



## **Sun Hing Printing Holdings Limited**

(the “Company”)

### **Dividend Policy**

#### **1. Purpose**

This policy aims to provide shareholders of Sun Hing Printing Holdings Limited (the “Company”) with stable dividends and sets out the guidelines for the board of directors (the “Board”) of the Company to determine (i) whether dividends are to be declared and paid, and (ii) the level of dividend to be paid to the shareholders of the Company.

#### **2. General**

It is the policy of the Company to allow its shareholders to participate in the Company’s profits whilst to retain adequate reserves for future growth. Normally, the Company pays dividends twice a year, which are the interim dividend and final dividend. The Board may declare special dividends in addition to such dividends as it considers appropriate.

#### **3. Factors for Consideration**

The Board shall consider the following factors before declaring or recommending dividends:

- the actual and expected financial performance of the Company and its subsidiaries (the “Group”);
- retained earnings and distributable reserves of the Company and each of the members of the Group;
- economic conditions and other internal or external factors that may have an impact on the business or financial performance and position of the Group;

- the Group's business strategies, including future cash commitments and investment needs to sustain the long-term growth aspect of the business;
- the current and future operations, liquidity position and capital requirements of the Group; and
- any other factors that the Board deems relevant.

The dividend pay-out ratio will vary from year to year. There is no assurance that dividends will be paid in any amount for any given period.

#### **4. Form of Dividend**

The payment of dividend is also subject to compliance with applicable laws and regulations including the laws of Cayman Islands and the Company's memorandum and articles of association. Dividends may be paid in cash or be satisfied wholly or partly in the form of allotment of shares of the Company. The Board may also consider the issuance of bonus shares on a basis permitted by the applicable laws and regulations.

#### **5. Approval**

The Board resolved on 20 February 2019 to adopt a policy on payment of dividends. The Board may from time to time determine and pay to the Company's shareholders such interim dividends as it considers appropriate. The Board may recommend the payment of final dividends which are required to be approved by shareholders of the Company in general meetings.

#### **6. Disclosure of this Policy**

A summary of this policy will be disclosed in the annual report of the Company.