



**Dividend Distribution Policy
of
Anwar Galvanizing Limited**

[Pursuant to the clause (1) of BSEC Directive No. BSEC/CMRRCD/2021-386/03 dated January 14, 2021]

Disclaimer

- The Policy does not constitute a commitment by the Company or the Board regarding the future dividends of the Company, but only represents a general guidance to Shareholders 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.
- Given the aforementioned uncertainties, prospective or present investors are cautioned not to place any reliance on any of the forward-looking statements in the Policy or the principles and guidelines outlined in this Policy.

1. Introduction:

- a) This Policy is called "Anwar Galvanizing Limited- Dividend Distribution Policy" (hereinafter referred to as the "Policy") and has been framed by Anwar Galvanizing Limited (the "Company") pursuant to Bangladesh Securities Exchange Commission (BSEC), Directive No. BSEC/CMRRCD/2021-386/03 dated January 14, 2021.
- b) The objective of the Policy is to provide guidance to stakeholders on the dividend distribution framework adopted by the Company. The Board of Directors of the Company (the "Board") shall consider this Policy when resolving on dividends, always in compliance with the provisions of the Companies Act, 1994, notifications issued by the BSEC and other applicable legal provisions.
- c) In the event of a conflict between the Policy and the existing statutory regulations, the statutory regulations will prevail.
- d) The Policy lays down the broad criteria which the Company would take into consideration for the purpose of ascertaining the amount of dividend to be declared. Whilst doing so, the Company shall keep in mind, the need to maintain a balance between the payout ratio and retained earnings, in order to address future needs of the Company. The Policy serves as a guideline only for the Board to distribute dividend of the Company. The decision of the Board with respect to the amount of dividend recommended by it for any given period will be final and shall not be open to challenge on the basis of the Policy.
- e) The Policy has been adopted by the 175th BODs meeting held on October 9,

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2021 (the "Effective Date").

2. Definitions

"the Act" means Companies Act 1994

"the Company" means Anwar Galvanizing Limited

"AGM" means Annual General Meeting

"Board" means Board of Directors of Anwar Galvanizing Limited

"Shareholders" means Members whose name is registered in the Member Register of the Company.

"Shares" means Ordinary Equity Shares.

3. Purpose:

The purpose of the policy is to comply with the Directives of Bangladesh Securities and Exchange Commission (BSEC). The parameters set out in the policy are applicable for distribution of dividend.

4. Dividend Recommendation and Approval process:

Dividend to be recommended and approved as per applicable Acts and regulatory directives issued from time to time.

5. Entitlement of Dividend:

Shareholders whose names shall appear in the Members Register of the Company or in the Depository Register of CDBL on the 'Record Date' of the respective year's AGM will receive entitled dividend.

6. Process of Distribution of Cash Dividend:

In case of Cash dividend, the dividend shall be paid directly to the bank account of the Shareholders within 30 (thirty) days from the date of approval by the Shareholders in the AGM subject to comply of circulars/directives of BSEC or any other regulatory authority from time to time.

- a) Through Bangladesh Electronic Funds Transfer Network (BEFTN); or
- b) Through bank transfer or any electronic payment system as recognized by the Bangladesh Bank (if not possible through BEFTIN); or
- c) In case of margin loan and claim by loan provider, through the Consolidated Customer's Bank Account (CCBA);
- d) To the separate bank account of the merchant Banker or portfolio manager through BEFTN;
- e) Through the security custodian following Foreign Exchange Regulation for non-resident sponsor, director, shareholder, unit holder or foreign portfolio investor (FPI);

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- f) Through issuance of Cash Dividend warrant and send it through Courier/post to the shareholders or unit holders' address, if non-availability of bank account information or not possible to distribute through BEFTN or any other electronic payment system.
- g) Amount of declared cash dividend payable for the concerned year/period shall be kept in a separate bank account as per circular of BSEC or other regulatory authority from time to time.

7. Manner and procedure of stock dividend distribution:

The stock dividend shall be credited within 30 (thirty) days of approval subject to the clearance of the exchange(s) and the Central Depository Bangladesh Limited (CDBL) or any other regulatory requirement, if needed:

- 1) To the BO account of the shareholders;
- 2) The undistributed or unclaimed stock dividend shall be credited to suspense BO Account.
- 3) The stock dividend shall be transferred to the suspense BO account if BO account is not available or BO account is inactive;
- 4) The sale proceeds of fractional stock/bonus dividend shall be paid off as per circular of BSEC or Bangladesh Bank or other regulatory authority from time to time.

8. Unpaid or unclaimed of unsettled cash dividend:

In case of cash dividend, unpaid or unclaimed of unsettled cash dividends shall be settled as per instructions of BSEC or other regulatory authority from time to time.

9. Unpaid or unclaimed of unsettled stock dividend:

In case of stock dividend, unpaid or unclaimed of unsettled stock dividends shall be settled as per instructions of BSEC or other regulatory authority from time to time.

10. Tax matters:

Tax shall be deducted at source as per applicable tax laws.

11. Submission of Dividend Distribution Compliance Report:

In-compliance with the Dhaka Stock Exchange (Listing) Regulation-2015 and Chittagong Stock Exchange (Listing) Regulation-2015 and other regulatory requirement, "Anwar Galvanizing Limited" has been submitted a Dividend Distribution Compliance Report to BSEC, DSE and CSE within 7 (seven) days from the date of completion of dividend distribution of the concerned year's. This report shall submit to BSEC, DSE and CSE in a specified format issued by the regulator (s) within the stipulated time.

12. Disclosures:

In case it is proposed not to declare dividend during any financial year, the grounds

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thereof and the information on the manner in which the retained profits of the Company, if any, are being utilized shall be disclosed to the Shareholders in the Board's Report forming part of the Annual Report of the Company for the given financial year.


The Policy shall be disclosed in the Company's Annual Report and also be available on the Company's website: <https://www.anwargalvanizing.com>.

13. Effective Date:

This Policy has been approved by the Board of Directors of the Company and shall be effective and applicable for dividend, if any, declared for the Financial Year 2020-21 onwards.

14. Policy Review:

The Board of Directors of the Company may review the policy, if the Board proposes to declare dividend on the basis of criteria in addition to those specified in the policy, or proposes to modify the criteria, it shall disclose such changes along with the rationale for the same on the Company's website and in the Annual Report.


10/10/2022
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