

Dividend Distribution Policy

Approved by the Board of Directors on November 11, 2026

Preface

In terms of compliance of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and provisions of Companies Act, 2013 and the rules made thereunder and other applicable laws, the Dividend Distribution Policy provides guidance for declaration of dividend and its pay-out by the Company. The Board of Directors of Lotus Eye Hospital and Institute Limited (the "Company") will consider this policy while declaring/recommending dividend.

Objective

The Company has always strived to enhance stakeholder value. The Company believes that returning cash to Shareholders is an important component of overall value creation. This Policy aims to reward its Shareholders by sharing a portion of its profits/earnings, while also ensuring that enough funds are retained to meet the Company's future needs.

Interpretation

Words and expressions used but not defined in this Policy shall have the meanings respectively assigned to them under the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws.

Parameters

The Board of Directors of the Company shall consider the following parameters before declaring or recommending dividend to the Shareholders:

a) Circumstances under which the Shareholders of the Company may or may not expect dividend:

The Company may not recommend or declare dividends in certain circumstances, including but not limited to:

- Inadequate profits or insufficient distributable reserves;
- Adverse business conditions, economic uncertainties or significant market fluctuations;
- Significant capital expenditure requirements for expansion, modernisation or development of hospital infrastructure;

- Acquisitions, strategic investments or other business arrangements requiring substantial capital allocation;
- Increased working capital requirements;
- Debt repayment or meeting other financial obligations and
- Restrictions imposed by any statutory or regulatory authority.

b) Financial Parameters that are considered by the Company for declaration of dividend:

- Profitability and financial performance of the Company, including distributable profits and available reserves;
- Cash position and cash flow adequacy;
- Stability and sustainability of earnings;
- Past dividend payment history and dividend payout trends and
- Provision for contingencies and unforeseen financial requirements.

c) Internal and external factors that shall be considered for declaration of dividend:

Internal Factors:

- Business performance and future growth prospects;
- Expansion and modernisation plans, including development of hospital infrastructure and acquisition of medical equipment and technology;
- Strategic investments and business opportunities and
- Other business requirements and financial commitments of the Company.

External factors:

- Prevailing economic and market conditions;
- Industry outlook and competitive environment;
- Changes in applicable statutory and regulatory requirements;
- Taxation policies and
- Availability and cost of financing.

The above factors are indicative and the Board may consider any other relevant factors while determining the quantum of dividend distribution.

d) Policy as to how the retained earnings shall be utilized by the Company:

- **Business Expansion:** Establishment of new hospitals, branches and healthcare facilities, expansion into new geographical locations and development of existing operations.
- **Capital Expenditure:** Acquisition and upgradation of medical equipment, technology, improvements in operational infrastructure and other facilities required for the Company's operations.
- **Strategic Investments:** Investments, acquisitions, mergers and other strategic business arrangements that may contribute to the Company's growth.
- **Corporate Actions:** Buy-back of securities, issue of bonus shares, capital restructuring and other corporate actions, subject to applicable laws.

The utilisation of retained earnings shall be determined by the Board based on the Company's business requirements, financial position and long-term objectives.

e) Parameters that shall be adopted with regard to various classes of shares:

The parameters specified in this Policy shall apply to all classes of shares issued by the Company, subject to the respective rights, terms and conditions attached to such classes of shares and the applicable provisions of law. Presently, the Company has only one class of shares. i.e., equity shares.

General

Matters relating to Payment of Dividend, entitlement, record date, Manner and timelines for Dividend Payout, disclosure of policy and other governance matters not specifically covered under this Policy shall be governed by the extant applicable laws.

Review/Amendment

The Board of Directors on its own or on the recommendations of the Committee may review/amend this policy as and when it deems fit.

The Board may amend, modify or substitute any provision of this Policy on the recommendation of the Committee or pursuant to any statutory amendment. In the event of any inconsistency between this Policy and the applicable laws, the provisions of the applicable laws shall prevail and this Policy shall be deemed to have been modified accordingly.

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