

ANNUAL DIVIDEND DISTRIBUTION POLICY

Farmaceutica REMEDIA SA, registered with the Trade Register under number J20/700/1991 and Unique Registration Code 2115198, with registered office in Deva, Nicolae Bălcescu boulevard, no. 2, Hunedoara County, is organized as a joint stock company, with a unitary management system.

The dividend policy sets out the guiding principles on the basis of which the Board of Administrators makes proposals for the distribution of dividends to the company's shareholders.

The policy complies with the legal and regulatory framework applicable to the Romanian capital market and is complementary to the provisions of the Articles of Incorporation and the Corporate Governance Regulation of Farmaceutica REMEDIA SA.

The Board of Administrators of Farmaceutica REMEDIA S.A., in the absence of exceptional circumstances, intends to apply a dividend distribution rate to shareholders for each financial year of up to 50% of the company's net profit, not exceeding the total net profit allocated to dividends, with a dividend yield above the usual bank rate.

The distribution of net profit by destination of dividends takes into account the financial results obtained and the financial liquidity of the company.

GENERAL PRINCIPLES OF DIVIDEND POLICY

The dividend policy of Farmaceutica REMEDIA SA aims to maintain a balance between the remuneration of shareholders through dividends and the need to finance new investments from reinvested profits. The strategy of maintaining this balance aims both to increase the long-term investment attractiveness of Farmaceutica REMEDIA SA shares and to maintain the company's future development potential, ensuring the long-term sustainable profitability of the business for the benefit of increasing the value created for shareholders.

The Board of Administrators shall, prior to a potential proposal to distribute dividends, carry out an analysis taking into account the following:

- the company's investment needs and opportunities, which may include both expansion of existing capacity and development of new products/services in the portfolio;
- the macro-economic and geopolitical context, which has the potential to influence in one way or another the company's activity and performance;
- the legislative environment in terms of potential provisions and/or restrictions that may impact either the ability to distribute dividends or the operational activity of the company;
- any specific events that may generate an exceptional net profit or may lead to a decision to direct profits to support the company's development activity.

RIGHTS TO DIVIDEND

Dividend is defined by Art. 67 of Law 31/1990, republished, as the share of profit paid to each shareholder. Dividends are distributed to shareholders in proportion to their share of the paid-up share capital, as decided by the General Meeting of Shareholders. The dividend per share is

a gross amount, tax is withheld at source, and the tax rate applicable in Romania is applied, with the exceptions provided for by the legislation in force.

Dividends shall be paid within the deadline set by the General Meeting of Shareholders or, where applicable, established by special laws, but not later than 6 months from the date of approval of the annual financial statement for the financial year ended. Otherwise, the company owes, after this deadline, the penalty interest calculated in accordance with Article 3 of Government Ordinance no. 13/2011, if the articles of incorporation or the resolution of the general meeting of shareholders which approved the financial statements for the financial year ended has not set a higher interest rate.

Dividends may only be distributed from profits determined in accordance with the law. Dividends paid contrary to the provisions of Law 31/1990, republished, shall be refunded if the company proves that the shareholders knew of the irregularity of the distribution or, in the circumstances, should have known of it.

Dividends due after the date of transfer of the shares belong to the assignee, unless the parties have agreed otherwise.

The proposal for the distribution of dividends shall be made available to shareholders at the company's registered office and on its website from the announcement date of the General Meeting.

The shareholders registered in the register of shareholders on the registration date are those who are entitled by law to receive dividends or other rights and who are affected by the decisions of the General Meeting of Shareholders.

DIVIDEND PAYMENT

The dividend payment date is the calendar date on which the distribution of revenues from the ownership of securities, consisting of cash or securities, becomes certain.

Issuers shall pay dividends and any other amounts due to holders of securities in accordance with the provisions of Law No. 297/2004 through the Central Depository and the participants in the clearing - settlement system and register.

In the case of a shareholder/securities holder who has opened a securities account with an intermediary participating in the Central Depository's clearing - settlement system and register, payment of dividends/other amounts due to securities holders shall be made by the Central Depository through the Central Depository and participants in the Central Depository's clearing - settlement system and register.

In the case of a shareholder/securities holder who does not have a securities account with an intermediary participating in the Central Depository's clearing - settlement and registrar system, payment of dividends/other amounts due to securities holders shall be made by the Central Depository through the Payment Agent appointed in accordance with applicable law by the issuer in which such shareholder/securities holder is holding.

The payment agent is a financial institution appointed by the issuer, which has a contract with the issuer and a central depository, through which security holders can exercise their financial rights.

The payment of dividends will be made in compliance with the legal provisions in force, and for each distribution there will be a Dividend Distribution Procedure approved by the Board of

Administrators of the company, which will show the concrete methods of payment to shareholders.

PRESCRIPTION OF DIVIDENDS

The company policy, in accordance with the Articles of Incorporation, is to keep dividends available to shareholders for 3 years, the limitation period calculated from the date of payment as established by decision of the General Meeting of Shareholders.

FINAL PROVISIONS

If any provision of this Policy becomes contrary to law due to its amendment or supplementation, then the provisions of the law in force shall prevail.

Chairman of the Board of Administrators

"TARUS" – Valentin Norbert TARUS e.U.

Valentin – Norbert TARUS

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