

Chervon Holdings Limited
泉峰控股有限公司
(Incorporated in Hong Kong with limited liability)
(Stock Code: 02285)
(the “**Company**”)

DIVIDEND POLICY

1. PURPOSE

This Dividend Policy (the “**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 protecting its equity value.
- 2.2 The Board has the discretion to declare and pay dividends to the shareholders of the Company, subject to the Articles of the Association of the Company and all applicable laws and regulations and the factors set out in paragraph 2.3 below.
- 2.3 The Board shall take into account the following factors of the Company and its subsidiaries (collectively, the “**Group**”) when considering the declaration and payment of dividends:
- results of operations;
 - cash flows;
 - financial condition;
 - statutory and regulatory restrictions on the payment of dividends by the Company;
 - the Company’s capital requirements;
 - future business plans and prospects; and
 - any other factors that the Board may consider relevant.

2.4 Depending on the financial conditions of the Group and the conditions and factors as set out in paragraph 2.3 above, dividends may be proposed and/or declared by the Board:

- as a final dividend;
- as an interim dividend;
- as a special dividend; and
- any distribution of net profits that the Board may deem appropriate.

2.5 Any final dividend for a financial year will be subject to shareholders' approval.

2.6 The Company may declare and pay dividends by way of cash or scrip or by other means that the Board considers appropriate.

3. REVIEW OF THE POLICY

The Board will review this Policy as appropriate from time to time.