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(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 1418)

INSIDE INFORMATION

ADOPTION OF DIVIDEND POLICY

This announcement is made by Sinomax Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that, on 27 March 2019, the Board approved and adopted the following dividend policy (the “**Dividend Policy**”) to take effect from 1 January 2019:

PURPOSE

The Dividend 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 profits as dividends to the shareholders of the Company (the “**Shareholders**”).

PRINCIPLES AND GUIDELINES

In considering the payment of dividends, there shall be a balance between retaining adequate reserves for the Group's future growth and rewarding the Shareholders.

In deciding whether to propose a dividend and in determining the dividend amount, the Board shall take into account the following factors before declaring or recommending dividends:

- (a) the Group's overall results of operation, financial condition, expected working capital requirements and capital expenditure requirements, liquidity position and future expansions plans;
- (b) the amount of retained profits and distributable reserves of the Company;
- (c) the level of the Group's debts to equity ratio, return on equity ratio and the relevant financial covenant;
- (d) 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;
- (e) the Shareholders' and the investors' expectation and industry's norm; and
- (f) any other factors that the Board deems relevant.

The declaration and payment of dividends by the Company is subject to any restrictions under the Companies Law of the Cayman Islands, the Company's memorandum and articles of association, and any other applicable laws and regulations.

The Dividend Policy shall in no way constitute a legally binding commitment by the Company in respect of its future dividend and/or in no way obligate the Company to declare a dividend at any time or from time to time.

REVIEW

The Board will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend and modify the Dividend Policy at any time.

DISCLOSURE

The Company shall disclose the Dividend Policy in its annual report.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Sinomax Group Limited
Lam Chi Fan
Chairman

Hong Kong, 27 March 2019

As at the date of this announcement, the executive Directors are Mr. Lam Chi Fan (Chairman of the Board), Mr. Cheung Tung (President), Mr. Chen Feng, Mr. Lam Kam Cheung (Chief Financial Officer and Company Secretary) and Ms. Lam Fei Man; and the independent nonexecutive Directors are Mr. Wong Chi Keung, Professor Lam Sing Kwong Simon, Mr. Fan Chun Wah Andrew, JP, Mr. Zhang Hwo Jie and Mr. Wu Tak Lung.