

Dividend Policy Welgevonden Macadamia B.V. (WelMac) 2025



1. Purpose

This Dividend Policy defines WelMac's approach to potential profit distribution. It clarifies that the company is currently in a growth and reinvestment phase and aims to ensure transparency with shareholders regarding dividend expectations.

When proposing a dividend, WelMac will take into account, among other things, its capital position, financial leverage and liquidity position, regulatory requirements and strategic considerations as well as the expected developments thereof. There is no requirement or assurance that WelMac will declare and pay any dividends.

The shareholders' share of profits is determined based on their respective interests in the Company's share capital. The resolutions concerning the distribution of dividends for a given financial year and the amount thereof, are adopted by the annual general meeting of shareholders related to such financial year.

2. Guiding principles

- **Reinvestment for Growth:** All available funds will be reinvested into operations, orchard development, capital projects, and strategic initiatives to build long-term value.
- **No Immediate Profitability:** Welgevonden B.V. does not expect to generate distributable profits for at least the next five years.
- **Shareholder Transparency:** Shareholders are informed that dividends are not anticipated during this initial period, and future distributions are not guaranteed.
- **Compliance:** All future dividend decisions will comply with Dutch corporate law, the company's Articles of Association, and shareholder agreements.

3. Dividend policy for the next three (3) years

- **No Dividends:** No dividends will be declared or paid while the company is operating at a loss or reinvesting any potential profits for growth.
- **Future Consideration:** After five years—or once sustainable profitability and cash flow are achieved—the Board of Directors will reassess the company's financial position to determine if recommending dividends is appropriate.
- **Liquidity Reserves:** Before recommending dividends, the company will maintain a minimum cash reserve of (e.g., six months' operating expenses) to ensure financial stability.

4. Future dividend framework (post-profitability)

- **Review and Recommendation:** The Board will review performance annually and may recommend dividends if cash flow, profitability, and reserves allow.
- **Target Payout Ratio:** A tentative payout ratio of 20–40% of annual net profits may be considered, subject to liquidity needs and reinvestment priorities.
- **Strategic Alignment:** Dividend decisions will align with long-term strategic objectives and investment plans.
- **Types of Dividends:** Ordinary (annual) dividends may be proposed; special or interim dividends will only be considered under exceptional circumstances with surplus funds.



5. Procedure for and timing of dividend distributions

The Board shall draft a proposal for the shareholders' meeting regarding the allocation of profits of the audited financial statements related to the relevant year closed, in particular the pay-out procedure and the amount of dividends, considering:

- the articles of association and applicable laws;
- long-term developmental goals of WelMac;
- the financial situation of WelMac;
- legal obligations and liabilities of WelMac, such as contractual obligations;
- the adequacy of capital structure.

Dividends are payable no later than thirty (30) days after having been declared, unless the Board sets a different date, and, if it concerns a distribution in cash, in such currency as determined by the Board. Any dividends that are distributed to holders of depository receipts for shares through Euroclear Netherlands, Nxchange and/or NPEX will be automatically credited to the relevant shareholders' accounts without the need for the shareholders to present documentation proving their ownership of the shares. Dividends on shares in registered form (not held through Euroclear Netherlands, but directly) are distributed directly to the relevant shareholder using the information contained in WelMac's shareholders' register.

6. Restrictions

Dividends will not be declared if:

- Payment would impair Welgevonden B.V.'s financial stability or ability to meet obligations.
- Legal or regulatory restrictions prevent payment.
- Capital is required for strategic projects or operational sustainability.

7. Uncollected dividends

A claim for any declared dividend and other distributions will lapse five years after the date they were released for payment. Any dividend or distribution that is not collected within this period will be considered to have been forfeited to WelMac.

8. Dividend withholding tax

Shareholders are generally subject to Dutch dividend withholding tax.

9. Communication and review

- Shareholders will be updated on dividend prospects as part of the company's regular reporting.
- The Board may review and amend or modify this policy in whole or in part, at any time.
- This policy will be reviewed every 12–24 months or sooner if there are major strategic or financial changes.
- Any updates or changes to this policy will be promptly communicated to all shareholders.