



SIF BANAT-CRIȘANA

DIVIDEND POLICY

The dividend policy assumed by SIF Banat-Crișana attempts to keep a balance between the remuneration of shareholders by dividend and the need to finance new investment with the reinvested profits. The strategy for the preservation of this balance aims to increase the investment attractiveness on long-term of SIF Banat-Crișana shares, while keeping the potential of company's future development, ensuring long-term sustainable profitability of the business for the benefit of increasing the value created for shareholders.

The method and the proportion of net profit to be distributed are subject to the approval of General Meeting of Shareholders (GMS) and consider the sustainability of the decision, the economic context and the current yields on the market.

Should the GMS of SIF Banat-Crișana decide on the distribution of dividends, all shareholders registered in the consolidated register as at the record date set by the GMS are entitled to the dividends approved by the GMS, the dividend payment is made pursuant to the legal provisions and the decisions of the general meeting. The Board of Directors' proposal on the profit distribution and decisions of GMS in this regard, the terms and methods of dividend payment shall be made public by the company in pursuant to the applicable legal provisions, ensuring the adequate and comprehensive informing of shareholders, so they can make appropriate investment decisions and exercise their rights in a fair manner.

The methods of remunerating SIF Banat-Crișana's shareholders are employed in their benefit by the policy of dividend distribution, as well as by the decision of to reinvest the profit or the repurchase of own shares, in the declared purpose of increasing shares' value. This increase in the shareholder's capital value materializes at least by the implicit increase of share's value due to the favourable effect of profitable reinvestment of capital. Depending on economic and financial developments, and the risk profile and investment expectations of shareholders, the two methods of remuneration should provide at least the same investment attractiveness.

If the opportunities for reinvesting the profit are more attractive for shareholders or in cases of buyback programs, the return on equity for SIF Banat-Crișana shareholder is likely to be higher than a mere distribution of taxable dividend.

Remuneration of shareholders by dividend distribution or reinvesting them, or by buyback programs, may bring, on medium and long term, additional benefits for shareholders. The profit can be reinvested, when is more efficient than being paid and taxed as dividends. Reinvested profit can be effectively directed to new investment, new instruments or to increase allocations to existing investments in SIF Banat-Crișana's portfolio that promise higher returns sustainable also for the increased capital invested.

The remuneration of SIF Banat-Crișana's shareholders may be carried out transparently, fair and financially and taxwise efficient in any of the choices decided to be adopted: distribution of cash dividend, reinvestment of profits in the hope of increasing the value of share at least with the size of the undistributed dividend or buyback programs.