

## **REGULATIONS ON THE DIVIDEND POLICY OF MD MEDICAL GROUP INVESTMENTS PLC**

These Regulations on the Dividend Policy of MD MEDICAL GROUP INVESTMENTS PLC (the **"Dividend Policy"**, **"Regulations"**) have been drafted in accordance with the laws of the Republic of Cyprus, the Articles of Association of MD MEDICAL GROUP INVESTMENTS PLC (the **"Company"**) and its bylaws, as well as in line with the Listing Rules of the Moscow Exchange and the Corporate Governance Code recommended to publicly traded joint-stock companies by the Bank of Russia in its Letter No. 06-52/2463 On the Corporate Governance Code dated 10 April 2014.

### **1. DIVIDEND POLICY OBJECTIVES AND PRINCIPLES**

1.1. The key objectives of these Regulations are as follows:

- to set a procedure for dividend calculation and payment that is transparent and clear to shareholders and other stakeholders;
- to define the strategy to be followed by the Company's Board of Directors in developing recommendations on the dividend amount and payment terms and procedure.

1.2. The Company's Dividend Policy relies on the following key principles:

- compliance with the applicable laws of the Republic of Cyprus, the Company's Articles of Association and bylaws, the Listing Rules of the Moscow Exchange and the Corporate Governance Code recommended to publicly traded joint-stock companies by the Bank of Russia in its letter No. 06-52/2463 On the Corporate Governance Code dated 10 April 2014;
- respect for shareholder rights and interests;
- dedication to high standards of corporate governance;
- incentivising executives and shareholders to increase the Company's profitability;
- commitment to building a stronger investment case and increasing the Company's capitalisation;
- ongoing dividend growth subject to an increase in the Company's net profit;
- commitment to making dividend payouts in a manner most convenient to shareholders;
- commitment to making dividend payouts quickly.

### **2. GENERAL PROVISIONS**

2.1. The Company's Dividend Policy is based on striking a balance between the Company's interests and those of its shareholders when determining the dividend amounts; on the commitment to enhancing the Company's shareholder value, liquidity, capitalisation and investment case; and on respecting and fully upholding the rights of shareholders as stipulated by applicable laws and the Company's Articles of Association and bylaws.

2.2. This Dividend Policy is established for an indefinite period of time; however, the Company's Board of Directors reserves the right to make amendments thereto as may be required (due to changes in applicable laws and/or the Company's Articles of Association, or changes in circumstances that affect the Company's operations).

2.3. The Dividend Policy sets out the guiding principles that the Board of Directors shall follow when making recommendations to shareholders or passing resolutions, as applicable, regarding the declaration and distribution of dividends, to enable the Company's shareholders to participate in the profits of the Company and its subsidiaries (the "Group").

2.4. The Company's shareholders have the right to receive dividends on their Company shares from the Company's net profit.

2.5. Dividends shall be distributed to shareholders pro rata to their respective holdings of Company shares.

2.6. The declaration and distribution of dividends on shares shall be governed by Chapter 113 of the Cyprus Companies Law and the Company's Articles of Association.

### 3. DIVIDEND CALCULATION

3.1. The Company's Dividend Policy stipulates the possibility of recommending dividend payment in the amount of up to one hundred percent (100%) of the Company's net profit, including accrued net profit, if any, based on the Company's consolidated financial statements under the International Financial Reporting Standards ("**IFRS**") for the past financial year, and based on its interim financial statements for the purposes of interim dividends.

3.2. The payment of any dividends shall depend on the amount of the Company's net profit, including accrued net profit, any limitations imposed by applicable laws and the Company's Articles of Association, restrictions under existing agreements, available cash flow, dividends received by the Company from its subsidiaries, the Group's capital investment needs, as well as capital market environment, the Group's business development or other targets, and other matters relating to the Company's funding requirements, subject to the Net Debt / EBITDA ratio of no more than 3x.

3.3. The Board of Directors shall recommend the final amount of dividends for each financial year to be approved by the General Meeting of Shareholders based on the Company's audited consolidated financial statements under IFRS for respective financial year. The final decision regarding the declaration or distribution of dividends shall be at the discretion of the General Meeting of Shareholders.

3.4. Subject to Clause 3.3 above, the distribution of dividends shall take place at least once a year.

3.5. Interim dividends may be declared and paid out at the discretion of the Board of Directors. In considering interim dividends, the Board of Directors shall take into account the Company's interim performance based on the interim financial information provided by the management (semiannual statements) and any circumstances and funding requirements of the Group as set out in Clause 3.2 above.

3.6. Resolutions regarding the distribution (declaration) of dividends shall include the following information:

- class of shares on which dividends are declared;
- amount of dividends per share of respective class;
- record date for identifying shareholders eligible to receive the payout.
- form of payment.

3.7. Dividends shall not accrue or be paid in the following cases:

- on shares that are unissued (unplaced);
- on treasury shares;
- in other cases stipulated by applicable laws and regulations.

3.8. The Company's ability to pay dividends depends on the ability of its subsidiaries to pay dividends to the Company in accordance with applicable laws. The payment of dividends by subsidiaries is contingent upon the sufficiency of their profits and cash flows, as well as the amount of distributable reserves. The maximum amount of dividends payable by the Company's subsidiaries is limited to the total amount of accumulated undistributed profits of respective subsidiaries, as determined in accordance with applicable laws.

### 4. DIVIDEND PAYMENT

4.1. Only shareholders registered in the Company's share register as at the dividend record date shall be eligible to receive dividends on shares issued by the Company. The dividend record date shall be the date approved by shareholders when dividends are declared, unless otherwise determined by the Board of Directors.

4.2. The Company shall be responsible for the proper and full distribution of declared dividends based on relevant information provided by shareholders.

4.3. Unless otherwise proposed by the Board of Directors and approved by shareholders, dividends on the Company's shares shall be cash dividends payable by way of a transfer to the shareholders' accounts designated by the shareholders.

4.4. Unless otherwise resolved by shareholders or the Board of Directors, dividends shall be paid no later than thirty (30) days from the date when respective resolution is adopted by the Board of Directors or the General Meeting of Shareholders (as applicable). No shareholder shall be eligible for early dividend payment.

#### 5. COMMUNICATING THE DIVIDEND POLICY TO SHAREHOLDERS

5.1. The Company shall keep shareholders informed about its Dividend Policy and any amendments or updates thereto by posting relevant information on its corporate website at <https://www.mcclinics.com/>.

5.2. Materials provided to shareholders for decision-making at the General Meeting of Shareholders shall include information on whether the conditions for dividend payment have been met.

5.3. The Company shall notify shareholders of the amount, form, dates and procedure for the payment of dividends by posting relevant information on its corporate website at <https://www.mcclinics.com/>.

5.4. Shareholders shall be informed about their obligation to notify the Company's registrar and/or the Company's depository and/or the Company of any changes to their banking details and/or mailing addresses, as well as the consequences of failing to fulfil this obligation.

#### 6. MISCELLANEOUS

6.1. These Regulations shall come into effect upon their approval by the Board of Directors.

6.2. Any matters not covered by these Regulations shall be governed by applicable laws of the Republic of Cyprus and the Company's bylaws.

6.3. Should any provisions hereof contradict any applicable laws of the Republic of Cyprus and/or the Company's Articles of Association, it is recommended that the relevant provisions of the applicable laws of the Republic of Cyprus and/or the Company's Articles of Association prevail. Said contradicting provisions of the Company's Dividend Policy shall be brought in line with the applicable laws of the Republic of Cyprus and/or the Company's Articles of Association.

6.4. The invalidity of any individual provision hereof shall not affect the validity of the remaining provisions and/or the Dividend Policy as a whole.