

DIVIDEND DISTRIBUTION POLICY

DIVIDEND DISTRIBUTION POLICY: ANCHORING STABILITY, REWARDING GROWTH

POLICY FRAMEWORK

KEY PRINCIPLES & GUIDELINES



SUSTAINABLE DIVIDENDS

Balancing shareholder rewards with bank growth



ADEQUATE CAPITAL

Meeting regulatory requirements and reserve targets



GROWTH INVESTMENT

Retaining earnings for expansion and innovation



OBJECTIVES & IMPACT

SHAREHOLDER VALUE & CONFIDENCE



LONG-TERM SECURITY

Predictable returns over market cycles



STEADY INCOME

Ensuring regular, stable payouts



TRANSPARENT PROCESS

Full clarity in the dividend process

DISTRIBUTION TIMELINES

Annual General Meeting Approval

Board Recommendation Annual General Meeting Payment to Shareholders

FACTORS CONSIDERED



Market Conditions



Profitability



Risk Management

Background

This policy, known as the “Dividend Distribution Policy of Prime Bank PLC,” has been formulated in line with Directive no. BSEC/CMMRRCD/2021-386/03 dated 14 January 2021 of Bangladesh Securities and Exchange Commission (BSEC) on dividend distribution and management.

The policy seeks to lay down a broad framework on dividend payments that it makes to the Shareholders taking into consideration of the medium and long-term strategies of the Bank, business performance & financial plan of the Bank, state of the country’s economy & the industry, expectations of the shareholders, and applicable law & regulations directives from time to time.

Entitlement of Dividend

Shareholder(s)/member(s) of the Bank, whose names are appeared in the Register of Members and/or Depository Register of the Bank on the record date fixed by the Bank are entitled to receive dividends for the corresponding year. The Policy shall apply to the ordinary equity shares issued and outstanding.

Dividend Recommendation & Approval Process

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Dividend Payment/Distribution Process & Manner

All dividends (cash and/or stock) to be paid/distributed upon deduction of applicable taxes to the entitled shareholder(s)/member(s) following applicable regulatory directives from time to time.

Disclosure of the Policy

This policy to be disclosed in the Annual Report, website of the Bank, and any other mode as directed by the regulators.

Review

This policy may be reviewed by the Board on an ad hoc basis.

Disclaimer

This Policy is not a solicitation for investments in the Bank’s share and not an assurance of guaranteed returns in any form on investments related to the Bank’s share.