



/Translation from the Lithuanian language/

APPROVED

By the Resolution of the Board of AB Grigeo of
6 April 2023

(Minutes No 23/03 of the Board Meeting of
6 April 2023)

AB GRIGEO DIVIDEND POLICY

1. GENERAL PROVISIONS

- 1.1. The Dividend Policy (the '**Policy**') of AB Grigeo (the '**Company**') establishes the guidelines for the determination of the amount of dividends proposed to be paid and the procedure for the allocation and payment of dividends. The Policy has been prepared in accordance with the Law of the Republic of Lithuania on Companies and other legal acts.
- 1.2. This Policy shall be approved and amended by the Board of the Company.
- 1.3. The Policy is available on the Company's web site at www.grigeo.lt.
- 1.4. Objectives of the Policy:
 - 1.4.1. Serving the interests of the Company's shareholders while ensuring sustainable growth in the value of the shareholders' equity.
 - 1.4.2. Ensuring the financial sustainability and growth opportunities for the Company and its subsidiaries.
 - 1.4.3. Raising stock market participants' awareness of the Company.
- 1.5. If this Policy does not regulate the arising relations or if the legal regulation set out in this Policy is not in line with the legal provisions of the Republic of Lithuania, the Company shall follow the Law of the Republic of Lithuania on Companies and other legal acts.

2. DIVIDEND AMOUNT

- 2.1. The Board of the Company aims to propose a share of profit in dividends equivalent to 3 cents (EUR 0.03) for each ordinary registered share of the Company.
- 2.2. The Board of the Company may propose dividends in excess of the target level, taking into account working capital and investment requirements in future periods, market conditions, projected cash flows, debt level or other relevant circumstances.
- 2.3. The total amount of dividends proposed shall not exceed half of the consolidated net profit of the Company and its subsidiaries for the preceding accounting period in respect of which the retained earnings are distributed.
- 2.4. If the total target dividend amount exceeds half of the consolidated net profit of the Company and its subsidiaries, the Board of the Company shall assess working capital and investment requirements in future periods, market conditions, projected cash flows, debt level or other relevant circumstances and may propose dividends lower than the target dividend.
- 2.5. The Board may propose dividends below the target, or may propose not to allocate dividends in the following cases:
 - 2.5.1. There has been a material deterioration in the financial position of the Company and/or its subsidiaries.

2.5.2. The Company has outstanding material financial obligations which have matured or will mature within 12 months after the decision to declare a dividend is taken by the General Shareholders' Meeting;

2.5.3. The Company is in default or would be in default under loan agreements with credit institutions after payment of dividends.

3. DIVIDEND ALLOCATION

3.1. Dividends shall be allocated by a resolution of the General Shareholders' Meeting of the Company.

3.2. Dividends may be allocated for a financial year by a resolution of the General Shareholders' Meeting of the Company on the appropriation of profits. The General Shareholders' Meeting of the Company may also decide to allocate dividends for a period shorter than a financial year.

3.3. The shareholders of the Company who hold at least 1/3 of the total number of votes shall have the right of initiative in the allocation of dividends for a period shorter than a financial year.

3.4. The Board of the Company shall, in accordance with the provisions of this Policy, make a draft decision on profit distribution of the Company, together with the feedback and proposals thereon, to be submitted to the Company's Supervisory Board and the General Shareholders' Meeting.

3.5. The Board of the Company shall analyse and evaluate the draft decision on the allocation of dividends for a period shorter than a financial year and the interim financial statements drawn up for that purpose, which shall be submitted to the Supervisory Board and the General Shareholders' Meeting, together with the feedback and proposals thereon, and the Company's interim report.

3.6. The Supervisory Board of the Company shall submit to the General Shareholders' Meeting of the Company its feedback and proposals on the draft profit distribution of the Company and the draft decision on the allocation of dividends for a period of shorter than a financial year, and on the interim financial statements drawn up for this purpose and the interim report.

4. DIVIDEND PAYMENT

4.1. Dividends shall be payable to the persons who, at the end of day for recording the rights of the General Shareholders' Meeting that declared a dividend, were shareholders of the Company or were otherwise legally entitled to receive dividends.

4.2. Dividends shall be paid by the Company not later than within one month of the date of the decision of the General Shareholders' Meeting to distribute profits or the decision to allocate dividends for a period shorter than a financial year. The advance payment of dividends shall be prohibited. The Company shall pay dividends in cash.

4.3. With regard to shareholders whose shares in the Company are accounted by brokerage firms or branches of credit institutions providing securities accounting services, the dividend amount shall be credited to a shareholder's account with the relevant brokerage firm or credit institution.

4.4. With regard to shareholders whose shares in the Company are accounted by the Company's authorised securities account manager, the dividend amount shall be credited to the account (IBAN) held with the bank or other financial institution, as specified by the shareholder.

4.5. The taxation, withholding and payment of applicable taxes on dividends paid by the Company shall be in accordance with the laws of the Republic of Lithuania.
