

DIVIDEND DISTRIBUTION POLICY

Golden Harvest Agro Industries Limited, after its formulation in August, 2004, has been distributing the Cash and Stock Dividend (Bonus Shares) as recommended by the Board Directors in its meeting from time to time and as approved by the shareholders at the Company's Annual General Meetings in compliance with the Company's Act, related Rules and Regulations, Directives, Circulars, Guidelines and clauses in its Articles of Associations of the Company.

As per the directive dated 14 January 2021 of the Bangladesh Securities and Exchange Commission, the Dividend Distribution Policy of the Company is hereby disclosed on the official website of the Company.

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 the entitled dividend.

FORMS OF DIVIDENDS

The Board in the meeting that considers and approves the annual financial statements may recommend final dividends for the approval of the shareholders in the Annual General Meeting. Apart from the above, the Board may, after considering the financial position of the Company also declare the following dividends:

- a. Interim dividends in a financial year;**
- b. Special dividends as and when it deems fit.**

DECLARATION OF DIVIDENDS

The Company shall declare dividends after complying with all applicable laws, rules, regulations and guidelines from all regulatory bodies. The Company has a dividend policy that balances the objective of rewarding shareholders by providing a reasonable return on their investments and retaining sufficient earnings to support the future growth of the Company.

The dividends payout shall be subject to consideration of the following financial, internal and external parameters:

Financial parameters	Internal parameters	External parameters
• Profit earned during the year • Profit available for distribution • Liquidity profile of the Company • Funding and lending requirements • Creation of contingency fund	• Business expansion • Capital expenditure requirements • Need for conservation of cash • Trend of past dividends ratio	• Economic environment • Market trends & practice • Statutory provisions • Tax matters and other contingent liabilities

CONSIDERATION OF DIVIDEND PAYMENT TO VARIOUS CLASSES OF SHARES

The Board of Directors of Golden Harvest Agro Industries Limited has adopted this Dividend Declaration & Distribution Policy pursuant to the requirements of the Bangladesh Securities and Exchange

Commission directive no. BSEC/CMRRCD/2021-386/03 dated January 14, 2021, and in consistency with the Articles of Association of Golden Harvest Agro Industries Limited. The Dividend Declaration & Distribution Policy shall be disclosed in the Annual Report of the Company and placed on the Company website.

As of the date of this policy, the Company had issued only one class of ordinary shares with equal voting rights. Dividends are declared on a per share basis on the ordinary shares of face value. The shareholders whose names appear in the Members Register on the record date shall be eligible to receive dividends after deduction of applicable income tax. The Company may decide to issue any other classes of shares as it deems appropriate from time to time, in which case the dividend payments shall be determined in accordance with the applicable rules and regulations of the respective terms of issue of such other class of shares.

CIRCUMSTANCES UNDER WHICH DIVIDENDS MAY NOT BE DECLARED BY THE COMPANY

The Company may not be in a position to distribute dividends under the following circumstances:

- In the event of inadequacy of profits earned;
- Any other reason as the Board may deem fit from time to time

UTILIZATION OF RETAINED EARNINGS

The Board may retain such earnings of the Company as it deems necessary to increase shareholder value. Utilization of the retained earnings of the Company shall be dictated by the business growth plans, capacity building and modernization initiatives, replacement of capital assets and any other long-term strategic plans.

DIVIDEND DISTRIBUTION PROCEDURE

In accordance with the guidelines of the Bangladesh Securities and Exchange Commission (BSEC), the Company shall distribute dividends in the following manner:

- Pay off interim/final dividends (cash/stock) to all shareholders within the statutory time after approval in the Annual General Meeting, subject to any additional permission of regulatory bodies as may be applicable.
- Transfer cash dividends to the shareholder's bank account as prescribed in the BO account details maintained with the concerned Depository Participants (DP), or the bank account provided by shareholders in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN) or any bank transfer mechanism or electronic payment system recognized under the laws of Bangladesh.
- Transfer cash dividends of margin clients to the Consolidated Customer's Bank Account (CCBA) of their respective stock brokers, merchant bankers or portfolio managers.
- In cases where no bank account information of the concerned shareholder is available, issue dividends warrant and forward by registered or courier post to the shareholder.
- Directly credit stock dividends to the BO account or issue bonus share certificate of the shareholder within the statutory time after approval in the Annual General Meeting with the clearance of the stock exchanges and the Central Depository Bangladesh Limited (CDBL).
- Maintain all unclaimed stock dividends in the Suspense BO Account held under Block Module of CDBL.

- Unclaimed cash dividends or stock dividends shall not be forfeited till such time as the claim is barred under the applicable laws of Bangladesh.

PROCESS OF DISTRIBUTION OF CASH DIVIDEND

The cash dividend shall be paid directly to the bank account within 30 (thirty) days of the date of approval by the shareholders in the Annual General Meeting. In the case of an interim dividend, the date of Board approval and subject to compliance with the applicable legal framework imposed by the regulatory authority from time to time.

PROCEDURE OF STOCK DIVIDEND DISTRIBUTION

The stock dividend will be credited within 30 (thirty) days of approval, subject to regulatory clearance.

PROCESS FOR SETTLING UNPAID DIVIDENDS

Unpaid or unclaimed cash dividends for less than three years from the declaration date shall be paid to shareholders upon application and disbursed within the time period specified. In case of the cash and stock dividend for more than three years of the declaration date shall be settled as per the instructions of Bangladesh Securities and Exchange Commission (BSEC) or other regulatory authority from time to time.

TAX MATTERS

Tax will be deducted at source as per applicable tax laws and deposited to the Government Treasury within the stipulated time.

UNCLAIMED DIVIDEND HISTORY & DIVIDEND DISTRIBUTION COMPLIANCE REPORT

The summary of the Unclaimed Dividends shall be disclosed every year in the Annual Financial Statements and shall be published on the Company website. The Dividend Distribution Compliance report shall be published on the Company website after submission of the same to the Bangladesh Securities and Exchange Commission.

REVIEW & AMENDMENT

The Policy shall be reviewed from time to time to ensure conformity with market and regulatory changes. In the event of any conflict between the requirements of this policy and any statutory rules or regulations, the statutory rules or regulations shall prevail, and this policy will be appropriately amended.

Thank you.