



Registration No. 201001016854 (900557-M)  
(Incorporated in Malaysia)

## DIVIDEND POLICY

### 1.0 INTRODUCTION

1.1 Bermaz Auto Berhad (“BAuto” or “Company”) is committed to delivering sustainable long-term value and in rewarding its shareholders for their continued support to the Company. As part of this commitment, BAuto has established a dividend policy to ensure that the dividends declared reflects the financial position, operating performance and future investment needs of the Company (“Policy”).

1.2 The Policy is to provide clarity and transparency on how dividends are determined and paid.

### 2.0 THE POLICY

2.1	Applicability	The Policy applies to Bermaz Auto Berhad
2.2	Responsibilities	The Chief Financial Officer is responsible to develop, maintain or propose any changes, amendments and/or revisions in the Policy to the Audit Committee for recommendation to the Board of Directors of BAuto (“Board”) for deliberation and approval
2.3	Policy Approval	The Board
2.4	Effective Date	Unless otherwise stated, upon approval of the Board
2.5	Review Frequency	The Policy shall be reviewed periodically to ensure it remains consistent with the overall objectives of the Company and to reflect any changes in business directions, strategies, financial performances, market and economic conditions in which the Company operates
2.6	Reference	The Policy is formulated after taking in consideration, inter-alia, the relevant provisions in the Company’s Constitution, Companies Act 2016 (“CA 2016”), the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and other relevant rules, regulations and best practices (where applicable)

### 3.0 OBJECTIVES

3.1 The Policy is formulated to achieve, inter-alia, the following:

- (i) to establish a dividend policy to facilitate decision making in respect of the declaration and payment of dividends by the Company;
- (ii) to provide a stable and sustainable returns to shareholders consistent with the Company and the Group earnings growth; and
- (iii) to ensure that any declaration and payment of dividends are in compliance with the Company’s Constitution, CA 2016 (as amended from time to time) and any other applicable statutory requirements, rules or regulations of the relevant authorities.

### 4.0 DECLARATION AND PAYMENT OF DIVIDEND

4.1 There are basically three (3) types of dividends which the Company may declare and pay:

- a) **Interim dividend:** Declared and paid based on quarterly financial results and is subject to the recommendation of the Audit Committee and approval of the Board.

b) **Special dividend:** Declared and paid subject to availability of surplus funds (as may be determined by the management) and is subject to the recommendation of the Audit Committee and approval of the Board.

c) **Final dividend:** - Declared during the Annual General Meeting (“AGM”) and paid thereafter and is subject to the approval of the shareholders of the Company at the AGM.

4.2 The Company shall endeavour to declare and pay out annual dividends of at least 50% of the net profit attributable to the owners of the Company from its active domestic operations, subject to the availability of distributable reserves and after taking into consideration, inter-alia, the following factors:

- Operating and financial performances of the Group
- Current and future capital expenditure and/or reinvestment requirements such as expansion of branches/dealer networks, upgrades of showroom, infrastructure and IT
- Working capital requirements such as inventories requirement
- Liquidity and cash flow position of the Group
- Strategic initiatives (e.g., acquisitions, digital transformation)
- Debt servicing obligations and financial covenants with financial institutions
- Prevailing economic and industry outlook including the automotive sector performance
- Relevant provisions in the Company’s Constitution and the CA 2016 such as solvency test
- Any other factors which may be deemed relevant by the Board

The Company may benchmark the minimum dividend payout ratio against the average return from fixed deposits from the financial institutions, whenever possible.

4.3 Dividends may be declared and paid in the following forms:

- Cash dividends;
- Share dividends (e.g. bonus issues);
- Dividend reinvestment scheme; or
- A combination of the above, as may be determined by the Board.

## 5.0 POLICY DISCLAIMER

5.1 The declaration of dividends by the Company is subject always to the sole and absolute discretion of the Board. The Policy does not constitute a legally binding commitment by the Company and/or the Board to declare any specific amount or rate of dividend.

Policy Version	Board Approval Date	Comments (if any)
Ver 1	5 August 2025	-