

DRAFT 10 MAY 2019

SEQUA PETROLEUM N.V.

Reservation and Dividend Policy

Adopted by the Management Board on ● 2019

Approved by the Supervisory Board on ● 2019

1. INTRODUCTION AND BACKGROUND

- 1.1 This Policy is established pursuant to article 27.9 of the Articles of Association.
- 1.2 This Policy is posted on the Company's website.
- 1.3 The meaning of certain capitalised or uncapitalised terms used in this Policy are set forth in the List of Definitions attached as Annex 1.

2. GENERAL RESERVATION AND DIVIDEND POLICY

- 2.1 Pursuant to article 27.1 of the Articles of Association, the Management Board, with the approval of the Supervisory Board, may decide that all or part of the profits realised during a financial year be set aside to increase and/or form reserves in accordance with this Policy.
- 2.2 The Company is in a start-up phase and during this phase it intends to focus on building up a portfolio of value accretive opportunities and therefore not make significant distributions to its shareholders. Once the Company has achieved a positive cash-flow situation, it will revisit this in consultation with its shareholders and establish an appropriate general reservation and dividend policy.

3. RESERVATION AND DIVIDEND POLICY RELATING TO EXECUTIVE PARTICIPATION SHARES

- 3.1 With due observance of paragraph 3.2 below, in the event that less than all profits realised during a financial year have been set aside in accordance with paragraph 2 above, a portion of such profits which portion is calculated on the basis of the formula below, will be reserved on the EPS Reserve:

$$\frac{\left(\frac{11.2}{100 - (AS \times 11.2)}\right) \& (MC - EC + DP)}{MC + \left(\frac{11.2}{100 - (AS \times 11.2)}\right) \times (MC - EC + DP)}$$

whereby the abbreviations used have the following meaning:

AS means number of Executive Participation Shares remaining in the share capital of the Company from time to time divided by the number of Executive Participation Shares in the share capital of the Company immediately following the initial issue of the Executive Participation Shares;

MC means the aggregate market capital of all Shares in the capital of the Company from time to time, excluding all Executive Participation Shares, being an amount equal to the sum of the number of shares in any given class of share in the Company, multiplied by the market value of a share in such share class (excluding all Executive Participation Shares);

EC means the aggregate amount from time to time of any and all equity contributions by way of cash, capital or any other asset made to the Company made by any person other than the holders of Executive Participation Shares;

DP means the aggregate amount of any and all proceeds received from time to time (whether by way of dividend, bonus issue, share buy-back or otherwise) by the holder of any Shares in the capital of the Company who is not a holder of Executive Participation Shares in respect of which the holders of

Executive Participation Shares have not received dividends proportionate to the percentage of Executive Participation Shares held at the time such dividends were declared;

NMS means number of Executive Participation Shares in the share capital of the Company immediately following the initial issue of the Executive Participation Shares; and

PO means the list price on the relevant investment exchange of an Ordinary Share from time to time.

- 3.2 No reservation to the EPS Reserve will be made if at the moment of the reservation in relation to the Company: $MC + DP$ is greater than EC .
- 3.3 Any amount added to the EPS Reserve will be distributed in full to the holders of EPS Shares by way of a distribution at the expense of such EPS Reserve. Whereby the Company strives that all Shareholders receive their dividend at the same time.
- 3.4 The remainder of the profits will be distributed in full on the Ordinary Shares. Also if the Company decides that (a part of) the profits for any year will not be reserved but distributed as a dividend and from the formula mentioned in paragraph 3.1 it follows that no reservations can be made to the EPS Reserve all profits will instead be distributed on the Ordinary Shares.

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ANNEX 1

LIST OF DEFINITIONS

1. In this Policy, the following terms have the following meanings:

Articles of Association means the articles of association of the Company.

Company means Sequa Petroleum N.V., a public limited liability company under Dutch law (*naamloze vennootschap*), having its seat (*statutaire zetel*) in Amsterdam, the Netherlands, registered with the trade register of the Dutch Chamber of Commerce (*Kamer van Koophandel*) under number 58633618.

EPS Reserve means the reserve maintained exclusively for the benefit of the holders of Executive Participation Shares.

Executive Participation Share means an executive participation share in the capital of the Company.

Ordinary Share means an ordinary share in the capital of the Company.

Policy means the Company's policy on reserves and dividends as referred to in Article 27.9 of the Articles of Association.

Share means a share in the capital of the Company. Unless the contrary is apparent, this shall include each Ordinary Shares and each Executive Participation Share.

Supervisory Board means the supervisory board of the Company.

2. Save where the context dictates otherwise, in this Policy:

- (a) unless a different intention clearly appears, a reference to a Clause or Annex is a reference to a clause or annex of this Policy;
- (b) words and expressions expressed in the singular form also include the plural form, and vice versa;
- (c) words and expressions expressed in the masculine form also include the feminine form; and
- (d) a reference to a statutory provision counts as a reference to this statutory provision including all amendments, additions and replacing legislation that may apply from time to time.

3. Headings of articles and other headings in this Policy are inserted for ease of reference and do not form part of this Policy for the purpose of interpretation.