



DIVIDEND POLICY

Objective

This Dividend Policy provides guidance on the basis of determination of dividends to be distributed by Quality Chemical Industries Ltd (“the Company”) to its shareholders.

The Policy

1. The Company shall endeavour to pay dividends to its shareholders each year it returns a net profit greater than US\$ 4 billion, subject to:
 - The availability of cash for distribution;
 - Any banking or other funding requirements by which the Company is bound from time to time;
 - The operating and investment needs of the Company;
 - The anticipated future growth and earnings of the Company;
 - The provisions of the Company’s Articles of Association; and
 - Any relevant applicable laws.
2. The Company shall pay a minimum of 30% of the aforementioned net profit as dividends to shareholders subject to the considerations specified in Clause 1. For the avoidance of doubt, the Directors may authorise a dividend payment of more than 30% of net profit after taking account of the matters specified above.
3. The decision to declare and pay a final dividend shall be considered by the shareholders for approval at the AGM, on the recommendation of the Board of Directors.

4. The Directors may in their discretion declare an interim dividend based on the Board approved unaudited half year results, cash flow position and projected results for that year. Where no final dividend is declared, the interim dividend shall be regarded as the final dividend at the Annual General Meeting (AGM).
5. The Company will not declare any dividend where the law prevents such payment or 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 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.

Policy Context

7. This policy is aligned with the Company's goal to maximize shareholder value.

Amendment

8. This Policy shall be effective from the date of execution and may be amended from time to time and approved by the Board of Directors of the Company.

Policy Approval

9. This policy was approved by the Company's Board of Directors on 2 August 2021.



Emmanuel Katongole
Board Chairman



Doreen Awanga
Company Secretary