



TOYO VENTURES HOLDINGS BERHAD

DIVIDEND POLICY

It is the policy of the Board in recommending dividends to allow shareholders to participate in the profits of Toyo Ink Group Berhad ("TIGB" or "the Company"), as well as to retain adequate reserves for future growth.

The declaration of interim dividends and the recommendation of final dividends are subject to the discretion of the Board and any final dividend for the year is subject to shareholders' approval. It is the Company's intention to pay dividends to shareholders in the future. However, such payments will depend upon a number of factors as follows:

- i) Level of cash, gearing and return on equity and retained earnings;
- ii) Expected financial performance;
- iii) Projected levels of capital expenditure and other investment plans;
- iv) Working capital requirement; and
- v) Any contractual restrictions.

The Group has a dividend policy of distributing approximately 60% of the total Group's profit after tax to shareholders annually, subject to confirmation of the Board and to any applicable law, license and contractual obligations and provided that such distribution would not be detrimental to its cash needs or to any plans approved by its Board. Investors should note that this dividend policy merely describes the Company's present intention and shall not constitute legally binding statements in respect of the Company's future dividends which are subject to modification (including reduction or non-declaration thereof) at the Board's discretion.

As the Company is a holding company, its income, and therefore its ability to distribute dividends, is dependent upon the dividends and other distributions that it receives from its subsidiaries. The distribution of dividends or other distributions by the Company's subsidiaries will depend upon their operating results, financial condition, capital expenditure plans and other factors that their respective board of directors deem relevant. Dividends may only be distributed out of profits of the Company if the Company is solvent. If after a distribution is authorized and before it is made, the Directors cease to be satisfied on reasonable grounds that the Company will be solvent immediately after the distribution is made, the Directors shall take all necessary steps to prevent the distribution from being made.