



Everyday Financial Value

LASCO FINANCIAL SERVICES LIMITED DIVIDEND POLICY

INTRODUCTION

LASCO Financial Services Limited (“The Company”) recognizes the importance of shareholder’s value and one way of rewarding our shareholders is through dividend payments. Dividend is monies paid periodically by the Company to its shareholders out **of its profits. Dividends influences shareholders’ and potential investors’ perception of** the Company’s financial strength and ultimate stock price. Dividend payments also reduce the amount of profits retained in the Company for re-investment and consequently the level of capital accumulation. Adequate capital is important in facilitating the achievement of strategic objectives of a company to ensure the right balance between the quantum of dividend paid and the amount of profits reinvested in the Company to achieve its strategic objectives.

PURPOSE AND SCOPE

In the interest of providing transparency to its shareholders where Dividends are concerned, the Board of Directors (“The Board”) of LASCO Financial Services Limited has formulated this Policy which sets out the circumstances and differentiating factors to be taken into consideration when the decision is being made for distribution or retention of the Company’s profits.

DIVIDEND PAY-OUT RATE

The Board of Directors of the Company recognizes the importance of meeting the needs of shareholders, investors and the business:

- I. The Board of LASCO Financial Services Limited, at its discretion, may declare an interim dividend of up to 25% per year to its shareholders.
- II. Declared dividend payments maybe be made from net profits of the company, each year after taking into consideration regulatory requirements, if any.

CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY NOT EXPECT A DIVIDEND

- I. The Board is of the view that it needs to retain profit towards business operations, expansion, acquisition and/or towards foreseen/unforeseen events and contingencies.
- II. Where there are reasonable grounds for believing that The Company is or would be, after a Dividend payment, unable to pay its liabilities or discharge its obligations as and when they become due.

DOCUMENT CONTROL

<i>Version</i>	<i>Date</i>	<i>Date Approved by Board</i>	<i>Area Changes made</i>
1 st	May, 2019	May 29, 2019	


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Lascelles Chin
Executive Chairman


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Vincent Chen
Company Secretary