

DOCUMENT NAME:

DIVIDEND PROCEDURE
OF GOBI JSC

DIVIDEND PROCEDURE

ONE. GENERAL PRINCIPLES

- 1.1 This Dividend Regulation (hereafter "Regulation") serves as the dividend policy document for Gobi JSC ("Company"), overseeing the processes related to the decision-making, notification, issuance, and reporting of dividends to shareholders.
- 1.2 Approved by the Company's Board of Directors ("Board"), this procedure is guided by the Company Law, the Securities Market Law, the Company's Charter, and other regulatory body directives, and is adhered to in all operations.

TWO. DIVIDEND POLICY

- 2.1 The Company's dividend policy aligns with its operational and strategic goals.
- 2.2 The Company is committed to effectively managing the capital invested by shareholders and maintaining dividends at an appropriate level.
- 2.3 Dividends will be distributed if they meet the conditions set forth in Article 47 of the Company Law and Article 8.12 of the Company's Articles of Association.
- 2.4 The Board will determine the per-share dividend amount, considering the current financial year's net profit after tax, and the Company's short-term and medium-term strategic plans and investment requirements.
- 2.5 The policy ensures that the dividend amount does not decrease if the net profit for the current financial year equals or exceeds that of the previous year.
- 2.6 Dividends are to be paid in cash.
- 2.7 A fund for social and cultural events and industrial development may be established from remaining profits post-dividend distribution, with the Board deciding on the fund's creation.

THREE. DECISION AND ISSUANCE OF DIVIDENDS

- 3.1 Within 50 days following the financial year's end, the Board will discuss and decide on dividend distribution.
- 3.2 If the Board decides against dividend distribution in a particular year, it must report the reasons to the shareholders at the regular meeting.
- 3.3 Dividend distribution decisions shall include:
 - 3.3.1 Dividend amount per share for each share type.
 - 3.3.2 Registration date for the list of shareholders eligible for dividends.
 - 3.3.3 Dividend payment commencement and conclusion dates.
 - 3.3.4 Methods and forms of dividend payment.
- 3.4 Dividends may be distributed directly to shareholders in cash at the Company's premises or transferred to their securities deposit accounts via the Central Depository of Securities.
- 3.5 Shareholders may request dividends be transferred to their commercial bank current or savings account, providing necessary details in writing.

FOUR. NOTICE AND REPORTING

- 4.1 Shareholder dividend distribution information will be communicated through social media in a manner similar to shareholders' meeting announcements and made readily accessible through the Board's secretary.

- 4.2 A dividend distribution report will be prepared following relevant regulations and submitted to the Financial Regulatory Commission, the Mongolian Stock Exchange, and the regular shareholders' meeting.

FIVE. RESPONSIBILITY

- 5.1 Upon deciding to distribute dividends, the Company is obligated to complete the distribution within the specified timeframe.
- 5.2 In the event of a dividend payment delay, the Company will face liabilities as per the Law on Companies and related legislation.

BOARD OF DIRECTORS