

Dividend Policy of the Company and Its Subsidiaries

1. Dividend Policy of the Company

The Company has a policy to pay dividends to its shareholders at a rate of not less than 30 percent of net profit based on the separate financial statements, after deducting corporate income tax and various reserves as required by law and the Company's Articles of Association. However, the dividend payout ratio may be adjusted from the stipulated rate depending on the Company's operating results, financial position, cash flow, liquidity, investment plans, contractual obligations, as well as economic conditions, necessity, and other considerations deemed appropriate by the Board of Directors.

Annual dividends must be approved by the shareholders' meeting. For interim dividends, the Board of Directors may approve payments from time to time when it considers that the Company has sufficient profit. Any interim dividend payment must be reported to the shareholders' meeting at the next scheduled meeting.

As the Company operates primarily as a holding company, holding shares in other companies and not conducting significant business operations of its own, its ability to pay dividends depends primarily on the operating results and dividend payments of its subsidiaries and associates.

2. Dividend Policy of the Subsidiaries

The subsidiaries have a policy to pay dividends to their shareholders at a rate of not less than 40 percent of net profit based on the subsidiaries' separate financial statements, after deducting corporate income tax and various reserves as required by law and the subsidiaries' regulations. However, the dividend payout ratio may be adjusted from the stipulated rate depending on the subsidiaries' operating results, financial condition, cash flow, liquidity, investment plans, contractual obligations, as well as economic conditions, necessity, and other considerations deemed appropriate by the subsidiaries' Board of Directors.

Annual dividends must be approved by the shareholders' meeting. For interim dividends, the subsidiaries' Board of Directors may approve payments from time to time when it considers that the subsidiary has sufficient profit. Any interim dividend payment must be reported to the shareholders' meeting at the next scheduled meeting.

In considering approval of annual and interim dividends, the subsidiaries must first obtain approval from their Board of Directors in accordance with the subsidiaries' and associates' corporate governance policies before making any dividend payment.

This shall be effective from December 14, 2018 onwards.

Committees

Absolute Clean Energy Public Company Limited