

	DIVIDEND POLICY	
	SIFO 21/ no. 1745/31.01.2023	
	Approved	Date of approval: Approved in the meeting of the Board of Directors on 09.02.2023 by decision no. 5 art.1
	Board of Directors	
	Endorsed by	
	President - General Manager	
	Sorin - Iulian Cioacă	
	Vice President - Deputy General Manager	
	Mihai Trifu	

GOAL

This Policy aims to establish the principles and objectives that can ensure the reward of shareholders through the distribution of dividends and/or share repurchase programmes.

GENERAL PRINCIPLES

The dividend policy of S.I.F. Oltenia S.A. aims to satisfy both the short-term interests of investors and the medium and long-term institutional development, so that a part of the net profit can be distributed to reserves, in order to create the own sources necessary for the investment activity.

The investment strategy of S.I.F. Oltenia S.A. has as main objective the increase of the portfolio's performance, as a result of the long-term increase of the value of the managed assets, correlated with the increase of the investment income.

The investments made will be within the risk profile of the company and within the applicable prudential limits and within the asset classes provided by the incident legislation, aiming to maintain a risk-return balance within the assumed risk parameters.

S.I.F. Oltenia S.A., through its management structure, may propose to the Ordinary General Meeting the approval of the remuneration of the shareholders in the form of dividend distribution or the development of programmes for the buy-back of its own shares, including through the Public Purchase Offers.

In the context of the volatility of capital markets, S.I.F. Oltenia S.A. seeks to find an optimal balance between the need to provide resources to support investment programmes in order to increase net assets and the distribution of dividends.

The annual level of cash distributions, subject to the provision of financing resources necessary for the implementation of the investment strategy, will reflect the context of the national and European economic environment and will aim to create conditions for capitalizing on investment opportunities.

Under favourable market conditions, subject to the application of the restrictions imposed by the legal regulations and the necessary approvals, the Board of Directors of S.I.F. Oltenia S.A. may propose the allocation of amounts to reward the shareholders by combining the dividend distribution mechanism and the share buy-back mechanism.

This Policy does not limit the amounts proposed for approval to reward shareholders, as long as resources for investment programmes are also provided.

Distribution and calculation of shareholder compensation amounts will be made on the basis of the audited financial statements taking into account the total revenues realized and the total operating expenses of the company.

DISTRIBUTION OF DIVIDENDS

The distribution of dividends is proposed by the Board of Directors and approved by Decision of the Ordinary General Meeting of Shareholders.

With the approval of the distribution of dividends, the General Meeting of Shareholders also establishes the date on which they will be paid to the shareholders. This date shall not be set later than 6 months from the date of the General Meeting of Shareholders.

Dividends are distributed to shareholders in proportion to their holding in the share capital on the registration date established by the General Meeting of Shareholders.

The company calculates and withholds the dividend tax due by the shareholders, in the rates provided by the legislation in force on the date of payment, tax which it declares and transfers to the state budget.

Dividends approved and not raised for more than 3 years from the date of their chargeability, for which the right to share is extinguished by prescription, may be proposed to be recorded in the company's accounting according to the legal provisions in force.

S.I.F. Oltenia S.A. publishes, prior to the payment date, a communication on the payment of dividends to shareholders on the website of the market operator B.V.B. and on its own website – www.sifolt.ro, in accordance with the legislation in force.

SHARE REPURCHASE PROGRAMMES

The Board of Directors may propose to the shareholders of S.I.F. Oltenia S.A. the approval of the distribution of a part of the net distributable profit for carrying out share repurchase programmes. These proposals may lead to a reduction in the discount between the market price of the share and the NAV.

The Public Offerings of Buy-back (OPC) are made in compliance with the applicable legal provisions and within the limits proposed by the Board of Directors and approved by the shareholders.

The sources required to finance such programmes are from distributable profit or available reserves (excluding legal reserves) entered in the audited annual financial statements subject to approval.

Repurchase programmes shall have as their main advantages:

- reduction of the discount between the net asset and the trading price;
- increase of the profit per share, after the decrease of the share capital;
- increase in shareholder returns due to the possible increase in the stock exchange quotation as a result of the implementation of the programme;
- increasing the shareholding in the share capital for existing shareholders;
- the provision of remuneration to shareholders wishing to participate in those programmes.

At the same time, the approved buy-back programmes may offer the possibility of allocating shares to employees, in accordance with the remuneration policy of the company and according to the performance objectives of the company, the SIF 5 action, the economic evolution and the capital market.

The shares acquired by S.I.F. Oltenia S.A. within the buy-back programmes do not give the right to vote in the general meetings of the shareholders of the company nor the right to receive dividends during the period of their holding by the Company.

REVISION

The policy is approved by the Board of Directors and published on the company's website - www.sifolt.ro and may be revised in accordance with the applicable regulations.

This dividend policy provides investors with information that can be used to adopt investment decisions in shares of S.I.F. Oltenia S.A. and does not constitute a certainty of rewarding the shareholders of the company.

ENDORSED

Compliance Office

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