

DIVIDEND POLICY

Eagle Cement Corporation (the “Corporation”) intends to pay dividends annually in the amount of up to one hundred percent (100%) of its audited net income after tax of the previous year subject to compliance with the requirements of applicable laws and regulations and subject to investment plans and financial condition of the Corporation. The amount of dividends will be reviewed periodically by the Board in light of the Corporations earnings, financial condition, cash flows, capital requirements and other considerations while maintaining a level of capitalization that is commercially sound and sufficient to ensure that the Corporation can operate on a standalone basis.

Dividends shall be declared and paid out of the Corporation’s unrestricted retained earnings which shall be payable in cash, property or stock to all shareholders on the basis of outstanding stock held by them. Unless otherwise required by law, the Board, at its sole discretion, shall determine the amount, type and date of payment of the dividends to the shareholders, taking into account various factors, including:

- the level of the Corporation’s earnings, cash flow, return on equity and retained earnings;
- its results for and its financial conditions at the end of the year in respect of which the dividend is to be paid and its expected financial performance;
- the projected levels of capital expenditures and other investment programs;
- restrictions on payments of dividends that may be imposed on it by any of its financing arrangements and current or prospective debt service requirements; and
- such other factors as the Board deems appropriate.

In relation to Preferred Shares issued by the Corporation, pursuant to the provisions of the Articles of Incorporation, the holders thereof are entitled to receive cash dividends upon declaration made at the sole option of the Board. The annual dividends shall be at the rate of six percent (6%) calculated in respect of each share by reference to the issue price thereof. The dividends of the preferred shares are cumulative. No dividend can be declared and paid on the common shares unless each cash dividends have been declared and paid to all holders of preferred shares. (As amended on 07 April 2021)