DIVIDEND DISTRIBUTION POLICY

This policy shall be termed as 'Dividend Distribution Policy' (the "Policy") of Red Earth Good Living and Hospitality Limited (the "Company").

1. OBJECTIVE OF THE POLICY

Recognising the need to lay down a broad framework for deciding the matters pertaining to distribution of dividend and/or retaining the profits of the Company, the Board of Directors the Company (the "Board") has laid down and adopted this policy.

The Policy reflects the intent of the Company to reward its shareholders by sharing a portion of its profits after retaining sufficient funds for the growth of the Company. The Policy sets out the circumstances and different factors for consideration by the Board at the time of taking such decisions.

The Policy shall not apply to determination and declaration of dividend on preference shares as the same will be as per the terms of issue approved by the shareholders.

2. GENERAL POLICY ON DIVIDEND

The Board shall determine the dividend pay-out in a particular year after taking into consideration the operating and financial performance of the Company, the advice of executive management and other relevant factors. The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be considered relevant by the Board.

The Policy does not constitute a commitment regarding the future dividends of the Company, but only represents a general guidance regarding dividend policy.

3. CONSIDERATIONS RELEVANT FOR DECISION ON DIVIDEND

The Board shall consider the following, while taking decisions of a dividend pay-out during a particular year-

- **Statutory requirements:**

  The Company shall observe the relevant statutory requirements including transfer of a certain portion of the profits to any specific reserve(s), as may be applicable to the Company at the time of taking a decision with regard to declaration/recommendation of dividend or retention of profits.

- **Inadequacy of profits:**

  If during any financial year the profits of the Company are inadequate, the Board may decide not to declare dividends for that financial year.

- **Contractual obligations:**

  The decision regarding dividend pay-out shall take into consideration the restrictions and covenants contained in the agreements as may be entered into by the Company with financial institutions/other lenders of the Company from time to time.

- **Prudential requirements:**

The following strategic matters shall also be considered-

- to ascertain the needs for capital conservation and appreciation;
- to build sufficient reserves of retained earnings;
- to augment long term financial strength; and
- to build a pool of internally generated funds to provide long-term resources as well as resource raising potential for the Company.

- **Proposals for major capital expenditures, etc.:**

  The Board should also take into consideration the need for replacement of capital assets, expansion and modernization or augmentation of capital stock, including any major capital expenditure proposals and the provision of depreciation on such new assets.

- **Expectations of Stakeholders:**

  The Board, while considering the decision of dividend pay-out or retention of a certain amount or the entire profits of the Company for the year, shall, as far as possible, consider the expectations of the major stakeholders as also the small shareholders of the Company who generally expect a regular dividend pay-out.

4. **OTHER PARAMETERS**

In addition to above parameters, the decision of dividend pay-out or retention of profits shall also be based on the following-

- **Operating cash flow of the Company:**

  If the Company cannot generate adequate operating cash flow, it may need to rely on outside funding to meet its financial obligations and sometimes to run the day-to-day operations. The Board should consider the same before taking its decision whether to declare dividend or retain its profits.

- **Taxation and other regulatory concerns:**

  -Dividend distribution tax as may be applicable at the time of declaration of dividend.

  -Any restrictions on payment of dividends by virtue of any regulation as may be applicable to the Company at the time of declaration of dividend.

- **Macroeconomic conditions:**

  Considering the state of the Country's economy, the policy decisions that maybe formulated by the Government and other similar conditions prevailing in the international market which may have a bearing on or affect the business of the Company, the management may consider retaining a larger part of the profits to have sufficient reserves to meet unforeseen circumstances.

5. **PARAMETERS FOR VARIOUS CLASSES OF SHARES**

- The factors and parameters for declaration of dividend to different class of shares of the Company shall be the same as stated above.
- The payment of dividend shall be based on the respective rights attached to each class of shares as per their terms of issue.
- Dividends shall be paid out of the Company's distributable profits and/or free reserves and shall be allocated among the shareholders on a pro-rata basis according to the type and class of shares held.

- Dividend when declared shall be first paid/apportioned to the preference shareholders of the Company as per the terms and conditions of their issue.

6. UTILISATION OF RETAINED EARNINGS

The Company will endeavor to utilize the retained earnings for the business requirements including but not limited to working capital, investments, expansions, acquisitions, and general corporate purposes, to meet contingencies etc. or any other permitted uses under the Companies Act, 2013.

7. MANNER OF DIVIDEND PAYOUT

The declaration and payment of dividends will be as per the laws and regulations applicable to the Company.

8. DISCLOSURE

The Policy shall be disclosed in the Annual report and on the website of the Company i.e. at https://redearth.in/investor-relations.html

9. ADOPTION

The Board of Directors ("Board") of Greenleaf Envirotech Limited (the "Company") at its meeting held on 24-12-2025 approved and adopted the Dividend Distribution Policy("Policy") as required in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

10. APPLICABLE LAWS

In case the provisions of this Policy are in with the provisions of the applicable laws (including the provisions of the Companies Act, 2013 or rules framed thereunder each as amended and Listing Regulations as amended), the applicable law shall supersede the provisions of this Policy.

11. AMENDMENT

The Board of Directors may review the policy to give effect to any statutory amendments or otherwise. The amended Policy shall be placed on the website of the company immediately after its approval from the Board.