

DIVIDEND POLICY

The purpose of this Dividend Policy is to establish the set of directions Purcari Wineries Public Company Limited (**the Company**) intends to apply in relation to the distribution of net profits.

It is the Company's intention to pay dividends which amount up to 50% of the consolidated net profits of the year, subject to applicable law and commercial considerations (including, without limitation, applicable regulations, restrictions, the Group's results of operations, financial condition, cash requirements, contractual restrictions, the Group's future projects and plans).

The Annual General Meeting of the shareholders has the power to decide on the distribution of dividends based on the recommendation of the Board. Dividends are distributed pro rata to the contribution to the paid-in share capital (shares owned by the Company's shareholders bearing equal and full rights to dividends) and are limited to the amount of the results of the Company's last financial year, increased by the profits brought forward at the end of the last financial year and sums drawn from reserves available for this purpose, reduced however by the amount of losses brought forward from previous financial years and by the sums placed to reserve in accordance with the law or the Articles of Association of the Company.

Subject to the provisions of the Cyprus Companies Law, the Board may from time to time pay to shareholders such interim dividends as appear to the Board to be justified by the Company's consolidated profits, based on interim financial statements, but no dividend will be paid otherwise than out of consolidated profits. The Cyprus Companies Law provides that a public company, such as the Company, shall be allowed to pay interim dividends only if the following conditions apply: (a) the interim consolidated financial statements show that the funds available for distribution are sufficient; and (b) the amount to be distributed cannot exceed the amount of consolidated profits made since the end of the last financial year, the annual accounts of which have been finalised, increased by the profits which have been transferred from the last financial year and sums drawn from reserves available for this purpose and reduced by the losses of the previous financial years, as well as by the sums to be placed in reserve pursuant to the requirements of the Cyprus Companies Law or the Articles of Association.

Also, the Board may, before recommending any dividend, set aside out of the Company's consolidated profits such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the Company's consolidated profits may be properly applied, and pending such application may, at the like discretion, either be employed in the Company's business or be invested in such investments (other than the Company's shares) as the Board may from time to time think fit. The Board may also, without placing the sums to reserve, carry forward any consolidated profits which they may think prudent not to divide.

Pursuant to the Articles of Association, all unclaimed dividends may be invested or otherwise made use of by the Board for the benefit of the Company until claimed. No dividend shall bear interest against the Company. Any dividend which has remained unclaimed for a period of ten years from the date of declaration thereof shall, if the directors so resolve, be forfeited and cease to be owed by the Company and shall thenceforth belong to the Company absolutely. According to Cyprus Companies Law, any distribution made in contravention of its provisions must be returned by the shareholders who received it, if the Company proves that the said shareholders were either aware of the irregularity of the distributions made in their favour or could not in view of the circumstances have been unaware of it.

The Company's financial year begins on 1 January and ends on 31 December.