Dividend Distribution Policy

Dividend distribution policy of The Premier Bank PLC. has been outlined in line with the Directive No. BSEC/CMRRCD/2021-386/03 dated January 14, 2021 and subsequent amendment dated July 13, 2025 of the Bangladesh Securities and Exchange Commission (BSEC) with following propositions.

Parameters to be Considered for Declaration of Dividend

While determining dividend payments, The Premier Bank PLC. takes into consideration of its operating results as well as long-term returns to shareholders. Dividend is paid out of the profit of the Bank. The Board of Directors of the Bank will consider the following internal or external parameters while recommending/declaring dividend, among others:

- Current & prospective financial performance including Bank's Non-Performing Loans (NPL ratio) with required provision
- Past dividend payouts
- Current & prospective capital adequacy of the Bank (CRAR) including future regulatory requirements for minimum CRAR
- Tax implication
- Macro & micro economic factors including regulatory requirements
- Directives of regulators regarding Distribution of Dividends.

The Board of Directors (BOD) of the Bank may not recommend any dividend if the eligibility criteria for recommendation of dividend has not been met by the Bank, including any restriction imposed by the Regulatory Authorities.

Distribution Time of Dividend

The Premier Bank PLC. shall pay off the annual or final dividend to the entitled shareholder within 30 (thirty) days of approval in Annual General Meeting. Provided that interim dividend shall be paid off to the entitled shareholder within 30 (thirty) days of record date.

Cash Dividend

Cash dividend declared shall be distributed in the following manner and procedures, namely:

(i) a) In the event of declaration of annual or final cash dividend in a financial year, the Board of Directors (BOD) of The Premier Bank PLC. shall ensure that the total amount declared as cash dividend (declared amount) is transferred and kept in a separate bank account (dividend account), maintained solely for the purpose of payment/disbursement of dividend. This transfer must be completed at least 01 (one) day prior to the date of the Annual General Meeting (AGM).

b) Provided that if the dividend amount subsequently approved (approved amount) at the AGM is less than the declared amount, The Premier Bank PLC. may withdraw the difference between the declared amount and the approved amount from the dividend account and transfer the amount so withdrawn to other accounts of the Bank maintained in accordance with applicable laws and internal financial controls.

c) Provided further that The Premier Bank PLC. shall obtain a certificate confirming the transfer of the declared amount to the dividend account from the concerned bank. The certificate shall be attested by the Managing Director, Chief Financial Officer and Company Secretary of The Premier Bank PLC, presented at the AGM and submitted to the relevant stock exchange(s).

d) In the event of declaration of interim cash dividend, the BOD of The Premier Bank PLC. shall ensure that the amount declared as interim cash dividend is transferred and kept in the dividend account. Such transfer shall be made within 15 (fifteen) days from the record date of the interim cash dividend as declared by the BOD of the Bank.

e) As The Premier Bank PLC is a banking company, the Bank shall maintain the dividend account with a bank other than itself.

f) Furthermore, The Premier Bank PLC shall not maintain the dividend account with any bank where a common director exists between The Premier Bank PLC and the concerned bank.

(ii) The Premier Bank PLC. shall pay off cash dividend directly to the bank account of the entitled shareholder as available in the Beneficiary Owner (BO) account maintained with the depository participant (DP), or the bank account as provided by the shareholder in paper form, through Bangladesh Electronic Funds Transfer Network (BEFTN):

Provided that The Premier Bank PLC may pay off such cash dividend through bank transfer or any electronic payment system as recognized by the Bangladesh Bank, if not possible to pay off through BEFTN.

(iii) The Premier Bank PLC, upon receiving the claim on cash dividend from a stock broker or a merchant banker or a portfolio manager for the margin client or customer who has debit balance or margin loan, or as per intention of the client of stock broker or merchant banker or portfolio manager, shall pay off such cash dividend to the Consolidated Customers' Bank Account (CCBA) of the stock broker or to the separate bank account of the merchant banker or portfolio manager through BEFTN in order to credit such dividend immediately in the individual client's portfolio account:

(iv) The Premier Bank PLC., in case of non-availability of bank account information or not possible to distribute cash dividend through BEFTN or any electronic payment system, shall issue cash dividend warrant and shall send it by post to the shareholder;

(v) The Premier Bank PLC. shall pay off cash dividend to nonresident sponsor, director, shareholder or foreign portfolio investor (FPI) through the security custodian in compliance with the rules or regulations in this regard;

(vi) The Premier Bank PLC., immediately after disbursement of cash dividend and issuance of a certificate of tax deducted at source, if applicable, shall intimate to the shareholder through a short message service (SMS) to the mobile number or email address as provided in the BO account or as provided by the shareholder;

(vii) The Premier Bank PLC. shall maintain detailed information of unpaid or unclaimed dividend and rationale thereof, as per BO account number-wise or name-wise or folio number-wise of the shareholder; and shall also disclose the summary of aforesaid information in the annual report and shall also report in the statements of financial position (quarterly/annually) as a separate line item 'Unclaimed Dividend Account':

Provided that The Premier Bank PLC. shall publish the year-wise summary of its unpaid or unclaimed dividend in the website.

(viii) Provided further that any unpaid or unclaimed cash dividend including accrued interest (after adjustment of bank charge, if any) thereon, if remains, shall be transferred to a separate bank account of The Premier Bank PLC. as maintained for this purpose, within 1 (one) year from the date of declaration or approval or record date, as the case may be.

Stock Dividend

The Premier Bank PLC shall credit stock dividend directly to the BO account or issue the bonus share certificate of the entitled shareholder, as applicable, within 30 (thirty) days of declaration or approval or record date, as the case may be, subject to clearance of the exchange(s) and the Central Depository Bangladesh Limited (CDBL) CDBL complying rules and regulations in this regard. Provided that the Premier Bank PLC shall maintain a Suspense BO Account for undistributed or unclaimed stock dividend or bonus shares and shall also follow the procedures/guidance of regulators for ensuring the rightful ownership.

Compliance Report Regarding Dividend Distribution

The Premier Bank PLC shall submit a compliance report to the BSEC and the exchange(s) in a specified format at within 7 (seven) working days of completion of dividend distribution: Provided that The Premier Bank PLC. shall publish the compliance report in its website.

Unpaid/Unclaimed Dividend

The Bank shall not forfeit any unclaimed cash or stock dividend till the claim becomes barred by the law of land in force. The bank will maintain detailed information of unpaid or unclaimed dividend and rationale thereof. Unpaid or unclaimed or unsettled dividends, cash or stock, shall be settled as per procedure set by the Bangladesh Securities and Exchange Commission (BSEC), Bangladesh Bank and other regulatory authority from time to time.

Disclosure of the Policy

This Policy shall be disclosed in the annual report and official website.