



S&P INTERNATIONAL HOLDING LIMITED

椰豐集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1695)

(hereafter the “**Company**”)

DIVIDEND POLICY

*(Adopted by the Company by resolution of the board of directors of the Company (the “**Board**”) on 29 March 2019)*

- (1) The Board has approved and adopted a revised dividend policy (the “**Policy**”) as follows:
- (2) The Company has not declared or paid any dividends on its issued ordinary shares (the “**Shares**”) since its incorporation on 10 November 2016. The Company intends to retain all available funds and earnings, if any, to finance the development and expansion of its business. The Company anticipates that no dividend will be distributed to the shareholders of the Company (the “**Shareholders**”) for the financial year ended 31 December 2018 and the financial years ending 31 December 2019 to 2020. Any future determination for the declaration or recommendation of dividends will be made at the absolute discretion of the Board.
- (3) The Board intends to declare or recommend an annual dividend payment at a target pay-out rate of not less than 20% of the audited consolidated net profit of the Company and its subsidiaries (the “**Group**”) attributable to the Shareholders / equity owners of the Company in respect of any financial year ending immediately after 31st December 2020.
- (4) As regards (3) above, the Board will take into account, amongst other matters:
 - (i) the Group’s strategies, business cycle, operations, earnings, financial condition, cash requirements and availability as well as capital expenditure and future development requirements;
 - (ii) the possible effects of the Group’s credit-worthiness, the financial covenants to which the Group is subject and any restrictions on the payment of dividends that may be imposed by the Group’s lenders;
 - (iii) the interests of the Shareholders, the dividend receivable/received by the Company from its subsidiaries and the taxation consideration;
 - (iv) the general economic and political conditions and other internal and external factors that may have an impact on the business and financial performance of the Group;
 - (v) any restrictions under all applicable laws (including the Companies Law of the Cayman Islands), rules, codes and regulations, the financial reporting standards that the Group has adopted as well as the articles of association of the Company (the “**Articles of Association**”); and
 - (vi) other factors that the Board may consider relevant.

S&P INTERNATIONAL HOLDING LIMITED

DIVIDEND POLICY

- (5) Depending on the conditions and factors as set out above, the Board may propose, recommend and/or declare dividends with respect to the Shares on a per share basis for a financial year or period as interim dividend, final dividend, special dividend or any distribution of net profit that the Board may consider appropriate. Dividends must be paid out of the distributable reserve of the Company and the payment of any final dividend for a financial year will be subject to the Shareholders' approval.
- (6) Dividend may be paid in the form of cash or scrip, by the distribution of any form of specific assets or by distribution in any form. Any dividend unclaimed will be forfeited and will revert to the Company in accordance with the Articles of Association.
- (7) The Policy will be reviewed and is subject to update, amendment and/or modification by the Board from time to time. There is no assurance that a dividend will be proposed, recommended and/or declared in any amount or at any time or from time to time.
- (8) The Policy will be disclosed by way of an announcement and/or in the annual report of the Company pursuant to any statutory or regulatory requirements.