



## LINDE BANGLADESH LIMITED DIVIDEND DISTRIBUTION POLICY STATEMENT

### Introduction

The Board of Directors of Linde Bangladesh Limited (the “Company”), herein after referred as “the Board”, has approved the Dividend Distribution Policy of the Company (“the Policy”) and shall disclose the same in the annual reports and on the website of the Company.

The Dividend Distribution Policy is prepared and adopted in compliance with the provisions of the Directive No. BSEC/CMRRCD/2021-386/03 dated 14 January, 2021 of the Bangladesh Securities and Exchange Commission (BSEC) about dividend declaration, pay off, disbursement and compliance.

### Purpose

The Dividend Distribution Policy (“the policy”) prepared and adopted the principles to ascertain amounts that can be distributed to shareholders as dividend by the Company as well as enable the Company strike balance between pay-out and retained earnings, in order to address future needs of the Company.

### Definitions

The Company’s Board of Directors shall be responsible for generating all proposed resolutions on the declaration and payment of dividends. The Company’s Board of Directors shall be responsible for generating all proposed resolutions on the declaration and payment of dividends. The Board of Directors may in its discretion declare an interim Dividend based on profits arrived at as per quarterly or half yearly unaudited financial results. Where no final dividend is declared, the interim Dividend (if any) shall be regarded as the final dividend in the AGM.

The Company decides to distribute dividends among its Shareholders in proportion to the amount paid-up on shares they hold in the form of Cash or Stock (Bonus) dividend. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding on the record date. The time, place and procedure for payment of Dividends shall be publicly communicated to shareholders in advance of the register Record Date or closure date and payment date.

Final dividends will generally be recommended by the Board once a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the shareholders, as may be permitted by the Articles of Association of the Company as well as



applicable provisions of the Companies Act, 1994 and Rules framed thereunder, BSEC Regulations, Tax Regulations, and other applicable legislation.

The Company has had a consistent dividend policy that balances the objective of appropriately rewarding shareholders through dividends and to support the future growth.

As in the past, subject to the provisions of the applicable law, the Company's dividend payout will be determined based on available financial resources, investment requirements etc.

### **Declaration and Payment of Dividends**

Dividend is the share of the profit that a Company decides to distribute among its Shareholders based on availability of profits/profit growth/liquidity position/diversification/expansion of the Company. The dividend policy of the Company is to distribute to its shareholders surplus funds from its distributable profits and/or general reserves, as may be determined by the Board of Directors, subject to:

- **Internal Factors**
  - i. The Company Profits earned during the financial year;
  - ii. Cash flow position of the Company;
  - iii. Accumulated reserves;
  - iv. Earnings steadiness;
  - v. Future cash requirements for growth/expansion;
  - vi. Long term investments;
  - vii. Acquisition of brands and businesses;
  - viii. Current and future leverage and incomparable circumstances, contingent liabilities,
  - ix. Working capital requirements;
  
- **External Factors**
  - i. Investor's expectation and other relevant factors
  - ii. Business cycles,
  - iii. Industry outlook for the future years;
  - iv. Economic environment;
  - v. Change in regulatory provisioning requirements;
  - vi. Additional such criteria as the Board may deem fit from time to time;



### **Amendment**

This Policy Statement shall be effective from the date of execution and may be amended from time to time and approved by the Board of Directors of the Company.

### **Disclosures**

The Dividend Distribution Policy shall be disclosed on the Company's website & a web-link thereto shall be provided in the Annual Report.

### **Disclaimer**

The above Policy Statement does not represent a commitment on the future Dividends of the Company but represents a general guidance on the Dividend Policy.

### **Authority of Policy Approval**

This policy was approved by the Company's Board on 21 October 2021.