# Emirates Central Cooling Systems Corporation PJSC (EMPOWER)

## Dividend Policy

### Overview

Emirates Central Cooling Systems Corporation PJSC (the “Company”) dividend policy provides guidance on the Company’s dividend distribution philosophy and principles. The Company acknowledges the importance of dividends in driving total shareholder returns. This policy describes the mechanism of determination of the amount of dividend to pay, the frequency of its payments and approval mechanism. This dividend policy is made in accordance with the regulations of the Securities and Commodities Authority (“SCA”) and the Company’s Articles of Association.

### Policy Statements

- Dividends shall be paid to shareholders pursuant to applicable regulations, decrees and circulars issued by the SCA.
- Dividends shall be paid only out of the retained earnings.

    - The company intends to continue it’s semi-annual dividend distribution policy and to pay dividend twice each fiscal year in April and October. The Company expects to distribute a minimum dividend amount of AED 875 million per annum in the two fiscal year following approval of the Dividend Distribution policy in the Annual General Assembly Meeting to be held in March 2025. The company expects to distribute its first dividend payment of a minimum of AED 437.5 million in April 2025 after the Annual General Assembly Meeting for the year 2024.

- The Board of Directors(the “Board”) shall, in determining the amount of dividends, consider various factors including, but not limited to the following:

    - Profit for the year, after withholding the statutory reserves;
    - Cash flow requirements (short and long term) and liquidity post payment of dividend;
    - Business need(s) that might require retention of cash/profit;
    - Investment opportunities (e.g. Mergers and Acquisitions);
    - Capital Structure;
    - Funding and/or loan covenant requirements;
    - Market or economic conditions;
    - Other financial and non-financial conditions that may impact such dividend distribution.

- The Board will endeavor to propose/declare dividend distribution when feasible. However, not all of the above factors are within the Company's control, and hence there can be no guarantee that in any given year a dividend will be proposed or declared.
- Dividends can be paid multiple times a year. Interim dividend can be determined and approved for payment by the Board while the Company's General Assembly ratifies and approve the interim and final/full year dividend respectively, at the Annual general meeting. This dividend policy shall be valid for two (2) years, after which the Board may propose changes for the AGM's approval.

**<u>Policy approval</u>**

This dividend policy shall be reviewed and endorsed by the Board for the Company's shareholders consideration and approval at the AGM. All amendments will be done in compliance with all applicable laws, articles and any other document as indicated above.

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