



**DIVIDEND POLICY OF EVERGENT
INVESTMENTS SA**



Drive for
performance

I. General Provisions

The dividend policy of EVERGENT Investments (EVERGENT) sets the objectives, principals and essential coordinates regarding dividend distribution and payment method. The policy complies with the applicable legal provisions, provisions of the Memorandum of Association of the company and is aligned with the Investment Strategy and Policy, as well as with the corporate governance framework within EVERGENT.

The present Policy confirms EVERGENT's firm commitment to creating long-term value for its shareholders.

II. Objectives of the Dividend Policy

Through the predictable dividend policy adopted by the Board of Directors, EVERGENT Investments seeks to maintain a balance between returning value to shareholders and the efficient allocation of financial resources necessary to support investment programs, in accordance with the strategic objectives set for the medium and long term.

Through this integrated approach, EVERGENT Investments strengthens its position as a long-term strategic investor, capable of delivering sustainable growth and generating added value for shareholders. The investment strategy provides stability through portfolio performance and consistency through the duration of performance, demonstrating the ability to drive the company's development for the benefit of shareholders, return capital to shareholders, and generate organic growth.

EVERGENT Investments seeks to return value to shareholders through a mix of predictable dividend distribution and consistent share buyback programs aimed at reducing the trading discount by ensuring market recognition of the value of its assets and increasing the share price.

EVERGENT Investments targets a dividend pay-out ratio in the range of 40–70%, in correlation with financial performance and the macroeconomic context, using the previous year's net result as the source.

By exception, the annual dividend payment may be sourced from reserves formed from previous years' profits or retained earnings reflected in the most recent approved and audited financial statements, when this is in the shareholders' interest, taking into account the provisions of tax legislation or market conditions.

The dividend policy is adapted to and reflects the general and specific conditions of the environment in which EVERGENT operates, including the macroeconomic and fiscal context, the evolution of the capital market, and the financial performance of the assets in the managed portfolio.

EVERGENT's capacity to distribute dividends to shareholders may be limited, as it is a self-managed investment company whose main activity consists of making and managing investments in the assets defined in its investment policy. Therefore, its ability to generate income and pay dividends also depends on the capacity of the portfolio companies to declare and distribute dividends.

III. Principles

The Company's shares are indivisible and confer equal rights to their holders. Each share held by a shareholder on the record date entitles them to receive dividends, in the amount and under the conditions established by the Ordinary General Meeting of Shareholders.

Certain circumstances may affect the Board of Directors' proposal regarding the distribution in the form of dividends of the net profit for the current year and/or reserves constituted from profits from previous years and retained earnings, such as, but not limited to, the following:

- preserving the funds necessary for development and covering operational needs;
- compliance with certain legal provisions and restrictions regarding the distribution of dividends;
- compliance with any restrictions or contractual commitments with the company's creditors;
- as a result of the general state of the economy, in order to absorb future shocks in the event of uncertain, unfavourable economic conditions and in situations where policy decisions by the government or government authorities have a major influence on or affect EVERGENT's business;
- tax policies and applicable tax rates, which directly influence the amount of profits available for distribution to shareholders.

IV. Approval and Calculation of Dividends

Based on the proposals made by the Board of Directors, the Ordinary General Meeting of Shareholders approves the distribution of dividends.

Upon approval of the amount of gross dividends to be distributed (the dividend per share) and their source, the Ordinary General Meeting of Shareholders also establishes the record date, which shall be at least 10 business days after the date of the General Meeting of Shareholders. The payment date shall be set within a maximum of 15 business days from the record date, but no later than six months from the date of the General Meeting of Shareholders approving the dividends.

The dividend fund is determined by multiplying the gross dividend per share by the number of shares entitled to receive dividends on the record date (excluding the Company's own bought-back shares held on that date), and the gross dividend due to each shareholder is calculated based on the number of shares held by them on the record date.

V. Dividend Payment

In accordance with legal provisions, dividend payments are made through the Central Depository, the participants in the clearing and settlement system and registry (intermediaries, in accordance with Law no. 24/2017), and the designated Paying Agent.

Dividends are subject to withholding tax, at the rate provided by the applicable legislation. Net dividends are paid in lei.

Any fees related to the dividend payment transaction shall be deducted from the net dividend amount.

The method of dividend payment is made available to shareholders on the Company's website prior to the payment start date, on the occasion of each General Meeting of Shareholders approving the dividend distribution.

By way of exception to the payment date approved by the Ordinary General Meeting, under more favourable tax conditions, in compliance with legal provisions and at the request of shareholders, EVERGENT Investments shall make a deferred dividend payment within 10 business days from the date of submission of complete and correct documentation to the Company's headquarters.

Unclaimed dividends expire three years from the payment date as established by the General Meeting of Shareholders, in accordance with legal provision.

EVERGENT publishes in the annual activity report information regarding the implementation of the dividend distribution policy, the amount of dividends paid over the past three years, and, if applicable, the reasons for any reduction in dividends during the last three years.

VI. Buyback Programs

In the context of the specific volatility of capital markets, the Board of Directors seeks to strike a balance between the need to ensure resources to support investment programs that are to be developed, short-term expectations of shareholders, namely the distribution of dividends and long-term expectations of shareholders, that is the increase of managed assets and implicitly of EVER share.

The Company ensures the return of value to shareholders either through a predictable dividend policy, through share buyback programs, or through a combination of these methods.

The Board of Directors is constantly focused on returning value to shareholders, both through the payment of cash dividends and through share buyback programs in the market or via Public Purchase Offers (PPOs). The combination of dividend allocation and buyback programs provides a return superior to that offered by the traditional dividend

distribution, rewarding invested capital at a higher level.

The Board of Directors of EVERGENT Investments may submit for approval by the shareholders operations for the repurchase of treasury shares, followed by a reduction in share capital.

The main objectives of the treasury shares buy-back operations with a reduction in share capital are:

- ✓ Increase in net asset value per share and in earnings per share;
- ✓ Increase of share marketability;
- ✓ Increase in shareholder returns through the potential support of rising market prices;
- ✓ Increase in the ownership stake in share capital for existing shareholders.

Share buyback operations shall be carried out within the limits provided by EU Regulation No. 596/2014, EU Delegated Regulation No. 1052/2016, Law No. 24/2017, Law No. 31/1990, and within the general limits approved by the shareholders.

The acquisition of shares under these market buyback programs shall be carried out using any market transactions permitted by law, or public purchase offers initiated by the Company, in compliance with legal provisions.

The funds required to finance share buyback operations shall come from distributable profit or the Company's available reserves, as recorded in the most recent approved annual financial statement, excluding legal reserves, in accordance with the provisions of Art. 103¹ of Law No. 31/1990, as amended.

VII. Final Provisions

The Policy comes into effect on the date of its approval by the Board of Directors and is published on the Company's website.

The Policy shall be reviewed and updated by resolution of the Board of Directors or in the event of legislative changes.

Claudiu Doros
President of the Board of Directors

Cătălin Iancu
CEO

Gabriel Lupaşcu
Compliance Officer