

PENTAMASTER INTERNATIONAL LIMITED

檳傑科達國際有限公司

(the “Company”)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1665)

DIVIDEND POLICY

(Adopted by the Company pursuant to the resolutions passed in the meeting of the board of directors of Company on 27 February 2019)

1. PURPOSE

This Dividend Policy (this “**Policy**”) aims to set out the principles and guidelines that the Company intends to apply in relation to the declaration, payment or distribution of its net profits as dividends to the shareholders of the Company.

2. PRINCIPLES AND GUIDELINES

- 2.1 The board of directors (the “**Board**”) of the Company adopts the policy that, in recommending or declaring dividends, the Company shall maintain adequate cash reserves for meeting its working capital requirements and future growth as well as its shareholder value.
- 2.2 The Company does not have any pre-determined dividend payout ratio.
- 2.3 The Board has the discretion to declare and distribute dividends to the shareholders of the Company, subject to the articles of association of the Company and all applicable laws and regulations and the factors set out below.
- 2.4 The Board shall also take into account the following factors of the Company and its subsidiaries (collectively, the “**Group**”) when considering the declaration and payment of dividends:
 - (i) the financial condition of the Group;
 - (ii) the Group’s actual and future operations and liquidity position;
 - (iii) the Group’s expected working capital requirements and future expansion plans;
 - (iv) the Group’s debt to equity ratios and the debt level;
 - (v) any restrictions on payment of dividends that may be imposed by the Group’s lenders;
 - (vi) the retained earnings and distributable reserves of the Company and each of the members of the Group;
 - (vii) the shareholders’ and investors’ expectation and industry’s norm;
 - (viii) the general market conditions; and
 - (ix) any other factors that the Board deems appropriate.

- 2.5 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:
- interim dividend;
 - final dividend;
 - special dividend; and
 - any distribution of net profits that the Board may deem appropriate.
- 2.6 Any final dividend for a financial year declared by the Company must be approved by an ordinary resolution of the shareholders of the Company at an annual general meeting of the Company and must not exceed the amount recommended by the Board.
- 2.7 The Company may declare and pay dividends by way of cash or scrip or by other means that the Board considers appropriate.
- 2.8 Any dividend unclaimed for six years after having been declared shall be forfeited and shall revert to the Company in accordance with the Company's articles of association.

3. REVIEW OF THE POLICY

The Policy will continue to be reviewed from time to time and there can be no assurance that a dividend will be proposed or declared in any specific period.

Note: If there is any inconsistency between the English and Chinese versions of this document, the English version shall prevail.