



Ezdan Holding Group Q.P.S.C.

Corporate Governance

Dividend Policy

2019

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Ezdan Holding Group Q.P.S.C.

Corporate Governance – Dividend Policy

1. Scope

- 1.1. This policy is designed to ensure that the process for the determination, declaration and distribution of dividends at Ezdan Holding Group Q.P.S.C (the “Company” or “Ezdan”) is clear, transparent and is in the best interests of both the Company and its Shareholders.
- 1.2. Shareholders are entitled to receive their share of dividends as per the decision of the General Assembly in respect of the distribution of dividends to shareholders.
- 1.3. The resolution shall specify the record date and the distribution date provided that the resolution shall be executed as per the Regulatory Rules and Procedures issued pursuant to the Companies Law related to Public Shareholding Companies.

2 Definitions

Term	Meaning
The Company or Ezdan	Ezdan Holding Group Q.P.S.C.
Board of Directors, BoD, Board or Director(s)	Board of Directors of the Company, or those in charge of managing the Company
The Authority, QFMA or Regulator(s)	Qatar Financial Markets Authority established as per Law No. (33) of 2005 and its amendments.
Depository	Qatar Stock Exchange, Qatar Central Securities Depository and any other related regulators/divisions
Companies Law	Commercial Companies Law No. 11 of 2015
Market or QSE	Qatar Stock Exchange
Senior Executive Management	The Chief Executive Officer (CEO) and other executive managers reporting directly to him, including heads internal control units in the Company
General Assembly	The meeting, which each shareholder is entitled to attend and discuss topics of its agenda and ask questions to the Board members and to vote on matters on which require voting by the General Assembly.

2. Principles of Dividend Distribution

- 2.1. Shareholders shall be informed of the Company’s dividend distribution policy contained in this Policy during the General Assembly and reference shall be made to it in the Board report.
- 2.2. Ezdan’s principles of dividend distribution are set by the Company’s Articles of Association and in line with the Commercial Companies Law:
 - i. 10% of the Company’s net profits shall be deducted annually and appropriated for the legal reserve account. Such deduction may be suspended if the reserve reaches 50% of the paid capital. Should the legal reserve become less than the said percentage, the deduction shall be resumed until such reserve reaches that percentage.
 - ii. Portion of the profit can be deducted to be used to settle the liabilities of the Company under the labour laws.
- 2.3. Up to 5% profits may be distributed as dividends to shareholders after deducting the statutory reserve and optional.
- 2.4. Shareholders shall be entitled to their share of profits once a resolution is issued by the General Assembly in the place and time set by the Board as per the rules and regulations applied by QFMA and the Market where the shares are listed.

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3. Dividend Distribution Guidelines

- 3.1. Each year, the Board will estimate a dividend payment for the year, which will be subject to reduction or increase at the end of the year based on the Company's bylaws and certain circumstances, including changing market conditions and restrictions under applicable laws in the State of Qatar (if applicable).
- 3.2. The Board of Directors will present its recommendation on the dividend distribution at the Company's General Assembly for shareholders' approval.
- 3.3. The General Assembly shall approve the dividends and the date of distribution. These dividends, whether they be in cash or bonus shares shall be given, as of right, to the shareholders who are listed in the records kept at the Depository as they appear at the end of trading session on the day on which the General Assembly is convened.
- 3.4. Shareholders shall be entitled to their dividends within a specified period from the General Assembly's approval of the percentage of capital to be distributed as dividends. The Board of Directors shall ensure that the timeline is strictly adhered to and that the exact date of payment should be declared in advance.

4. Review of Policy

- 4.1. This policy will be reviewed at least annually by the Board of Directors, and presented in the General Assembly for approval.
- 4.2. Any changes to the Policy will be communicated immediately to the Board's Secretary.

The name: Abdullah Bin Thani Abdullah Al Thani

Position: Vice Chairman - as rep of Tadawul Trading Group

Signature:.....