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Dividend Distribution Policy

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Approved by	Board of Directors
Last Amended Date	-
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Effective Date of Policy	October 17, 2024

DIVIDEND DISTRIBUTION POLICY

1. PREAMBLE

Pursuant to the provisions of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (the “**Listing Regulations**”), it is mandatory to have a dividend distribution policy in place by the top one thousand listed companies based on the market capitalization (calculated as on March 31 of every financial year).

The board of directors (the “**Board**”) of WeWork India Management Limited (the “**Company**”) have adopted and formulated this Dividend Distribution Policy (“**Policy**”), in compliance with the Listing Regulations, and have uploaded the same on the Company’s website at <https://wework.co.in/>.

2. DEFINITIONS

The terms referred to in this Policy will have the same meaning as defined under the Companies Act, 2013 (the “**Act**”) and the rules made thereunder and the Listing Regulations.

3. EFFECTIVE DATE

The Policy has been adopted by the Board of the Company at its meeting held on October 17, 2024, being the effective date of this Policy. The Board will periodically review the Policy.

4. OBJECT

The object of this Policy is to establish the parameters to be considered by the Board before declaring or recommending dividend, whilst appropriately balancing the need of the Company to retain resources for the Company’s growth & sustainability. The Policy aims to strike an optimum balance between rewarding shareholders through dividend and ensuring that sufficient funds are retained for the growth of the Company.

Further, the Policy sets out the circumstances and different factors for consideration by the Board, at the time of taking a decision on distribution or retention of profits, in the interest of providing transparency to the shareholders.

5. SCOPE

The Policy covers the following:

a. Dividend to Equity Shareholders of the Company:

The dividend will be distributed equally among all the equity shareholders based on their shareholding on the record date. Parameters for dividend payments in respect of any other class of shares will be as per the respective terms of issue and in accordance with the applicable regulations.

b. Interim Dividend:

Interim dividend(s), if any, shall be declared by the Board.

In case no final dividend is declared for any particular financial year, interim dividend paid during that year, if any shall be regarded as final dividend for the year in the Annual General Meeting (“AGM”).

c. Final Dividend

Recommendation, if any, shall be made by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.

The dividend as recommended by the Board shall be approved/declared in the AGM of the Company.

6. PARAMETERS TO BE CONSIDERED

The Board shall consider following parameters, factors and circumstances before declaring or recommending dividend:

- a. **Statutory Requirements:** The declaration and distribution of dividend shall, at all times, be in accordance with the provisions of the Companies Act, 2013, read with applicable rules framed thereunder, as may be in force for the time being (“Act”) in particular Sections 2(35), 24, 51, 134(3)(k), 123, 124, 125, 126 and 127 of the Act and the Companies (Declaration and Payment of Dividend) Rules, 2014, Listing Regulations, such other applicable provisions of law and the Articles of Association of the Company as amended.
- b. **Financial and Internal Factors:** The Board shall consider following financial and internal factors:
 1. Company’s liquidity position including its present and expected obligations.
 2. Profits of the Company available for distribution during the financial year.
 3. Present and future capital expenditure plans of the Company including organic / inorganic growth opportunities.
 4. Financial commitments with respect to the outstanding borrowings and interest thereon.
 5. Financial requirement for business expansion and/or diversification, acquisition etc of new businesses.
 6. Past dividend trend of the Company and the industry.
 7. Accumulated reserves, including retained earnings
 8. Capital restructuring, debt reduction, capitalisation of shares

9. Crystallization of contingent liabilities of the Company
 10. Covenants in loan agreements, Debt servicing obligations and Debt maturity profile.
 11. Cost of borrowings.
 12. Cash Flows
 13. Current and projected Cash Balance and Company's working capital requirements.
 14. Other corporate action options (For example, bonus issue, buy back of shares).
 15. Any other relevant or material factor as may be deemed fit by the Board.
- c. **External Factors:** The Board shall consider following external factors:
1. State of economy and capital markets.
 2. Applicable taxes including dividend distribution tax.
 3. Regulatory changes: Introduction of new or changes in existing tax or regulatory requirements (including dividend distribution tax) having significant impact on the Company's operations or finances.
 4. Approvals, consents, permissions and sanctions, as may be necessary from lenders or any other entity.
 5. Unfavorable market conditions
 6. Changes in Government policies and regulatory provisions
 7. Cost of raising funds from alternate sources
 8. Inflation rates
 9. Sense of shareholders' expectations
 10. Any other relevant or material factor as may be deemed fit by the Board.

If the board of directors decides to consider any parameters in addition to those stipulated above or proposes to change such additional parameters or this Policy, it shall disclose such changes along with the rationale for the same in its annual report and on its website.

7. **CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY NOT EXPECT DIVIDEND**

The decision regarding dividend payout is a crucial decision as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained in business. Hence, the shareholders of the Company may expect dividend only if the Company is having surplus funds

after providing for all the expenses, depreciation, etc., and after complying with the statutory requirements under the Applicable Laws.

The shareholders of the Company may not expect dividend in the following circumstances, subject to the discretion of the Board of Directors:

- the Company has inadequacy of profits or incurs losses for the Financial Year;
- the Company undertakes /proposes to undertake a significant expansion project requiring higher allocation of capital;
- the Company undertakes /proposes to undertake any acquisitions or joint arrangements requiring significant allocation of capital.
- the Company has significantly higher working capital requirement affecting free cash flow.
- the Company proposes to utilize surplus cash for buy- back of securities;
- the Company is prohibited to recommend/declare dividend by any regulatory body.

The Board may also not recommend a dividend on considering any compelling factors/parameters mentioned in point 6 above.

8. ENTITLEMENT AND TIMELINES FOR DIVIDEND PAYMENTS

- a. Entitlement: The dividend shall be paid to the shareholders entitled to receive dividend on the record date / book closure date as per applicable laws.
- b. Timelines: The payment of dividend shall be made within the time prescribed under the Act or the rules made there under. Presently, dividend is to be paid within 30 days from the date of declaration by the Board in case of interim dividend and within 30 days from the declaration by the shareholders in the AGM in case of final dividend.

9. MANNER OF UTILISATION OF RETAINED EARNINGS

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors:

- Long term strategic plans
- Market expansion plan
- Product expansion plan
- Modernization plan
- Diversification of business
- Replacement of capital assets
- Payment of Dividend or issue of Bonus Shares
- Other such criteria as the Board may deem fit from time to time.

10. PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARES

Parameters for dividend payments in respect of any other class of shares will be as per the

respective terms of issue and in accordance with the applicable laws and will be determined, if and when the Company decides to issue other classes of shares.

11. DISCLOSURES

The web-link to this Policy shall be disclosed in the Annual report and this Policy shall be uploaded on the website of the Company i.e. at <https://wework.co.in/>.

12. DISCLAIMER

- a) The Policy does not constitute a commitment regarding the future dividends of the Company, but only represents a general guidance regarding dividend policy. The statement of the Policy does not in any way restrict the right of the Board to use its discretion in the recommendation of the Dividend to be distributed in the year and the Board reserves the right to depart from the policy as and when circumstances so warrant.
- b) Given the aforementioned uncertainties, prospective or present investors are cautioned not to place undue reliance on any of the forward- looking statements in the Policy.

13. AMENDMENT

The Board may, from time to time, make amendment(s) to this Policy to the extent required due to change in applicable laws and / or regulations or as deemed fit on a review. In the event of any conflict between this Policy and the provisions contained in the applicable laws, the provisions of applicable laws shall prevail.

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