

DIVIDEND DISTRIBUTION POLICY OR OTHER BENEFITS TO THE SHAREHOLDERS OF DN AGRAR GROUP SA

The dividend policy of DN AGRAR GROUP SA (the Company) establishes the guiding principles based on which the Board of Directors makes proposals for dividend distribution to the company's shareholders.

The dividend policy practiced by the Company aims to maintain a balance between the remuneration of shareholders through dividends and the need to finance new investments from the profit generated. Maintaining this balance aims both to increase long-term investment attractiveness and to preserve the Company's future development potential, ensuring the long-term sustainable profitability of the business, in the interest of increasing the value created for shareholders.

The Company's shareholders are remunerated transparently and efficiently, both financially and fiscally, through any of the proposed options: dividend distribution, profit reinvestment or Company share buy-back programs. The primary recipients and beneficiaries of the dividend policy are the Company's shareholders and potential investors who are considering investing in DN AGRAR GROUP shares (**symbol DN**).

1. DN AGRAR GROUP SA's dividend policy is based on the following general principles:
 - a. The policy complies with the applicable legal and regulatory framework in the Romanian capital market and is complementary to the provisions of DN AGRAR GROUP SA's Articles of Incorporation.
 - b. The policy does not imply an obligation for the Board of Directors to recommend dividends if this decision is not in the favor of the development of the company and its subsidiaries, or if there are legal restrictions by supervisory authority with competence in the Romanian capital market.
 - c. The policy does not exclude the capitalization of retained profits by increasing of share capital, i.e. the distribution of free shares.
 - d. In the context where DN AGRAR GROUP SA is a growth-oriented company, the priority of the Board of Directors and the management team will be to direct the net profit first towards investment activity (CapEx), and secondly to analyze the opportunity of granting dividends depending on the company's financial position and prospects.
2. The bases for the Board of Directors' analyses prior to a potential dividend distribution proposal:
 - a. The company's economic and financial performance and level of indebtedness;
 - b. The company's investment needs and opportunities, which may include both expansions of existing production capacities and the development of new products in the portfolio or M&A activities;



- c. The macroeconomic environment that has the potential to influence the company's performance;
- d. The market context that may influence the company's operational activity to varying degrees;
- e. The legislative environment in terms of potential provisions and/or restrictions that may impact either the ability to distribute dividends or the company's operational activity;
- f. The dividend yield compared to the market average, as well as the extent to which it corresponds to the expectations and desire of the company's shareholders at that time;
- g. Any specific events that may generate an exceptional net profit or may determine the decision to direct the profit towards supporting the company's development activity.

3. The proposal/Recommendation for dividend distribution shall be formulated by the Board of Directors and shall be submitted for approval to the General Meeting of Shareholders, based on the agenda of the GSM convocation, along with:

- a. The report containing the audited financial statements for the period related to the registration of the net profit proposed for distribution (annual or interim);
- b. The gross dividend value that will be distributed to shareholders;
- c. The ex-date and the Record Date based on which the shareholders entitled to receive dividends are identified;
- d. The dividend payment date, which shall not exceed 6 months from the date of approval of their distribution. The dividend distribution proposal, as well as other related documents, if required, shall be published on the Company's website dedicated to investors in the General Meeting of Shareholders section.
- e. Dividends are distributed to shareholders only after approval by the General Meeting of Shareholders, proportionally to their shareholding in the share capital. Each share held gives shareholders an equal right to receive the established dividend per share. The Company will publish the dividend payment procedure and will ensure its publication through the Bucharest Stock Exchange (**symbol DN**) and on its own website, to ensure uniform access of shareholders to information.

The company's financial year begins on January 1st and ends on December 31st.

Chairman of the Board of Directors,
Jan Gijsbertus de Boer

