DIVIDEND DISTRIBUTION POLICY

OF

RESTAURANT BRANDS ASIA LIMITED

(Formerly known as Burger King India Limited)

Document Control:

Version	Approved by	Date
Version 1.0	Board of Directors	October 24, 2019
Version 2.0	Board of Directors	August 12, 2022

INTRODUCTION AND OBJECTIVE

In compliance with the provisions under Sections 123 to 127 of the Companies Act, 2013 (the "**Act**") the rules made thereunder and Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**Regulations**"), as amended from time to time, this Dividend Distribution Policy ("the **Policy**") provides guidance for declaration of dividend and its pay-out by Restaurant Brands Asia Limited (the "**Company**"). The Company in compliance with the requirements of Regulation 43A of the Regulations, on voluntary basis and as a part of good corporate governance, has adopted this Policy *inter-alia* to elaborate the parameters to be considered by the board of directors as may be constituted from time to time ("the **Board**") before declaring / recommending any dividend distribution, keeping in view the Company's policy of meeting the long term capital requirements from internal cash accruals and appropriately rewarding shareholders. The Board may, at their discretion deviate from the parameters listed in the Policy. The Policy is not an alternative to the decision of the Board for recommending / declaring dividend, which takes into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided by the Board.

PARAMETERS TO BE CONSIDERED FOR DECLARING / RECOMMENDING DIVIDEND

a) Financial / Internal factors

- Profits earned during the financial year, accumulated reserves and distributable profits
- Working capital and capital expenditure requirement
- Financial commitments with respect to the borrowings undertaken / proposed to be undertaken and interest thereon
- Financial requirement for business expansion and/or diversification
- Capital requirements for maintenance of appropriate capital adequacy ratio
- Provisioning for financial implications arising out of unforeseen events and/or contingencies
- Past dividend declaration trend of the Company
- Such other factors and/or material events which the Board may consider relevant

b) External Factors

- Legal requirements / regulatory restrictions
- Macro-Economic environment
- Cost of borrowing and covenants, if any, with lenders
- Business outlook for future years
- Government policies
- Prevalent market practices

CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS OF THE COMPANY MAY OR MAY NOT EXPECT DIVIDEND

While the decision to declare / recommend dividend shall primarily be dependent on the parameters mentioned above, the shareholders of the Company may not expect dividend in the following circumstances, subject to discretion of the Board:

- Broad adverse macro-economic scenario which may require the Board to retain a larger portion of profits to build up reserves.
- Proposed expansion / diversification plans requiring higher capital allocation.
- Decision to undertake any acquisitions, amalgamation, merger, joint ventures etc. which requires significant capital outflow.

- Regulatory restrictions / obligations which may restrict the issue of dividends.
- Requirement of higher working capital to support business and operations of the Company.
- Proposal for corporate action requiring significant capital outflow such as buy-back of securities.
- Cost of raising funds from alternate sources.
- Funds for meeting contingent liabilities.
- In the event of loss or inadequacy of profit or cash flow available for distribution.
- Other factors beyond control of the Company like natural calamities, fire etc. effecting the operations of the Company.
- Any other factor as deemed appropriate by the Board.

UTILIZATION OF RETAINED EARNINGS

The Company would utilise retained earnings in a manner which is in the interest of the Company and its stakeholders. Retained earnings of the Company may be utilised for the following:

- Implementation of expansion / diversification plans
- Funding for capex
- Repayment of debt
- Issue of fully paid-up bonus shares
- Support business / operational requirements of the Company
- Such other events which the Board may consider relevant

OTHER PARAMETERS TO BE CONSIDERED FOR DIVIDEND TO VARIOUS CLASSES OF SHARES

Currently, the Company has issued equity shares and preference shares and has only 1 (one) class of equity shares which rank pari-passu which respect to voting and dividend rights. In the event of the Company issuing any other class(es) of shares, this Policy shall be updated to include necessary parameters to be considered while declaring dividend to such class(es) of shares.

DIVIDEND PAY-OUT RATIO AND FREQUENCY

The dividend pay-out ratio shall be as determined by the Board as a percentage of the post-tax distributable profits of the Company as on the end of financial year immediately preceding the financial year in which the dividend is being declared.

The Board may normally declare dividend twice a year (interim and final) within this range and in accordance with the provisions of the Act and rules made thereunder and any other applicable laws, as amended from time to time.

EFFECTS OF NON-COMPLIANCE:

As per the provisions of the Act, except as otherwise provided, where a dividend has been declared by the Company but has not been paid or the warrant in respect thereof has not been posted within 30 (thirty) days from the date of declaration to any shareholder entitled to the payment of the dividend, every director of the Board who knowingly is a party to the default, shall be punishable with imprisonment which may extend to two years and with fine which shall not be less than INR 1,000 (Rupees One Thousand only) for every day during which such default continues and the Company shall be liable to pay simple interest at the rate of 18 (eighteen) per cent per annum during the period for which such default continues.

DISCLOSURES

The Policy shall be disclosed on the website of the Company and a web-link shall also be provided in the annual reports.

REVIEW OF POLICY

The Board may amend, abrogate, modify or revise any or all provisions of this Policy. However, amendments in the Act, the rules or in the Listing Regulations and any other applicable laws shall be binding even if not incorporated in this Policy.