

K.P.R. Mill Limited

Dividend Distribution Policy

(As Amended by Board of Directors in its Meeting held on 10.08.2026)

Dividend refers to the proportion of the Corporate's earnings to be distributed / paid out to the shareholders by way of Dividend every year. Dividends are declared at the Annual General Meeting of the shareholders based on the recommendation by the Board. The Board may recommend dividends, at its discretion, to be paid to our members. The Board may also declare interim dividends. The factors that may be considered by the Board before making any recommendations/declarations for the dividend are future capital expenditure plans, profits earned during the financial year, cost of raising funds from alternate sources, cash flow position and applicable taxes including tax on dividend.

KPR's dividend and distribution policy is based on the principle that the total dividend should be adapted to the trend for earnings and cash flow, while taking into account the Group's development potential & requirements and financial position. The amount of Dividend and earnings to be retained back depends upon the availability of investment opportunities.

The Board of Directors of K.P.R. Mill Limited (KPR) wishes to announce that to ensure a regular dividend income for the Shareholders of the Company and long term capital appreciation the Board of Directors of the Company has adopted a dividend policy to pay an annual dividend payout **around 25% of the Profit After Tax(PAT)** as per the audited financial statements of the Company, provided that such distribution will not be detrimental to the Company's cash flow requirements.

This dividend policy commenced from the financial year 2016-17 onwards.

While KPR aims to pay a progressive dividend over time, the Policy will be reviewed periodically by the Board.