

# Wai Hung Group Holdings Limited

## 偉鴻集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code : 3321)

### DIVIDEND POLICY

This policy aims to set out the principles of Wai Hung Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) in relation to the declaration and payment of dividends (the “**Dividend Policy**”).

Under the Dividend Policy, provided that the Group is profitable and without affecting the normal operations and business of the Group, the board of directors of the Company (the “**Board**”) may consider declaring and paying dividends to the shareholders of the Company by taking into account the factors set out below. Such declaration and payment of dividends by the Company shall remain to be determined at the sole discretion of the Board and subject to the requirements under all applicable laws, rules and regulations as well as the articles of association of the Company (the “**Articles of Association**”).

When considering whether to declare any dividends and determining the dividend amount, the Board shall take into consideration, *inter alia*, the following factors:

- (a) the actual and expected financial performance of the Group;
- (b) the general business conditions and strategies of the Group;
- (c) the expected working capital requirements, capital expenditure requirements and future expansion plans of the Group;
- (d) retained earnings and distributable reserves of the Company and each of the other members of the Group;
- (e) the level of the Group's debts to equity ratio and return on equity as well as financial covenants to which the Group is subject;
- (f) the Group's liquidity position and future commitments at the time of declaration of dividends;
- (g) the statutory and regulatory restrictions which the Group is subject to from time to time;
- (h) the general economic conditions, business cycle of the Group's business and other internal or external factors that may have an impact on the business or financial performance and position of the Group; and
- (i) any other factors that the Board may deem appropriate.

The Board may propose the payment of dividends, if any, with respect to the Company's shares on a per share basis.

Depending on the financial conditions of the Group and the conditions and factors as set out above, dividends may be proposed and/or declared by the Board for a financial year or period as interim dividend, final dividend, special dividend and any distribution of net profits that appear to the Board to be justified by the profits of the Company available for distribution. Except in the case of interim dividend, any dividends declared by the Company must be approved by an ordinary resolution of shareholders at an annual general meeting and must not exceed the amount recommended by the Board.

The Company may declare and pay dividends by way of cash or scrip or by other means that the Board considers appropriate, subject to and in accordance with the procedures set out in the Articles of Association.

The Company will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time. The Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and in no way obligate the Company to declare a dividend at any time or from time to time.

In case of discrepancies between the English version and Chinese version of the Dividend Policy, the English version shall prevail.

Adopted by the Board on 18 March 2019.