

The Board of the public joint-stock company INV L Baltic Farmland is providing the General Shareholders Meeting with Dividend payment policy to get acquainted and approve, taking into consideration operational goals, peculiarities and legal regulation of activity and aiming to achieve the main goal – work in the best interest of all the shareholders ensuring continuous shareholders' equity growth.

## **JOINT-STOCK COMPANY INV L BALTIC FARMLAND DIVIDEND PAYMENT POLICY**

### **1. The objective of the Company**

1.1. Aim of the Dividend payment policy (hereinafter – the **Policy**) of the public joint-stock company INV L Baltic Farmland (hereinafter - the **Company**):

- Consolidate the provisions based on which decisions regarding dividends allocation will be made;
- Improve awareness of the market participants;
- Provide investors with the opportunity to make better decisions before investing into the shares of the Company.

### **2. Dividend size and source**

2.1. Dividend – a share of profit allocated to a shareholder in proportion to the nominal value of the shares owned by him (hereinafter – **Dividend**).

2.2. The draft decision for the General Shareholders Meeting (hereinafter – the **GSM**) regarding the share of profit proposed to be paid as Dividends is prepared by the Board of the Company based on these guidelines:

- based on the fact that the net profit of the reporting period and retained profit from the previous period is sufficient, and taking into consideration the market conditions, planned cash flows and other circumstances relevant to the opinion of the Board of the Company, and considering the fact that Dividend allocation does not have negative effect on Company's activities, the part of the profit allocated per each ordinary registered share of the Company would reach to EUR 0.10;
- in case net profit of the reporting period and retained profit for previous periods is larger than previously described share of the profit attributable for Dividends, the Board of the Company taking into consideration a need for investments and working capital as well as market conditions, projected cash flows and other in the opinion of the Board significant conditions can propose to the GSM to pay as Dividends higher share of the profit than described earlier;
- in case the net profit of the reporting period and retained profit of the previous periods is not sufficient to allocate EUR 0.10 Dividends for every single ordinary registered share, the Board of the Company shall propose to the GSM not to attribute profit (share of it) for the Dividends.

2.3. Decision to pay Dividends is approved by the GSM distributing / non-distributed profit of the Company.

2.4. The Company has not projected to pay Dividends for the shorter period than a financial year.

### **3. Dividend pay-out procedure**

3.1. The persons who were the shareholders of the Company at the close of the rights accounting day (at the close of the tenth working day after adopting the decision of the GSM) when the GSM declared the Dividends or were entitled to receive the Dividends on other legal grounds shall be entitled to the Dividend. If a share is not fully paid-up and the time limit for the payment has not expired yet, the Dividend of the shareholder shall be reduced in proportion to the amount of the unpaid share price. If the share is not fully paid-up and the time limit for the payment has expired, no Dividend shall be paid.

3.2. Dividends allocated by a decision of the GSM shall be the liability of the Company to its shareholders. The Company must pay the allocated Dividends within one month from the day of adoption of a decision on profit appropriation.

- 3.3. The Company pays Dividends in cash transferring the entitled amount of money (or entrusting the account manager of the Company's issued shares to perform this - AB Artea bankas, legal entity code 112025254, address Tilžės g. 149, 76348 Šiauliai) to the shareholder's account provided for the Company or AB Artea bankas.
- 3.4. A shareholder shall have the right to claim the payment of Dividend as the creditor of the Company.
- 3.5. The Company shall have the right to recover the Dividend paid out to the shareholder if the shareholder was aware or ought to have been aware that the Dividend was allocated and/or paid unlawfully.

#### **4. Procedure of communication to the shareholders**

- 4.1. Shareholders are informed about the share of profit proposed to be distributed as Dividends in the GSM no later than 21 day until the GSM, publishing the information on the Company's web-site [www.invlbalticfarmland.lt](http://www.invlbalticfarmland.lt) and Central Storage Facility [www.crib.lt](http://www.crib.lt).
- 4.2. Shareholders of the Company who own shares that entitle them to no less than 1/20 of votes can in written form or by electronic means of communication propose changes in share of profit proposed to be distributed as Dividends at any time before the GSM or during the GSM.
- 4.3. Share of profit agreed in the GSM to be distributed as Dividends and all the related additional information shall be published on the Company's web-site [www.invlbalticfarmland.lt](http://www.invlbalticfarmland.lt) and Central Storage Facility [www.crib.lt](http://www.crib.lt) no later than one working day after the decision of the GSM.

#### **5. Concluding Remarks**

- 5.1. This Dividend payment policy shall be approved by bigger than 2/3 participating votes majority in the GSM and is in effect until it is changed or withdrawn by the decision of GSM that is approved by bigger than 2/3 participating votes majority.