



## **THE DIVIDEND POLICY OF "GALENIKA-FITOFARMACIJA" a.d.**

### ***General Provisions***

Starting from the basic objective for which it was founded, the Company hereby passes an optimal dividend policy that shall connect and coordinate the shareholders' interests, the interests of the Company itself, of the management and of the employees.

The objective of the Dividend Policy is to provide the shareholders with the disbursement of an acceptable dividend per share in longer period of time, and to provide the Company with:

- stable, efficient and transparent business without endangering solvency;
- continuous development of operations and realization of the net profit sufficient for disbursement of stable dividends;
- possibility for obtaining additional capital under favourable conditions for investment in new investment projects;
- sufficient aggregated undistributed profit and reserves that can secure business even in the years of crisis.

This Policy more closely regulates the manner of determining total amount earmarked for disbursement of dividends, manner of calculation and manner of disbursement of individual dividend amounts for each shareholder.

### ***Dividends***

The dividend on shares is disbursed to the shareholders in accordance with the rights resulting from the type and class of shares possessed by them on the dividend date, proportionally to the number of shares possessed by them in total number of shares of that class.

Dividends cannot be paid in money or in the Company shares, in accordance with the General Meeting's resolution and the Law.

### ***Proposal of Resolution on Disbursement of Dividends***

The Board of Directors proposes the manner of distribution of the profit realized in the previous year in accordance with the provisions of the Article of Association of the Company and the Law, at its session dedicated to consideration and approval of the Business Report for the preceding year.

The proposal of the resolution on disbursement of dividends may also make an integral part of the proposal from the previous paragraph.

When deciding whether to propose a dividend payment and in what amount, the Board of Directors considers the results of the ongoing operations of the Company, its liquidity, business plans and planned investment activities, as well as general economic circumstances.

The amount proposed by the Board of Directors for disbursement of dividends cannot exceed 20% of the realized net profit in the previous year, which remained for distribution after mandatory earmarking in accordance with the Law and the Article of Association.



### ***General Meeting's Resolution on Disbursement of Dividends***

The resolution on disbursement of dividends is passed on the ordinary, annual session of the Shareholders' General Meeting, at the proposal of the Board of Directors.

By the General Meeting's resolution on disbursement of dividends, the amount for disbursement of dividends exceeding the one proposed by the Board of Directors cannot be determined.

### ***List of the Persons Entitled to Dividend***

The list of the persons entitled to dividend is determined based on the excerpt from the Central Registry, deposit and clearing of securities, on the date established as dividend date.

The dividend date is the day of holding the General Meeting.

### ***Calculation of Dividends***

The amount of the pertaining dividend for each shareholder is calculated proportionally to the number of shares possessed by the shareholder.

By the calculated pertaining dividend for each shareholder, the Company calculates the pertaining tax in accordance with the applicable legal regulations.

At disbursing the dividend, the Company pays the calculated tax to the corresponding public income account, and the shareholder is paid the net amount of the dividend.

### ***Disbursement of the Dividend***

The Company posts on its web page the manner and term for disbursement of the dividend, not longer than 6 months as of the day of holding the General Meeting session.

On its web page, the Company makes available all other information of importance for conducting of the disbursement procedure.

Upon the effected disbursement, the Company notifies each shareholder in writing of the amount and date of the disbursed dividend, as well as of the amount of the pertaining tax paid to the public income account.

### ***Final Provisions***

The Dividend Policy is modified with the Shareholders' General Meeting resolution.

This Policy enters into force within 8 days as of the day of its posting on Company's web page.

On the date this Policy enters into force, provisions from the Dividend Policy adopted on 1<sup>st</sup> February 2012 shall cease to be valid.