

ENDORSEMENT LETTER OF THE BOARD OF DIRECTORS OF  
**SPHERA FRANCHISE GROUP SA**  
**REGARDING ITEMS 3 AND 4 ON THE AGENDA**  
**OF THE EXTRAORDINARY GENERAL SHAREHOLDERS MEETING**  
**("EGSM")**

**April 29<sup>th</sup>/30<sup>th</sup>, 2025**

The Board of Directors of the company **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., 2<sup>nd</sup> floor, office 4, 1<sup>st</sup> 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 provisions of the Companies Law 31/1990, republished, as further amended and supplemented (the "**Law 31/1990**"), the provisions of Law no. 24/2017 on issuers of securities and market operations, as further amended and supplemented (the "**Law 24/2017**"), of Regulation no. 5/2018 regarding issuers of securities and market operations as further amended and supplemented (hereinafter referred to as the "**R5/2018**") and in accordance with the provisions of the Company's Articles of Association,

**GIVEN,**

The proposal under items 3 and 4 of the EGSM agenda, submitted to the shareholders 'vote, with concern to the:

*"approval of decreasing the share capital of the Company, based on art. 207 paragraph (1) let. c) from Company Law 31/1990, from RON 581,990,100 to RON 580,101,930, respectively with the amount of RON 1,888,170, as a result of the cancellation of 125,878 own shares acquired by the Company, in accordance with and motivated by the EGMS Resolution no. 3/26.04.2024. Following the decrease, the share capital of the Company shall amount RON 580,101,930, divided into 38,673,462 ordinary shares, having a nominal value of RON 15/share (...)" (item 3/ EGSM),*

as well as

*"approval of amending art. 4 Share Capital and Shares from the Articles of association of the Company, as follows: (i) the amendment of art. 4.1 following the decrease of the share capital, on the date on which the share capital reduction from point 3 above shall be effective, as well as (ii) elimination of art. 4.2 following the elimination of Annex 1 regarding the Company's structure of the shareholding and share capital" (item 4/ EGSM),*

**CONSIDERING**

- The relevant legal provisions, respectively Art. 103<sup>1</sup> para. (1) of the updated Law no. 31/1990 on companies,
- The share buyback program carried out by the Company's Board of Directors for reducing the Company's share capital, according to the provisions of Art. 207 (1) lit. c) of the Law no. 31/1990, as it was approved by the EGSM Resolution no. 3 dated April 26, 2024.

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The cancellation of the shares shall not influence the net value of the Company, shall not have an impact on the profit or loss, a reallocation between the equity accounts will be recorded without additionally reducing the total equity of the Company (which will remain constant).

The negative capital element that occurs at the time of the cancellation of shares purchased under the buyback program (resulting as the difference between the buyback value and the nominal value), does not generate an additional decrease in equity. Any negative reserve generated by the cancellation of shares purchased under this buyback program shall be subject to GSM approval at a later date.

The decrease of the share capital operation shall be implemented with the completion of the legal stages, after a two months' period passing from the day on which the resolution is published in the Official Gazette of Romania, Part IV, according to art. 208 paragraph (1) from Companies Law no. 31/1990, republished.

Following the decrease, the share capital of the Company shall amount RON 580,101,930, divided into 38,673,462 ordinary shares, having a nominal value of RON 15/share.

#### **GIVEN**

The need to implement the reduction of the share capital, subsequently the approval of the updating of the Company's Articles of Association, which will be modified accordingly, with the completion of the legal formalities, so that it reflects the new value of the share capital and the related number of shares.

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Related to the considerations presented above, the Board of Directors

#### **HEREBY ADVISE:**

*The approval of decreasing the share capital of the Company, based on art. 207 paragraph (1) let. c) from Company Law 31/1990, from RON 581,990,100 to RON 580,101,930, respectively with the amount of RON 1,888,170, as a result of the cancellation of 125,878 own shares acquired by the Company, in accordance with and motivated by the EGMS Resolution no. 3/26.04.2024. Following the decrease, the share capital of the Company shall amount RON 580,101,930, divided into 38,673,462 ordinary shares, having a nominal value of RON 15/share.*

*The decrease of the share capital shall be implemented with the completion of the legal stages, after a two months' period passing from the day on which the resolution is published in the Official Gazette of Romania, Part IV, according to art. 208 paragraph (1) from Companies Law no. 31/1990, republished. (item 3/EGSM)*

*Approval of amending art. 4 Share Capital and Shares from the Articles of association of the Company, as follows: (i) the amendment of art. 4.1 following the decrease of the share capital, on the date on which the share capital reduction from point 3 above shall be effective, as well as (ii) elimination of art. 4.2 following the elimination of Annex 1 regarding the Company's structure of the shareholding and share capital, art. 4 of the Company's constitutive act to have the following new content:*

#### **Article 4. Share Capital and Shares**

- 4.1. *The share capital of the Company amounts to RON 580,101,930, fully subscribed and paid-up and it is divided into 38,673,462 shares with a nominal value of RON 15 /share.*



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- 4.2. *The shares issued by the Company are registered, ordinary, issued as dematerialized shares by registration into the register of shareholders; they have the same nominal value and grant equal rights to their owners.*
- 4.3. *Every share issued by the Company, paid up and owned by a shareholder (other than the Company) grants a right to vote in the general meetings of shareholders, except for the case when the shareholders decide that the Company is to issue preferential shares without the right to vote or in case the rights to vote related to certain shares are suspended.*
- 4.4. *The Company may issue preferential shares without right to vote.*
- 4.5. *Every owner of one or several shares issued by the Company shall be deemed to have adhered to the provisions herein. (item 4/EGSM)*

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