

**AVI-TECH ELECTRONICS LIMITED**  
(Incorporated in the Republic of Singapore)  
Company Registration No. 198105976H  
(the "**Company**")

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**DIVIDEND POLICY**

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In keeping with the Group's commitment to enhancing shareholder value, the Board of Directors (the "**Board**") has approved the adoption of a dividend policy (the "**Dividend Policy**") with immediate effect which will see the Company distributing in respect of any one financial year, a total annual dividend amount of not less than 30 per cent of the Company's consolidated net profits after tax and minority interest and excluding non-recurring, one-off and exceptional items, for that financial year, on condition of a regular operating environment and taking into account the Company's earnings, financial position, capital expenditure requirements, cash flow, future expansion, investment plans, and other factors which the Board may deem appropriate.

Dividends declared are subject to shareholders' approval (where applicable), applicable law(s) and the Company's constitution.

The Board will continually review the Dividend Policy and reserves the right in its sole and absolute discretion to update, amend, modify and/or cancel the Dividend Policy at any time, and 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 obligates the Company to declare a dividend at any time or from time to time.

The Dividend Policy is not indicative in any way of, and should not be construed in any manner as, a forecast statement or projection made by the Company or the Board on the future financial results and performance of the Company. In particular, no inference should or can be made from any of the foregoing statements as to the actual future profitability of the Company or the ability of the Company to pay dividends in any of the periods discussed.

**BY ORDER OF THE BOARD**  
**Lim Eng Hong**  
**Chief Executive Officer**  
**Director**

**8 February 2017**