

# Policy on capital allocation and dividend

SP Group A/S  
Snavevej 6-10  
5471 Sønderød  
Denmark

CVR no. 15 70 13 15

# Innovative solutions in plastics



# Policy on capital allocation and dividend

## Purpose

The purpose of this policy is to establish guidelines for capital allocation and dividend distribution to the shareholders of SP Group A/S. The policy aims to ensure a balanced approach that safeguards the interests of the shareholders as well as the Company's long-term growth and financial stability.

SP Group's policy is to secure and maintain a robust capital base with a solvency ratio of not less than 40% and financial gearing (NIBD/EBITDA) of 1-3.5 and up to 4.0 in the first two quarters following an acquisition.

In addition to our capital resources policy, SP Group allocates capital in the following order of priority:

- *Reduction of interest-bearing debt:* if the financial gearing exceeds the target.
- *Investment in profitable growth:* including investment in the existing business to achieve organic growth, replace end-of-life equipment and make acquisitions.

- *Annual dividend distribution:* SP Group aims to distribute dividends annually. The amount of dividend is determined on the basis of the Company's financial performance, future investment needs and market conditions. The annual dividend will generally be 15-25% of the profit for the year after tax, taking into consideration, however, the Company's capital structure and cash needs.
- *Share buy-backs:* SP Group may carry out share buy-backs as a supplement to dividend distribution. Share buy-backs will be considered when this is assessed to be the most appropriate way of returning capital to shareholders while at the same time supporting the Company's long-term value creation. Share buy-backs may be carried out for purposes of covering share-based incentive programmes and reducing the Company's share capital.
- *Extraordinary dividend:* In the event of an exceptionally high profit or capital release, the Board of Directors may resolve to

distribute extraordinary dividends to the shareholders.

## Approval and communication

- This Policy on capital allocation and dividend is reviewed annually by the Board of Directors.
- Any resolutions to distribute dividend will be communicated to shareholders in a clear and timely manner through the Company's official channels.

## Responsibility

- The Board of Directors is responsible for ensuring compliance with the Policy on capital allocation and dividend and alignment with the Company's development and market conditions.

# Statement by Management

The Board of Directors today considered and approved SP Group's Policy on capital allocation and dividend.

Søndersø, 19 August 2025

## Board of Directors

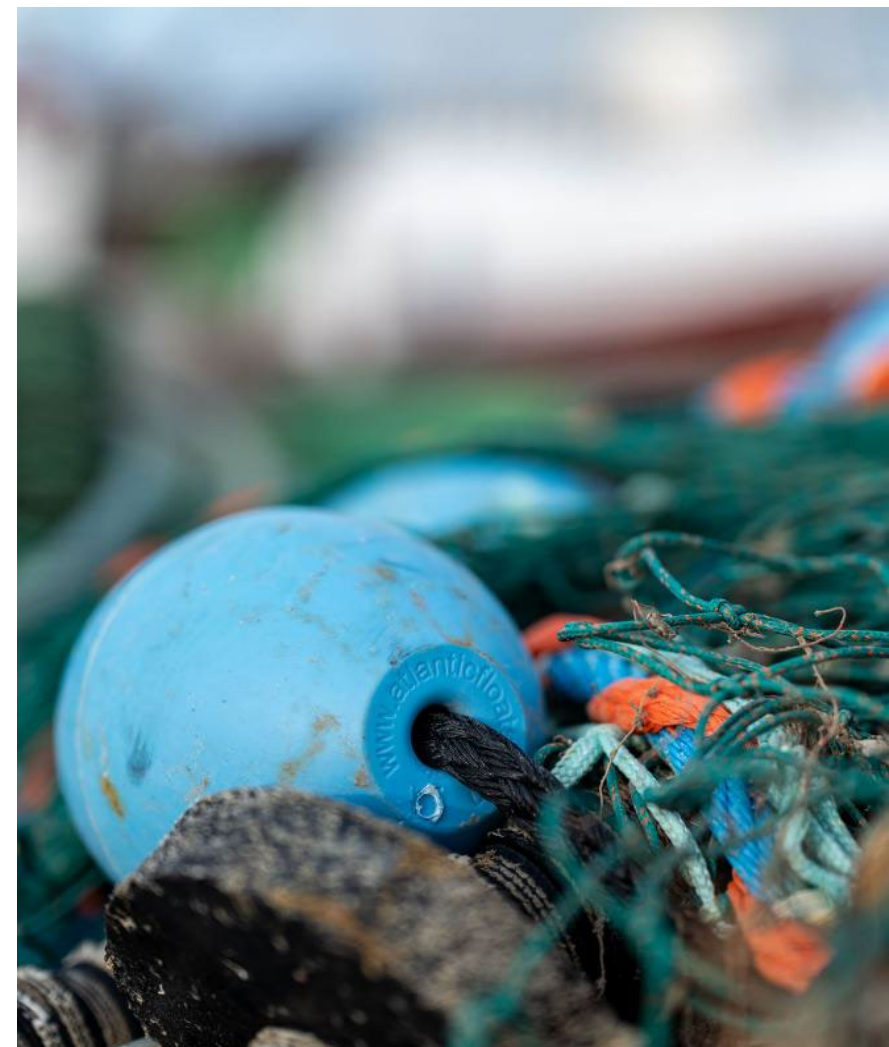
Hans Wilhelm Schur  
Chairman

Erik Preben Holm  
Deputy Chairman

Hans-Henrik Eriksen

Bente Overgaard

Marie Bakholdt Lund



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