

ENDORSEMENT LETTER  
Of the Board of Directors of the Company  
SPHERA FRANCHISE GROUP SA

With regards to the 3<sup>rd</sup> and the 4<sup>th</sup> items on the Agenda of the  
**ORDINARY GENERAL SHAREHOLDERS MEETING ("OGSM")**  
**Approval of the net profit distribution proposal and the dividend payment date**

The Board of Directors of the company **Sphera Franchise Group S.A.**, Sphera Franchise Group S.A., a joint stock company managed under a one-tier system, operating in accordance with Romanian law, having its registered office in Romania, 239 Calea Dorobanti Street, 2<sup>nd</sup> floor, office 4, 1<sup>st</sup> district, registered with the Trade Registry of Bucharest Court under number J40/7126/2017, fiscal identification code 37586457 (referred to as the "**Company**"), called for March 20<sup>th</sup>, 2019, at the Board of Directors' Vice-Chairman convening, in accordance with the provisions of the Companies Law 31/1990, as republished (the "**Law 31/1990**"), Law 24/2017 regarding issuers of securities and market operations (the "**Law 24/2017**"), and in accordance with the provisions of the Company's Deed of Incorporation,

**PROPOSAL:**

The Board of Directors of the Company recommends the distribution as dividends of 50% of the distributable net profit after setting up to legal reserve, covering previous year's loss and the negative share premium, with the undistributed remaining profit remaining the Company's disposal.

The distribution of the net profit amounting Lei 39,537,652.64, as follows:

- Allocation of Lei 1,990,101.00 for setting up mandatory legal reserves;
- Allocation of Lei 9,615,363.31 for offsetting the accounting loss of year 2017;
- Allocation of Lei 580,198.08 for offsetting the negative share premium;
- Allocation of Lei 13,672,887.42 for distribution as dividends;
- Allocation of Lei 13,679,102.83 as undistributed profit;

As a result, the gross dividend per share amounts to Lei 0.3524.

The Board of Directors is submitting to Ordinary General Shareholders Meeting approval the **dividend payment** date as **25.10.2019**.

The dividends shall be paid to the shareholders registered in shareholders' consolidated register at the **record date** 04.10.2019, which is subject the Ordinary General Shareholders Meeting, having 03.10.2019 as **ex date**.

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Cristian OSIAC  
Preşedintele Consiliului de Administraţie