

Impact of Dividend Policy on Shareholders' Wealth and Firm Performance

¹Nur Aini Deraman, ²Mohd Nizal Haniff, ³Bedah Ahmad

¹⁻³*Faculty of Accountancy, Universiti Teknologi MARA Selangor, Kampus Puncak Alam, Selangor, Malaysia*

*Corresponding author's email: bedah728@uitm.edu.my

Abstract

Maximizing the long-term shareholders' wealth by providing a stable dividend payment is always a goal of the firm. The dividend policy has several implications that affect both parties, shareholders, and the firm. The management wishes to strike a balance between the interest of shareholders and the firm's sustainability for future growth and earnings stability. Under the signaling theory, dividend policy signals good news to investors and impacts share price. However, debates on whether dividend policy signals good or bad news and its varying effects have long been discussed. This paper aims to determine whether dividend policies affect shareholders' wealth and firm performance in Malaysian Public-Listed Companies (PLCs). This study measured dividend policy through dividend per share and dividend yield. Meanwhile, the share price is used to measure a shareholders' wealth, and firm performance is measured by lagged return on equity. The data was selected from the top 60 Malaysian PLCs traded in Bursa Malaysia for a period of eleven years, starting from 2010 to 2020. The study used Pearson's correlation coefficient analysis and multiple linear regression analysis. The findings revealed mixed results where the dividend per share has a significant positive relationship whilst the dividend yield has a significant negative relationship with the share price. A positive significant relationship exists between dividend policy on lagged ROE. This study contributes useful insights to the debates on the effect of dividend decisions and their impact on the share price and firm performance in emerging markets, particularly in Malaysia.

Keywords: Dividend Policy, Dividend Yield, Shareholder Wealth, Return on Equity, Firm Performance

Introduction

Dividend policy is viewed as an important and integral part of corporate strategy because it may influence investor confidence whilst indicating the firm's growth sustainability. Dividend decisions are among the most important financial management and corporate finance decisions apart from financing and investment decisions that influence the value of a company to maximize the shareholders' wealth. (Foong et al., (2007). The firm's ability to provide a steady stream of income to investors can be viewed as a form of compensation for shareholders in exchange for their willingness to make financial investments in the company; thus, this method of compensation

can assist shareholders in achieving their goal of maximizing their wealth (Mahirun et al., 2023; Salim & Pardiman, 2022; Yin & Nie, 2021).

The term dividend policy refers to the practice used by the firm when deciding the possibility of paying dividends at certain rates without jeopardizing future investment plus how frequently it should be paid out over time. However, the Malaysian Companies Act 2016 did not regulate dividends as a mandatory payment, thus the firm has no obligation to pay dividends. Typically, the board of directors with the advice of management will declare and approve the percentage of profits as dividends. Corporate dividend policies also differ over time and across a firm and the countries, most notably between developed, developing, and emerging capital markets. Thus, different companies will have different dividend policies at the firm's board discretion (Omar & Echchabi (2019). Dividend policy is influenced by a few factors: profitability, free cash flow, firm size, and others. Ayunku & Markjackson (2019) stated that the decision to pay dividends begins with profits. The term "free cash flow" refers to the cash flow generated after the company has invested in all projects with a positive net present value (NPV). Even though a company is profitable and has sufficient free cash flow, it may opt not to pay a dividend if the profits are retained for future investment purposes. Dividends will be paid based on the company's financial position and investment needs.

Several studies indicated that there is a relationship between dividend policy and stock price volatility. It indicates mixed results where the dividend per share shows a significant negative impact whereas the dividend yield indicates an opposite direction which has a significant positive impact on share price movement (Amirthalingam & Rajaratnam, 2022; Koleosho et al., 2022). A company uses dividends to give a signal to the prospects of a company; increased dividends are viewed as positive news, and the stock price rises in response. Due to the information asymmetry between managers (insiders) and investors (outsiders), changes in dividend payments signify future earnings and are used by management to inform the company's investors. This is consistent with signaling theory (Ali et al., 2023; Melching & Nguyen, 2021). In contrast, Karim (2010) investigated the stock market reactions to dividend announcements and the findings are controversial in the sense that the market does not react at all to any dividend announcements for the New York Stock Exchange. However, the market reaction to the London Stock Exchange was found differently where a positive dividend announcement causes a negative reaction, whereas a negative dividend announcement results in a positive market reaction.

Shareholders are more impressed by near-in-time dividends as implied by a high dividend payout than by capital gain generated by a low dividend payout with retention used to finance investment (Kengatharan & Ford, 2021; Nambukara-Gamage & Peries, 2020). Hence, the dividend policy must be appealing enough to attract potential investors because they certainly expect a return when investing in an equity portfolio. If the expectation is not met, it sends a negative signal to the company, lowering its value. Mahirun et al., (2023), and Salim & Pardiman (2022), reported a firm will try to meet the expectations of its shareholders to convey information about its stable earnings. As a result, a dividend announcement is a significant event, and the amount of dividend payment is a major expectation and consideration for shareholders and the investor community. Dividend distribution has been one of the most essential ways of corporate communication. However, payment of dividends may make shareholders worse off than otherwise might be if dividend distribution results in failure to exploit a worthwhile investment opportunity. Dividend policy

usually involves a trade-off between dividend gains and capital gains. Hamza & Hassan (2017) discovered dividend payment does not have a significant influence on shareholders' wealth, because they prefer to maximize their wealth through stock gains by way of capital appreciation in share price.

Traditionally, a dividend is relevant and considered important to the shareholders. Dividend relevancy is supported by a few theories such as signaling, bird in the hand, agency, clientele effect, and tax preferences theory. However, the dividends were seen to be irrelevant according to Miller & Modigliani's (1961) theory and did not affect the share price of a company. A lot of scholars and practitioners disagree with this theory due to a perfect capital market assumption that does not happen in the real world (Melching & Nguyen (2021). Lintner (1962) argued that shareholders prefer higher dividend payments, and this affects the firm's value. Based on the observation, a firm is likely to set a low payout ratio if has many positive net present value (NPV) projects relative to available cash flow and a high payout ratio if it has few positive NPV projects. A higher payout ratio indicates the company's ability to meet its obligations. It later improves firms' credit rating where firm value may increase as a good credit rating company can raise finance easily from the capital market.

An increase in the firm's value will have a greater impact on the shareholders' wealth on capital gain or dividend gain. Prior research used various proxies to measure shareholders' wealth. Chiedu et al. (2020) measured using earnings per share (EPS) represented by a proportion of the earnings allocated to each share of common stock. A few researchers used market price per share (SP) as a measurement of shareholders' wealth that is reflected in the market price of the firm's common stock. Changes in dividend policy will affect the firm's SP in both positive and negative ways, and if a dividend policy can increase a firm's SP, it is ideal (Abdullah et al., 2023; Amirthalingam & Rajaratnam, 2022; Ullah et al., 2021). The impact of dividend policy on shareholders' wealth has been debated extensively in the finance literature over the years but remains an open question (Khalaf et al., 2023; Koleosho et al., 2022); Kengatharan & Ford, 2021; Yin & Nie, 2021).

Chenchehene and Mensah (2015) discovered that dividend policy had a positive effect on shareholders' wealth measured by a few variables including leverage, earnings, profitability, SP, and investment. Ngoc & Cuong, (2021) found that the effect of dividend announcement on the SP is positive around the announcement date. However, for the long-term impact, mixed results indicate a significantly negative relationship between payout ratio, dividend per share (DPS), and stock price volatility, and a positive relationship between dividend yield (DY) and stock price volatility of the companies. Another study by Ruhani & Junoh, (2022) indicated that market capitalization, earnings per share, price-earnings ratio, dividend yield, and trading volume have a positive impact on stock market returns. Dividend policy also has a positive and moderate relationship with shareholders' wealth. The finding in this study is consistent with dividend relevance theory in which dividend affects the SP as it is related to permanent increases in earnings. It is concluded that when the ROE, DPS, and dividend payout ratio increase, the shareholders' wealth will also increase (Nambukara-Gamage & Peries, 2020). Farrukh et al. (2017) and Banerjee (2018), found that dividend policy has a positive significant impact on SP. The finding is supported by Ullah et al. (2021) as they found that a change in one unit of DPS will increase the market price per share by 0.015061 at a p-value less than 5%. This indicates that there is a significant connection between market price per share and dividend policy (DPS).

However, Usman et al. (2021) found a contradicting result where the DPS and DY had a negative impact on SP. Initially, investors expect an increase in DPS to boost SP, however, this study shows that an increase in DPS might lower the SP as compared to the previous year. Apparently, when a firm decides to pay dividends, the possibility for investment is restricted and is viewed as unprofitable by investors. Hence, it causes the SP to drop instead of increase. The study is consistent with Kayode et al., (2022) and Syed et al., (2023) where it was discovered that DY and DPR have a negative but significant relationship with the share price movement. Allocating earnings for investment rather than dividends can enhance the demand for company shares and raise SP. Hence, the overall findings suggest that a greater payout ratio will cause the stock's price to be less volatile. They also claim that the payout ratio is the primary factor influencing stock price volatility (Ali et al., 2023; Hanafi et al., 2023; Khalaf et al., 2023). Hamza & Hassan (2017) argued that a firm's dividend policy is a passive decision that is irrelevant to shareholders' wealth. Instead, shareholders' wealth was primarily impacted by profit margin improvement, sales growth, fixed and working capital investment decisions, decisions on capital structure, and cost of capital, among other factors. These findings were consistent with earlier discussion by Miller & Modigliani's (1961) theory where dividends were seen to be irrelevant and did not affect the share price of a company.

Dogan & Topal (2014) discovered that the DY and DPR had an impact on company performance. Firm performance refers to a firm's financial and operational outcomes, which show its competitiveness, efficiency, and effectiveness can be measured using accounting-based and market-based measures such as return on assets (ROA) and return on equity (ROE). The previous literature indicated that there is a significant positive relationship between dividend policy ratios and firm performance. It can be concluded that ROE will increase if DPS increases and vice versa (Bossman et al., 2022; Ruhani & Junoh, 2022). A similar study was done by M'rabet & Boujjat (2016) concluded that dividend policy affects the performance of a firm. When they analyzed the data using a panel data regression model, a significant positive relationship between dividend policy and firm performance was revealed. Past studies often focus on how earnings affect the dividend policy of a firm. The dividend policy appears to have a positive significant impact on firm performance which is measured by ROE indicating an increase in dividend payment will have a positive impact on firm performance (Syed et al., 2023; Salim & Pardiman, 2022; Banerjee, 2018).

Kanakriyah (2020) explored the relationship between dividend policy and firm financial performance in emerging countries and found that the dividend policy had an impact on company performance via the influence of DY and DPR. The researcher found that investors preferred companies with higher dividends rather than retained earnings, as they will have more liquidity. Nevertheless, Goenawan (2023) and Prianda et al., (2022) studied the effect of return on assets (ROA), current ratio (CR), and debt-to-equity ratio (DER) on stock prices with dividend policy as an intervening variable indicate that the dividend policy is considered unsuccessful to mediate the relationship of ROA and DER to the stock price. The dividend policy of a company is an important topic in corporate finance that has been discussed at various levels of study. Debates on whether dividend policy signals good or bad news and its varying effects have long been discussed. The dividend policy remains an ambiguous issue in financial economics, it is critical to conduct additional research in this area to gain a better understanding of dividend policy (Farrukh et al.,

2017). Therefore, this study would like to investigate the relationship between dividend policy related to a share price (SP) and lagged return on equity (ROE) as a proxy to both shareholders' wealth and a firm's performance, respectively. The purpose of this paper is to determine whether dividend policy affects shareholders' wealth and firm performance in Malaysian Public Listed Companies (PLCs). This study measured dividend policy through dividend per share and dividend yield. Meanwhile, shareholders' wealth was measured by the share price, and firm performance was measured by lagged return on equity.

Methodology

Hypotheses Development

A prior literature review revealed the inconsistency in the relationship between dividend policy and share price used as a measurement of shareholders' wealth. Changes in dividend policy will affect the firm's SP in both positive and negative ways, with either a significant or insignificant impact on shareholders' wealth (Syed et al., 2023; Ngoc & Cuong, 2021). Mixed results indicate a significantly negative relationship between payout ratio, dividend per share (DPS), and stock price volatility and a positive relationship between dividend yield (DY) and stock price volatility of the companies (Ali et al., 2023; Hanafi et al., 2023; Ullah et al., 2021). However, the previous literature on the relationship between dividend policy and return on equity used as a measurement of firm performance showed almost consistent results indicating that there is a significant positive relationship between dividend policy and firm performance. It can be concluded that ROE will increase if DPS increases and vice versa (Bossman et al., 2022; Farrukh et al., 2017; M'rabet & Boujjat, 2016). A similar measurement of share price for shareholders' wealth and return on equity for firm performance is used in this study. The correlation of the dividend policy on share price and return on equity should be construed together and develop this hypothesis:

H₁: There is a significant positive relationship between dividend policy and the share price.

H₂: There is a significant positive relationship between dividend policy and the return on equity.

This study aims to examine the impact of dividend policy on shareholders' wealth and the firm performance of PLCs in Malaysia. All the hypotheses development led to the following conceptual research framework (Figure 1) explaining the relationship of independent variables with dependent variables. Dividend policy is the independent variable measured by DPS and DY. Meanwhile, the dependent variable is the shareholders' wealth and future firm performance. Proxies for shareholders' wealth is a share price (SP) whilst return on equity (ROE) is used to measure the future firm's performance. This study is quantitative in nature and used secondary data selected from the top 60 Malaysian Public-Listed Companies (PLCs) traded in Bursa Malaysia for a period of eleven years, starting from 2010 to 2020, via a cross-sectional study. The focus group is dividend-paying firms that have the capacity and ability to pay dividends. Data on the variables representing dividend per share (DPS), dividend yield (DY), share price (SP), and return on equity (ROE) were extracted from the DataStream and Firm Annual Report. The control variable used in the current study is the firm size, which was measured by the natural logarithm of total assets.

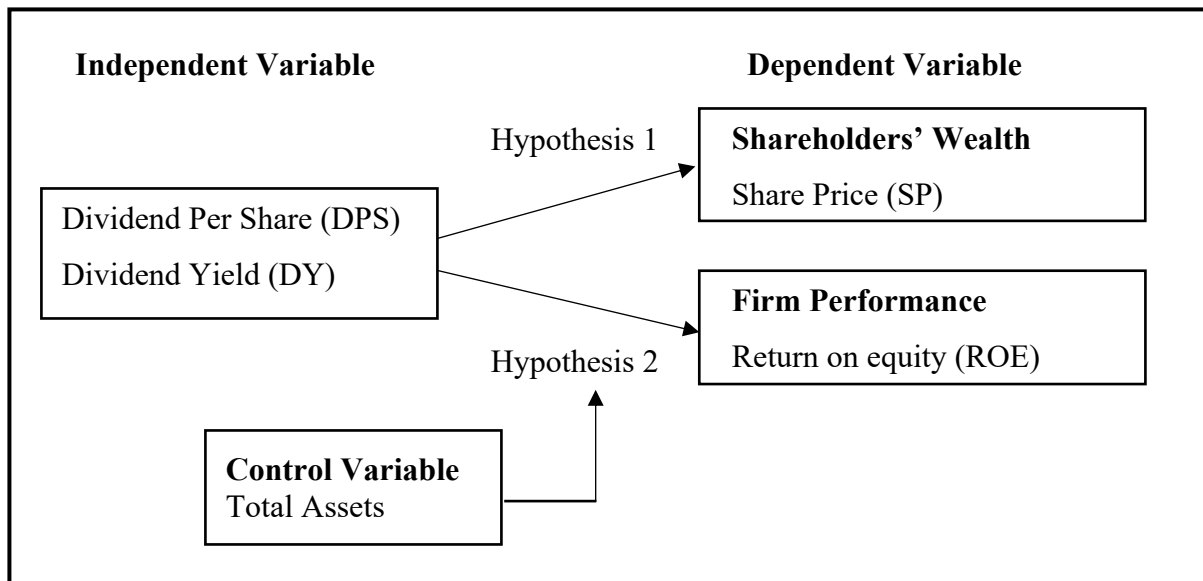


Figure 1: Conceptual Framework

Findings And Discussion

Descriptive Statistic

This study reports the sample distribution across industry classifications determined by Bursa Malaysia, shown in Table 1. The 60 Malaysian PLC firms included in this sample need to meet the criteria; (i) availability of firm's data in DataStream and Annual Report; (ii) availability of dividend payout. Many PLCs are from consumer product services (37%), followed by the plantation sector (15%) and utilities (10%). The least companies are from energy, transportation, and logistics representing 2%.

Table 1: Sample Distribution Industry Classification by Bursa Malaysia

Industry Classification	#Sample Firms	% Sample Firms
Utilities	6	10
Consumer Product Services	22	37
Telecommunication & Media	3	5
Plantation	9	15
Industrial Product Services	5	9
Real Estate Investment	2	3
Energy	1	2
Construction	3	5
Property	4	6
Healthcare	4	6
Transportation & Logistics	1	2
Total	60	100

Table 2 shows the descriptive statistics for all variables in this study. The average value for Dependent Variables was 23.8173 (%) for ROE and 1023.7629 (cents) for SP. The top 60 companies were pre-selected to ensure that there was no missing data; hence, the minimum value for all variables was not 0. From the table below, ROE had a negative value of 10.38 (%), and the maximum value recorded a score of 369.91 (%).

Table 2: Descriptive Statistics for All Variables

Variables	Mean	Std. Deviation	Minimum	Maximum
Return on Equity (ROE)	23.8173	39.71408	-10.38	369.91
Share Price (SP)	1023.7629	1458.15192	66.50	14530.00
Dividend Yield (DY)	3.1881	1.59815	0.11	9.73
Dividend Per Share (DPS)	27.7083	46.28741	1.00	350.00
Total Assets (TA)	6.6558	0.57765	5.48	8.25

Normality Test

Table 3 presents the results from the Shapiro-Wilk Test, Skewness, and Kurtosis. The Shapiro-Wilk Test is more appropriate for small sample sizes (< 50 samples), but it can also handle sample sizes as large as 2000. Based on the results in Table 3, the entire variables had a significant value of less than 0.05, hence concluding that all the variables did not have a normal distribution. Based on the Shapiro-Wilk test for normality, all the variables were not normally distributed since the p-value was less than 0.05.

Table 3: Shapiro-Wilk Test of Normality, Skewness, and Kurtosis

Variables	Shapiro-Wilk			Skewness	Kurtosis
	Statistic	df	Sig.		
Return on Equity (ROE)	0.482	600	0.000	4.762	28.060
Share Price (SP)	0.565	600	0.000	4.381	28.162
Dividend Yield (DY)	0.967	600	0.000	0.638	0.089
Dividend Per Share (DPS)	0.536	600	0.000	3.876	17.355
Total Assets (TA)	0.977	600	0.000	0.388	-0.370

The tolerance and VIF value indicated in Table 4 shows that there is no multicollinearity issue. Values of VIF that exceed 10 are often regarded to indicate multicollinearity, while in weaker models, values above 2.5 may be a cause for concern indicating the presence of collinearity among the variables in the model. Based on Table 4, all variables did not have VIF values exceeding 2.5, so it can be concluded that the model did not have a multicollinearity issue.

Table 4: Variance Inflation Factors (VIF) Result

Variables	Share Price		Return on Equity	
	Tolerance	(VIF)	Tolerance	(VIF)
Dividend Yield (DY)	0.959	1.043	0.959	1.043
Dividend Per Share (DPS)	0.970	1.031	0.970	1.031
Total Assets (TA)	0.988	1.012	0.988	1.012

Correlation Analysis

Table 5 shows that there was a significant positive relationship between DPS and all the dependent variables at a significant level of 0.01, with a correlation coefficient (r) of 0.252** against ROE and 0.784** on SP. Based on Pearson's correlation rule of thumb, the strength of correlation ($r = 0.124$ **) between DY and ROE is considered weak since its coefficient size is below ± 0.30 .

Table 5: Pearson Correlation Analysis Results

Variables	ROE	SP	DY	DPS	TA
Return on Equity (ROE)	1				
Share Price (SP)	0.206** (0.000)	1			
Dividend Yield (DY)	0.124** (0.003)	-0.200** (0.000)	1		
Dividend Per Share (DPS)	0.252** (0.000)	0.784** (0.000)	0.174** (0.000)	1	
Total Assets (TA)	-0.102** (0.015)	0.046 (0.276)	0.021 (0.620)	0.108* (0.010)	1

* Correlation is significant at the 0.05 level (2-tailed). **Correlation is significant at the 0.01 level (2-tailed)

*Type of Industry is not tested as it is a categorical variable

Analysis of Regression

Table 6 shows model coefficients for multiple linear regression featuring both share price (SP) and return on equity (ROE). SP shows a high R^2 value of 0.733. It can be concluded that 73.3% of the variation in SP is explained by the Independent Variables (DY and DPS). Both independent variables, DPS and DY, were found to have a positive and negative significant relationship between DPS ($\beta = 34.407$) and DY ($\beta = -184.438$) towards SP. DPS was found to have a significant positive relationship with SP. This is also consistent with Abdullah et al. (2023), Koleosho et al. (2022), and Ullah et al. (2021). The findings support the signaling theories, where the dividend is relevant to shareholders and affects the shareholders' wealth. Hence, the first hypothesis (H_1) is supported, where there is a significant positive relationship between dividend policy and the SP. Meanwhile, the DY appeared to have a significant negative relationship with SP. The finding is consistent with a study by Hanafi et al. (2023), Kayode (2022), and Usman et al. (2021), in which dividend policy has a negative impact on the SP.

The ROE indicates a very low R^2 value of 8.7% which can be interpreted as the independent variable (DY and DPS) not explaining much in the variation of the dependent variable (ROE). However, Table 6 shows that DPS, DY, and Log of Total Assets were significant towards ROE. Both DPS ($\beta = 0.439$) and DY ($\beta = 1.890$) variables were found to have a positive significant relationship towards ROE. DPS was revealed to have positive and significantly affected the ROE at the 99% confidence interval. The result from this finding also revealed that DY had a significant positive impact on ROE. The findings are supported by studies done by Mahirun et al. (2023), Bossman et al. (2022), Banerjee (2018), and Farrukh et al. (2017). Thus, the second hypothesis (H_2) is supported.

Table 6: Model Coefficients for Multiple Linear Regression: Share Price and Return on Equity

Independent Variables	Share Price (DV)		Return on Equity (DV)	
	β	Sig.	β	Sig.
Constant	1097.865	0.000	61.833	0.000
x_1 (Dividend Per Share)	34.407	0.000**	0.439	0.000**
x_2 (Dividend Yield)	-184.438	0.000**	1.890	0.043**
x_3 (Log Of Total Assets)	-56.754	0.079	-8.272	0.001**
R^2	0.733		0.087	
Durbin Watson	2.278		2.059	
P - value (ANOVA)	0.000		0.000	

** P-value significant at 0.05

Conclusion

This study is to examine the impact of dividend policy on shareholders' wealth and the firm performance of PLCs in Malaysia. DPS and DY are the measurements for the dividend policy, whereas SP and lagged ROE are the proxy measurements for shareholders' wealth and firm performance, respectively. Overall, it can be concluded that DPS has a significant positive relationship with shareholders' wealth and firm performance. More interesting, DY indicates mixed results where it has a negative significant relationship with shareholders' wealth but appears to have a significant positive relationship with firm performance. The results revealed that DY has a negative effect on SP. Though DY shows a negative association, it indicates a significant relationship between dividend policy and SP. These mixed results are consistent with signaling theory and prior studies (Hanafi et al., 2023; Ngoc & Cuong, 2021; Ullah et al. (2021) where they found that dividend policy was discovered to be a very determinable determinant of their share prices.

The findings revealed that there is a positive relationship between dividend policy and firm performance measured by ROE. This indicates the higher the DPS and DY, the higher the lagged ROE of the companies. The findings are consistent with Mahirun et al. (2023), Bossman et al. (2022) and Banerjee (2018). This study adds more literature and contributes useful insights to the debates on the effect of dividend decisions in emerging markets, particularly in Malaysia. The findings are expected to serve as a reference for management and investors to analyze the market reaction following the announcement of important corporate finance decisions between investment, dividends, and financing decisions. The future research area may include the variations

of management strategies to examine the effect on dividend policy. Besides, a comparative study between high dividend payout versus low dividend payout across different sectors and industries is quite an interesting area to study.

References

Abdullah, H., Isiksal, A. Z., & Rasul, R. (2023). Dividend policy and firm value: Evidence of financial firms from Borsa Istanbul under the IFRS adoption. *Journal of Financial Reporting and Accounting*.

Ali Taher, F. N., & Al-Shboul, M. (2023). Dividend policy, its asymmetric behavior and stock liquidity. *Journal of Economic Studies*, 50(3), 578-600.

Amirthalingam, N., & Rajaratnam, A. (2022). The Impact of Dividend Policy on Share Price Volatility: A Study of Materials Industry in Colombo Stock Exchange. *International Journal of Technical & Scientific Research Engineering*, 5(6), 13-20.

Ayunku, P. E. & Markjackson, D. (2019). Determinants of dividend payout policy of listed corporations in Nigeria. *Business, Management and Economics Research*. 5(59). 134-141.

Banerjee, A. (2018). Dividend policy as a corporate communication and its impact on firm value evidences from listed companies in Qatar Stock Exchange. *Financial Markets, Institutions and Risks*, 2(4), 29-38.

Bossmann, A., Agyei, S. K., Asiamah, O., Agyei, E. A., Arhin, E. Y., & Marfo-Yiadom, E. (2022). Dividend policy and performance of listed firms on Ghana stock exchange. *Cogent Economics & Finance*, 10(1), 2127220.

Chenchehene, J., & Mensah, K. (2015). Dividend policy and its effects on shareholders' wealth: Evidence from UK retail industry. *International Journal of Liberal Arts and Social Science*, 3(2), 52-64.

Chiedu Christian, O., & Justina, O. N. I. (2020). Effect of dividend policy on shareholders wealth creation and firm performance of listed banks in Nigeria. *Journal of Accounting and Financial Management*, 6(3), 2695-2211

Dogan, M. & Topal, Y. (2014). The influence of dividend payments on company performance: The case of Istanbul Stock Exchange (BIST). *European Journal of Business and Management*, 3(6), 189- 197.

Farrukh, K., Irshad, S., Khakwani, M. S., Ishaque, S., Ansari, N. (2017). Impact of dividend policy on shareholders wealth and firm performance in Pakistan. *Cogent Business & Management*, 4(1), 1-11.

Foong, S. S., Zakaria, N. B., & Tan, H. B. (2007). Firm performance and dividend-related factors: The case of Malaysia. *Labuan Bulletin of International Business and Finance (LBIBF)*, 97-111.

- Goenawan, Y. A. (2023). Effect of Profitability and Solvency on Stock Prices with Dividend Policy as An Intervening Variable. *APTISI Transactions on Management (ATM)*, 7(2), 143-151.
- Hamza, S. M., & Hassan, Z. (2017). Impact of dividend policy on shareholders' wealth: A comparative study among dividend paying and non-paying technology-based-firm in USA. *International Journal of Information, Business and Management*, 9(3), 1.
- Hanafi, N. B., Halid, R. B., & Othman, F. M. (2023). The Effect of Dividend Policy on Share Prices of Bursa Malaysia Listed Companies. *International Journal of Industrial Management*, 17(1), 14-20.
- Kanakriyah, R. (2020). Dividend policy and companies' financial performance. *The Journal of Asian Finance, Economics, and Business*, 7(10), 531-541.
- Karim, M. (2010). Announcement effect of dividend on the stock price of enlisted companies in developed countries: A comparative study between London stock exchange & New York stock exchange. January 21, 2020. Available at SSRN 1624363.
- Kayode, K., Gbenga, O., & Ayobami, R. (2022). Effect of dividend policy on share price movement: Focusing on companies listed on the Nigerian Stock Exchange market. *Financial Markets, Institutions and Risks*, 6(4), 101-118.
- Kengatharan, L., & Ford, J. S. D. (2021). Dividend policy and share price volatility: Evidence from listed non-financial firms in Sri Lanka. *International Journal of Business and Society*, 22(1), 227-239.
- Khalaf, B. A., Awad, A. B., & Ahmed, S. S. (2023). *Corporate and Business Strategy Review*, 2023, 4(2 Special Issue), pp. 289–295
- Koleosho, A. O., Akintoye, I. R., & Ajibade, A. T. (2022). The effect of dividend policy on share price volatility of some selected companies on the Nigerian Exchange. *Journal of Accounting, Business and Finance Research*, 15(1), 10-20.
- Lintner, J. (1962). Dividends, Earnings, Leverage, Stock Prices, and the Supply of Capital to Corporations. *The Review of Economics and Statistics*, 44: 243–269.
- Mahirun, M., Jannati, A., Kushermanto, A., & Prasetiani, T. R. (2023). Impact of dividend policy on stock prices. *Acta Logistica*, 10(2), 199-208.
- Melching, K., & Nguyen, T. (2021). On The Impact of Dividend Payments on Stock Prices--An Empirical Analysis of The German Stock Market. *Studies in Business & Economics*, 16(1)
- Miller, M. H., & Modigliani, F. (1961) Dividend policy, growth, and the valuation of shares, *Journal of Business*, 34, 411-433

- M'rabet, R., & Boujjat, W. (2016). The relationship between dividend payments and firm performance: A study of listed companies in Morocco. *European Scientific Journal*, 12(4).
- Nambukara-Gamage, B., & Peries, S. T. (2020). The impact of dividend policy on shareholder wealth: A study on the retailing industry of Australia. *Review of Integrative Business and Economics Research*, 9(1), 38-50.
- Ngoc, D. B., & Cuong, N. C. (2021). Dividend policy and stock price: evidence from Vietnam. *Afro-Asian Journal of Finance and Accounting*, 11(5), 672-690.
- Omar, M. M. S., & Echchabi, A. (2019). Dividend policy and payout practices in Malaysia: A qualitative analysis, *Journal of Accounting, Finance and Auditing Studies*, 5(1), 226-240.
- Prianda, D., Sari, E. N., & Rambe, M. F. (2022). The Effect of Return on Asset (ROA), Current Ratio (CR) and Debt to Equity Ratio (DER) on Stock Prices with Dividend Policy as an Intervening Variable. *International Journal of Business Economics (IJBE)*, 3(2), 117-131.
- Ruhani, F., & Junoh, M. Z. M. (2022). Are stock market returns affected by financial market variables? Evidence from Bursa Malaysia by panel generalized method of moments. *International Journal of Ethics and Systems*, (ahead-of-print).
- Salim, M. A., & Pardiman, P. (2022). The role of dividend policy as intervening variables on the effect of earning per share, debt equity ratio and price book value on stock price. *Jurnal Bisnis Dan Manajemen*, 9(1), 77-86.
- Syed, A. M., Bawazir, H. S., & AlSidrah, I. T. (2023). Dividend policies and stock volatility-empirical evidence from Middle Eastern stock markets. *Review of Accounting and Finance*. <https://doi.org/10.1108/RAF-03-2023-0069>
- Ullah, I., Suliman, M., Nargas, H., & Ullah, M. S. (2021). Dividend policy and its impact on shareholders wealth: Evidence from chemical oil, and gas sector companies listed in Pakistan stock exchange (PSX). *Journal NX – A Multidisciplinary Peer Reviewed Journal*, 7(07), 1–15. <https://doi.org/10.17605/OSF.IO/SQN5J>
- Usman, B., Lestari, H. S., & Sofyan, S. (2021). The effect of dividend policy on share price manufacturing companies in Indonesia. In *3rd International Conference of Banking, Accounting, Management and Economics (ICOBAME 2020)*, 117-122
- Yin, L., & Nie, J. (2021). Adjusted dividend-price ratios and stock return predictability: Evidence from China. *International Review of Financial Analysis*, 73, 101618.