

ENDORSEMENT LETTER OF THE BOARD OF DIRECTORS OF  
**SPHERA FRANCHISE GROUP SA**  
**REGARDING ITEMS 10 & 11 ON THE AGENDA**  
**OF THE ORDINARY GENERAL SHAREHOLDERS MEETING**  
**("OGSM")**

**April 26<sup>th</sup>/29<sup>th</sup>, 2024**

The Board of Directors of **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 Dorobanti Ave., 2nd floor, office 4, 1st district, registered with the Trade Registry near Bucharest Court under number J40/7126/2017, fiscal identification code 37586457 (hereinafter referred to as the "Company"),

**CONSIDERING**

- the proposals on the OGSM agenda to be voted by shareholders, namely:

*Approval of the Option Grant Plan for Sphera Directors for 2023 ("SOP") and ratification of the Company's Board of Directors decision no. 2 dated February 28<sup>th</sup>, 2024, regarding the granting of variable share-based remuneration to the Company's Eligible Directors, for their activity performed in 2023. (10<sup>th</sup> item/OGSM)*

**and**

*Empower the Board of Directors and individually its members in order to take all the necessary measures for the implementation of point 10 above, within the legal and statutory limits, identifying the allocation criteria, determining the number of shares to be effectively distributed, the period for exercising the rights, identifying the beneficiaries, appointing the intermediary, drawing up and publication of information documents in accordance with the law, as well as for the development and implementation of future "stock option plan" programs. (11<sup>th</sup> item/OGSM)*

- the Remuneration Policy within Sphera Franchise Group SA by which the executive management have been entitled to receive an additional remuneration based on shares, according to a Stock options plan, to the extent of meeting the financial and non-financial performance indicators;
- the provisions of the mandate agreements for the executive director position of the Company, according to which the members of the executive team may receive shares as part of the performance bonuses;
- the Company's intention to reward the Company's executive directors for their activity of 2023, given their contribution to the development of the activity and, in general, to the increase of the Company's profitability, considering they have supported and ensured effective change management within the organization, very good performance in terms of meeting their individual objectives, as well as the

significant contribution to the Company's long-term success, taking into account market conditions and uncertainties;

- Company's Board of Directors decision no. 2 dated February 28<sup>th</sup>, 2024, by which it was approved a maximum number of 70.525 shares to be granted to the Company's executive directors, for their activity performed in 2023;
- Successful implementation by the Company, through the Board of Directors of the Company, of the share buyback programme carried out in 2023, as approved by the Extraordinary General Meeting of Shareholders on 27.04.2023;
- Constant concern to identify solutions in order to retain and motivate experienced staff with potential and, on the other hand, to met the interests of the shareholders and, implicitly, of the Company.

Given the above considerations, the Board of Directors

**HEREBY ADVISE:**

*The approval of the Option Grant Plan for Sphera Directors for 2023 ("SOP") and ratification of the Company's Board of Directors decision no. 2 dated February 28<sup>th</sup>, 2024, regarding the granting of variable share-based remuneration to the Company's Eligible Directors, for their activity performed in 2023. (10<sup>th</sup> item/OGSM)*

**and**

*The empowerment the Board of Directors and individually its members in order to take all the necessary measures for the implementation of point 10 above, within the legal and statutory limits, identifying the allocation criteria, determining the number of shares to be effectively distributed, the period for exercising the rights, identifying the beneficiaries, appointing the intermediary, drawing up and publication of information documents in accordance with the law, as well as for the development and implementation of future "stock option plan" programs. (11<sup>th</sup> item/OGSM)*

**Lucian HOANCA**  
**Chairman of the Board of Directors**  
L.S.