overseas Shareholders shall have any claim whatsoever against the Company as a result of the Scrip Dividend Scheme not being offered to such Overseas Shareholders. Overseas Shareholders who wish to be eligible to participate in the Scrip Dividend Scheme should provide an address in Singapore for the service of the notices and documents by notifying the Company or, if the Overseas Shareholders is a Depositor, the CDP, not later than three (3) Market Days prior to the Book Closure Date. Depositors should note that all correspondences and notices will be sent to their last registered addresses with CDP.

4.5 Level of Participation

A Shareholder may elect to participate in the Scrip Dividend Scheme (the **"Participating Shareholder"**) in respect of ~~all and not~~ part only or all~~,~~ of his holding of Shares as at each Books Closure Date to which each Notice of Election received by him relates for a Qualifying Dividend (the **"Participating Shares"**)~~, except in the case of a Shareholder who is a Depository Agent or nominee company of a bank, merchant bank, stockbroker or other financial institution, holding Shares as custodian, such Depository Agent or nominee company may, at the discretion of the Directors, be allowed to make an election to participate in the Scrip Dividend Scheme in respect of part only of the Shares to which each Notice of Election received by it relates~~.

4.6 Permanent Election

Any permanent election to participate in the Scrip Dividend Scheme is personal to the Participating Shareholder.

A Shareholder may make a permanent election in the manner set out below for participation in respect of all future Qualifying Dividends, and where a permanent election in respect of all his holding of Shares to which a Notice of Election relates has been made, unless and until a notice of cancellation, in such form as the Directors may approve (the **"Notice of Cancellation"**), in relation to such Notice of Election is received by the Company or (as the case may be) CDP in the manner as provided below, the permanent election shall be effective for all future Qualifying Dividends in respect of such Notice of Election. A notice of cancellation of participation in the Scrip Dividend Scheme in any other form will not be accepted by the Company or (as the case may be) CDP.

4.7 Notice of Election to Participants

The Company will, at its discretion, send to each Shareholder one (1) or more Notices of Election (in such form as the Directors may approve). To be effective in respect of any Qualifying Dividend (unless a permanent election has already been made), a Notice of Election must be received by the Company or, in the case of a Notice of Election being submitted by a Shareholder who is a Depositor, by CDP, by the date to be specified by the Directors in respect of that Qualifying Dividend. A Shareholder receiving two (2) or more Notices of Election and wishing to receive Shares in respect of all of his entitlement to the Qualifying Dividend in respect of all his holding of Shares must complete all the Notices of Election received by him and return the completed Notices of Election to the Company and/or CDP, as the case may be. A Notice of Election to participate in the Scrip Dividend Scheme in any other form will not be accepted by the Company or (as the case may be) CDP.

If a Notice of Election in relation to a permanent election is received after the date specified by the Directors for any particular Qualifying Dividend, the Notice of Election will not be processed.

Notice of Election (other than in relation to a permanent election) in respect of any Qualifying Dividend shall not, once it has been received by the Company or (as the case may be) CDP, be withdrawn or cancelled.

A permanent election made in the Notice of Election will remain in force until cancelled in the manner provided below or until it becomes ineffective as provided in these Terms and Conditions.

Shareholder receiving more than one (1) Notice of Election and wishing to make a permanent election in respect of all his holding of Shares must complete all Notices of Election received by him and return all the Notices of Election to the Company and/or CDP, as the case may be.

4.8 Extent of Application of Scrip Dividend Scheme to each Dividend

The Directors may determine, in their absolute discretion, in respect of any Dividend, whether the Scrip Dividend Scheme shall apply to such Dividend. If, in their absolute discretion, the Directors have not determined that the Scrip Dividend Scheme is to apply to a particular Dividend, such Dividend shall be paid in cash to Shareholders notwithstanding their elections under the Scrip Dividend Scheme.

4.9 Share Entitlement

By electing to participate in the Scrip Dividend Scheme in respect of any Notice of Election received by him, a Shareholder elects in respect of any Qualifying Dividend (after the deduction of applicable income tax) to which such Notice of Election relates to receive Shares in lieu of part only or all of the cash amount of the Qualifying Dividend.

In respect of any Qualifying Dividend, the number of Shares to be allotted and issued to the Participating Shareholder electing to receive Shares in respect of a Notice of Election shall be calculated in accordance with the following formula:

Where: $\frac{S \times D}{V} = N$

N = is the number of new Shares to be allotted and issued as fully paid to the Participating Shareholders in respect of such Notice of Election.

S = is the number of Participating Shares held by the Participating Shareholders as at the Books Closure Date to which such Notice of Election relates.

D = is the Qualifying Dividend (after deduction of applicable income tax) to which such Notice of Election relates.

V = is the issue price of a Share, which shall for the purpose of calculating the number of new Shares to be allotted and issued as fully paid to Participating Shareholders, pursuant to the Scrip Dividend Scheme, be an amount in S$ determined by the Directors (the **"Relevant Amount"**), which Relevant Amount shall ~~be set at a 5% discount to~~not be set at more than 5% discount to, nor shall it exceed, the average of the last dealt prices of a Share on the SGX-ST for each of the Market Days during the Price Determination Period. In the event that there is no trading in the Shares during the Price Determination Period, the Relevant Amount shall ~~be at 5% discount to~~not be set at more than 5% discount to, nor shall it exceed, the average of the last dealt prices of a Share on the SGX-ST, for each of the Market Days during a period to be determined by the Directors ~~prior to the announcement of the application of the Scrip Dividend Scheme to such Dividend.~~and announced by the Company.

The Directors shall have full power to make such provisions as they think fit where the number of Shares calculated in accordance with the above formula becomes attributable in fractions, including provisions whereby fractional entitlements are rounded to the nearest whole number or otherwise dealt with in such manner as they may deem fit in the interest of the Company and which are acceptable to the SGX-ST.

A Participating Shareholder may receive odd lots in respect of his/her Qualifying Dividend to which his /her Notice of Election relates.

4.10 Terms of Allotment

All Shares allotted under the Scrip Dividend Scheme will be allotted as fully paid. All such Shares shall rank *pari passu* in all respects with all existing Shares then in issue save only as regards participation in the Qualifying Dividend which is the subject of the election (including the right to make any election pursuant to the Scrip Dividend Scheme) or any other distributions, bonuses or rights paid, made, declared or announced prior to or contemporaneous with the payment or declaration of the Qualifying Dividend which is the subject of the election, unless the Directors shall otherwise specify.

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

4.11 Notification Letter to the Participants

The Company will send to each Participating Shareholder, on or about each payment date for the Dividend which shall be a date not less than thirty (30) Market Days but not more than thirty-five (35) Market Days after the Books Closure Date for that Dividend, a CDP notification letter detailing, *inter alia:*

(a) the number of the Participating Shares held by the Participating Shareholder as at the relevant Books Closure Date; and

(b) the number of Shares allotted or to be allotted to the Participating Shareholder under the Scrip Dividend Scheme.

4.12 Cost to the Participants

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

4.13 Cancellation of Participation

A Participating Shareholder may at any time cancel his permanent election to participate in the Scrip Dividend Scheme in relation to any Notice of Election by completing and returning to the Company or (as the case may be) CDP, a Notice of Cancellation in such form as the Directors may approve (a notice of cancellation of participation in the Scrip Dividend Scheme in any other form will not be accepted by the Company or, as the case may be, CDP) in relation to such Notice of Election. To be effective in respect of any Qualifying Dividend, the Notice of Cancellation must be received by the Company or, as the case may be, CDP, by the date to be specified by the Directors for that Qualifying Dividend, failing which the Notice of Cancellation will not be effective for that Qualifying Dividend but will be effective for all future Qualifying Dividends in respect of such Notice of Election.

If a Participating Shareholder who is an individual dies, any permanent election to participate in the Scrip Dividend Scheme by that Shareholder will cease upon receipt by the Company or if that Shareholder is a Depositor, by CDP, of notice of the death acceptable to the Company or, as the case may be, CDP, or at such later date as the Directors in their discretion, upon request from the personal representative(s) of the deceased Participating Shareholder, may determine, provided that such notice or request is accompanied by a Notice of Cancellation. If the personal representative(s) of the deceased Shareholder wishes to participate in the Scrip Dividend Scheme in respect of any Qualifying Dividend or in respect of all future Qualifying Dividends in relation to the Shares forming part of the estate of the deceased Shareholders, the relevant Notices of Election must be submitted by such personal representative(s) in accordance with these Terms and Conditions.

If a Participating Shareholder becomes bankrupt or in the case where the Participating Shareholder is a company, is wound up, any permanent election to participate in the Scrip Dividend Scheme by that Shareholder will cease upon receipt by the Company or if that Shareholder is a Depositor, by CDP of notice of the bankruptcy or, as the case may be, the winding up, accompanied by a Notice of Cancellation.

4.14 Cancellation of the Application of the Scrip Dividend Scheme

Notwithstanding any provision in these Terms and Conditions, if at any time after the Directors have determined that the Scrip Dividend Scheme shall apply to any particular Dividend and before the allotment and issue of Shares in respect of that Dividend, the Directors shall consider that by reason of any event or circumstance (whether arising before or after such determination) or by reason of any matter whatsoever it is no longer expedient or appropriate to implement the Scrip Dividend Scheme in respect of such Dividend, the Directors may, at their absolute discretion and as they may deem fit in the interest of the Company and without assigning any reason thereof, cancel the application of the Scrip Dividend Scheme to the Dividend. In such event, the Dividend shall be paid in cash to Shareholders in the usual manner.

4.15 Modification and Termination of the Scrip Dividend Scheme

The Scrip Dividend Scheme may be modified or terminated at any time and in any manner by the Directors as they deem fit on giving notice in writing to all Shareholders, except that no modification shall be made without the prior written approval of the SGX-ST.

In the case of a modification, the Scrip Dividend Scheme will continue as modified in relation to each Shareholder who has made a permanent election under the Scrip Dividend Scheme unless and until the Company or, if the Shareholder is a Depositor, CDP receives a Notice of Cancellation in respect of a Notice of Election submitted by such Participating Shareholders.

4.16 Collection, Use and Disclosure of Personal Data

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

4.~~16~~17 Governing Law

This Statement, the Scrip Dividend Scheme and the Terms and Conditions thereof shall be governed by, and construed in accordance with, the laws of the Republic of Singapore.

5 LISTING ON THE SGX-ST

The Shares to be allotted under the Scrip Dividend Scheme have been accepted for listing by the SGX-ST and will be quoted upon the completion of allotment procedures. However, the SGX-ST accepts no responsibility for any statement in this Statement.

6 TAXATION

The Company takes no responsibility for the taxation liabilities of Participating Shareholders or the tax consequences of any election made by Shareholders. As individual circumstances and laws vary considerably, specific taxation advice should be obtained by Shareholders if required.

The Company takes no responsibility for the correctness or accuracy of any information as to taxation liabilities set out in this Statement.

As a general indication, however, it is understood that as at the date of this Statement, under tax legislation in Singapore, a Shareholder's Singapore tax liability in relation to the Dividends received will not alter, nor is there any tax advantage to be gained, by reason of having elected to participate in the Scrip Dividend Scheme.

7 INCOME TAX

The Company will deduct all income tax required to be deducted from the Qualifying Dividends (if any) in accordance with applicable law.

8 OTHER ITEMS

The Shares are offered on the terms and conditions set out in this Statement. There are no other terms other than those implied by law or set out in publicly registered documents.

9 ENQUIRIES

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

QAF Limited
C/o Tricor Barbinder Share Registration Services
(A division of Tricor Singapore Pte Ltd)
80 Robinson Road
#02-00
Singapore 068898

10 RESPONSIBILITY STATEMENT

The Directors collectively and individually accept responsibility for the accuracy and for the information given in this Statement and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this Statement are fair and accurate and that there are no material facts the omission of which would make any statement in this Statement misleading.