

# Dividend Policy

As per Article 48 of Almarai's Bylaws, after deducting all general expenses and other costs, the Company's annual net profits shall be allocated as follows:

- The Ordinary General Assembly may, upon the recommendation of the Board of Directors, allocate a specific percentage of the net profits to create a voluntary reserve to be allocated to the determined objective or objectives allocated for specific purposes.
- The Ordinary General Assembly, upon determining the dividend, may resolve to form other reserves, to the extent that the same is in the interests of the Company or will ensure the distribution of fixed profits so far as possible among the shareholders. The said Assembly may likewise deduct from the net profit amounts to establish social organizations for the Company's workers or to assist any such organizations already in existence.
- Out of the balance of the net profits a payment of not less than 5% of the paid-up capital shall be distributed to shareholders.
- Subject to the provisions laid down in Article 21 of these Bylaws, and Article 76 of the Companies Law, a percentage not more than 5% of the remaining balance, if any, shall be allocated as remuneration to Members of the Board of Directors, provided that the entitlement to such remuneration shall be proportionate to the number of sessions attended by a Member.
- The Company, after complying with the regulations laid down by the competent authorities, may distribute semi-annual and quarterly dividends. As per Article 48 of Almarai's Bylaws, profits distributed to shareholders are paid at the location and time determined by

the Board of Directors in compliance with CMA regulations. Almarai has achieved a 51.8% payout ratio for the five-year period from 2019-2023. Even though Almarai expects, as per its current distribution practice, to distribute annual cash dividends, there are no guarantees for the distribution of dividends on an ongoing basis. There are no guarantees for the value and percentage of dividends each year. Cash dividends are approved or recommended according to factors including profits achieved, cash flows, new capital investments and prospects of outgoing funds, taking into account the importance of maintaining a strong financial policy to meet any emergency events. The Board of Directors strives to maintain consistency of cash flow each year by reducing the impact of any change in free cash flow that may be attributed to the achievement of profits or losses in specific financial years, while maintaining a medium term target distribution rate of dividend ratio. Almarai has distributed to its shareholders approximately ₪ 21,009 million since it was listed on Tadawul, in the form of cash dividends and bonus shares. Cash dividends amounted to approximately ₪ 11,909 million, representing 56.7% of total dividends and bonus shares, while bonus shares from a capital increase reached ₪ 9,100 million. This excludes the capital increase resulting from the acquisition of Western Bakeries and International Bakeries Services at a nominal value of ₪ 90 million and the 100% acquisition of Hail Agricultural Development Company (HADCO) at a nominal value of ₪ 60 million.

## Dividends paid compared to net income attributed to shareholders of the Company

Year	Net Income (¥ million)	Dividend (¥ million)	Percentage	Capital (¥ million)	Amount (¥)
2005	386.1	-	-	75	-
2006	464.7	200.0	43.0%	100	2
2007	667.3	272.5	40.8%	109	2.5
2008	910.3	381.5	41.9%	109	3.5
2009	1,096.7	460.0	41.9%	115	4
2010	1,285.4	517.5	40.3%	230	2.25
2011	1,139.5	517.5	45.4%	230	2.25
2012	1,440.6	500.0	34.7%	400	1.25
2013	1,502.2	600.0	39.9%	600	1
2014	1,674.3	600.0	35.8%	600	1
2015	1,915.7	690.0	36.0%	600	1.15
2016	2,080.5	720.0	34.6%	800	0.9
2017	2,182.2	750.0	34.0%	1,000	0.75
2018	2,008.8	850.0	42.3%	1,000	0.85
2019	1,811.8	850.0	46.9%	1,000	0.85
2020	1,984.4	1,000.0	50.4%	1,000	1
2021	1,563.5	1,000.0	64.0%	1,000	1
2022	1,759.8	1,000.0	56.8%	1,000	1
2023	2,049.1	1,000.0	48.8%	1,000	1
<b>Total</b>	<b>27,922.9</b>	<b>11,909.00</b>	<b>42.6%</b>	<b>-</b>	<b>-</b>

## Dividends dates

Year	Announcement Date	Due Date	Distribution Date	Distribution Method	Amount (¥)
2006	21-Jan-07	27-Mar-07	10-Apr-07	Account transfer	2
2007	21-Jan-08	24-Mar-08	7-Apr-08	Account transfer	2.5
2008	19-Jan-09	23-Mar-09	7-Apr-09	Account transfer	3.5
2009	20-Jan-10	11-Apr-10	26-Apr-10	Account transfer	4
2010	6-Dec-10	3-Apr-11	11-Apr-11	Account transfer	2.25
2011	7-Dec-11	2-Apr-12	11-Apr-12	Account transfer	2.25
2012	19-Jan-13	2-Apr-13	10-Apr-13	Account transfer	1.25
2013	29-Dec-13	2-Apr-14	9-Apr-14	Account transfer	1
2014	28-Dec-14	5-Apr-15	12-Apr-15	Account transfer	1
2015	14-Dec-15	3-Apr-16	12-Apr-16	Account transfer	1.15
2016	6-Dec-16	26-Mar-17	4-Apr-17	Account transfer	0.9
2017	11-Dec-17	9-Apr-18	17-Apr-18	Account transfer	0.75
2018	10-Dec-18	7-Apr-19	15-Apr-19	Account transfer	0.85
2019	9-Dec-19	5-Apr-20	13-Apr-20	Account transfer	0.85
2020	15-Dec-20	13-Apr-21	21-Apr-21	Account transfer	1
2021	15-Dec-21	12-Apr-22	20-Apr-22	Account transfer	1
2022	20-Dec-22	11-Apr-23	17-Apr-23	Account transfer	1
2023	20-Dec-23	2-Apr-24	16-Apr-24	Account transfer	1
<b>2024*</b>	<b>19-Dec-24</b>	<b>As per EGM approval</b>	<b>As per EGM approval</b>	<b>Account transfer</b>	<b>1</b>

\*2024 is recommended to the Board of Directors for EGM approval and is subject to change

## Distribution in the form of granting bonus shares

Year	Share Capital (ﷲ million)	Nominal Value of Bonus (ﷲ million)	Share Capital after Bonus (ﷲ million)	Percentage	Notes
2005	750	250	1,000	33.3%	One bonus share for every three outstanding shares
2010	1,150	1,150	2,300	100.0%	One bonus share for every one outstanding share
2012	2,300	1,700	4,000	73.9%	One bonus share for every 1.353 outstanding shares
2013	4,000	2,000	6,000	50.0%	One bonus share for every two outstanding shares
2016	6,000	2,000	8,000	33.3%	One bonus share for every three outstanding shares
2017	8,000	2,000	10,000	25.0%	One Bonus share for every four outstanding shares
<b>Total</b>		<b>9,100.00</b>			

## Dates of bonus shares and other capital changes

Year	Announcement Date	Issue Type	Due Date	Previous Capital (ﷲ million)	New Capital (ﷲ million)
2005	18-Oct-05	Bonus shares	25-Dec-05	750	1,000
2007	19-Feb-07	Acquisition (WB and IBS)	27-Mar-07	1,000	1,090
2009	9-May-09	Acquisition (HADCO)	7-Oct-09	1,090	1,150
2010	5-Oct-10	Bonus shares	5-Dec-10	1,150	2,300
2012	7-Dec-11	Bonus shares	2-Apr-12	2,300	4,000
2013	29-May-13	Bonus shares	9-Sep-13	4,000	6,000
2016	14-Dec-15	Bonus shares	3-Apr-16	6,000	8,000
2017	8-Jun-17	Bonus Shares	8-Oct-17	8,000	10,000