

## **KAKUZI PLC**

### **DIVIDEND POLICY**

Kakuzi plc (the “Company”) intends to pay dividends to its shareholders and will use the following guidelines to determine and pay such dividend as is approved.

#### **Definitions**

“Dividend(s)” refers to Special Dividend, interim Dividend and final Dividend.

“Share Registrar” means a company specifically appointed by the Company to undertake share registrar and related services for the Company.

#### **Declaration and Payment of Dividends**

1. The policy of the Company is to distribute to its shareholders surplus funds from its distributable profits and/or general reserves, by way of Dividends, as may be determined by the Board of Directors, subject to:

- a) The recognition of profit and availability of cash for distribution;
- b) The operating and investment needs of the Company; In particular, take into account the production cycles of its main crops.
- c) The anticipated future growth and earnings of the Company;
- d) Any funding requirements by which the Company is bound from time to time;
- e) The Company’s Articles of Association; and
- f) Any relevant applicable laws.

2. The Company shall endeavor to maintain a dividend payout ratio of not less than 50% of net earnings for the financial year, subject to the above considerations.

3. The Company may, prior to declaration of any Dividend, transfer such percentage of its profit for that financial year as it may consider appropriate, to the reserves of the Company.

4. The Company’s Board of Directors shall be responsible for proposal of resolutions on the declaration and payment of dividends.

5. The Company will not declare any Dividends if there are reasonable grounds for believing that the Company is or would be, after a Dividend payment, unable to pay its liabilities or discharge its obligations as and when they become due.

6. The Company will not declare any Dividends where the law prevents such payment.

7. The decision to declare and pay Dividends shall be approved at the shareholders Annual General Meeting (“AGM”), upon the recommendation of the Board of Directors. It shall be a separate agenda item at the AGM.

8. Subject to paragraph (2) above, The Board of Directors may in its discretion declare an interim Dividend based on profits arrived at as per half yearly unaudited financial results. Where no final dividend is declared, the interim Dividend shall be regarded as the final dividend in the AGM.

9. The Dividends will be paid net of any applicable taxes.

10. The list of persons entitled to receive Dividends at the closure date shall be prepared by the Share Registrar according to the Company's share register and prevailing legislation. The time, place and procedure for payment of Dividends shall be publicly communicated to shareholders in advance of the register closure date and payment date.

11. Any unclaimed Dividends shall be dealt with in accordance with the Unclaimed Financial Assets Act 2011.

12. No interest shall accrue on unclaimed Dividends held by the Company.

This Dividend Policy is formulated in accordance with the CMA Code of Corporate Governance for Issuers of Securities to the Public 2015, the Companies Act 2015, and internationally recognized best practices and principles.

This Policy may be amended from time to time and approved by the Board of Directors of the Company.

Disclaimer The above Policy does not represent a commitment on the future Dividends of the Company but represents a general guidance on the Dividend Policy.

<b>Approval and Review</b>	<b>Details</b>
Approval Authority	Board
Approval Date	16 <sup>th</sup> May 2023
Committee responsible	Audit & Risk Committee