

## **DIVIDEND POLICY**

### **1. INTRODUCTION**

Life Water Berhad (“Life Water” or “the Company”) has targeted a dividend payout ratio of not less than 20% (twenty percent) of the Company’s profit after tax and minority interest excluding any exceptional items.

Besides from the regular payment, the Board of Directors may, from time to time, in their absolute discretion declare/recommend any special dividend to be paid out of available reserves after taking into considerations of the Company’s needs such as, operating and capital expenditure, investments and return to shareholders.

### **2. DECLARATION AND PAYMENT OF DIVIDENDS**

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:

- The recognition of profit and availability of cash for distribution;
- Any banking or other funding requirements by which the Company is bound from time to time;
- The operating and investment needs of the Company;
- The anticipated future growth and earnings of the Company;
- Provisions of the Company’s Constitution; and
- Any relevant applicable laws.

Any declaration/recommendation of dividend shall comply with the requirements as stated in the Main Market Listing Requirements issued by Bursa Malaysia.

The Company may prior to declaration of any dividend, transfer such percentage of its profit for that financial year as it may consider appropriate to the reserves of the Company.

The Company’s Board of Directors shall be responsible for generating all proposed resolutions on the declaration and payment of dividends.

The Company will not declare any dividends where the law prevents such payment and if there are reasonable grounds for believing that the Company is or would be, after a dividend payment, unable to pay its liabilities or discharge its obligations as and when they become due.

The decision to declare and pay Dividends shall be approved at the shareholders Annual General Meeting (“AGM”), upon the recommendation of the Board of Directors. It shall be a separate agenda item at the AGM.

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 shall be regarded as the final dividend in the AGM.

The list of persons entitled to receive dividends at the closure date shall be prepared by the Share Registrar according to the Company’s instructions and prevailing legislation. The time, place and procedure for payment of dividends shall be publicly communicated to shareholders in advance of the register closure date and payment date.

Any unclaimed dividends shall be dealt with in accordance with the subjected to Unclaimed Moneys Act 1965 and any other applicable local laws, rules, and regulations

No interest shall accrue on unclaimed Dividends held by the Company.

### **3. INTERIM OR FINAL DIVIDEND PAYMENT**

In considering the level of interim or final dividend payment to be recommended (if any), the Company’s Board will take into account various considerations, including but not limited to the following:

- (i) The level of our cash, gearing, debt profile and retained earnings;
- (ii) Our expected financial performance;
- (iii) Our projected levels of capital expenditure and other investment plans;
- (iv) Applicable legal, regulatory, licensing and operating requirements; and
- (v) Any circumstances which may affect or restrict our ability to pay dividends.

The actual dividend that our Company may recommend or declare in respect of any financial year or period will be subject to the above factors (amongst others). The declaration of any interim dividends and the recommendation of any final dividends are at the discretion of our Board, with any final dividend for the year also being subject to our shareholders’ approval.

### **4. 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.

## **5. DISCLAIMER**

It should be noted that this Dividend Policy merely describes our Company's present intention and shall not constitute legally binding statements or commitments in respect of our Group's future dividends and/or plans for the same. The Board reserves the right to review, amend, update and/or cancel the Company's Dividend Policy at any time at its sole discretion.

This Dividend Policy is not a forecast or indication in any way of the Group's actual profitability or its ability to pay dividends in the future.

## **6. APPROVAL AND AMENDMENT**

This policy is effective from the date of approval. Any of the provisions of this policy may be amended from time to time by the Board of Directors.

*This Dividend Policy was approved and adopted by the Board on 22/12/2023.*