

REMUNERATION REPORT FOR THE FINANCIAL YEAR 2025

SPHERA FRANCHISE GROUP S.A.

A. Introduction

In order to comply and align with the provisions of Law No 158/2020 on amending, supplementing and repealing certain normative acts, as well as establishing measures implementing Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 establishing a general framework for securitization and creating a specific framework for simple, transparent and standardized securitization and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU, and Regulations (EC) No. 1060/2009 and (EU) No. 648/2012, of Law 24/2017 on issuers of financial instruments and market operations ("Law 24/2017") and of the Corporate Governance Code of the Bucharest Stock Exchange, the Company Sphera Franchise Group S.A. (hereinafter, the "Company" or "Sphera") approved and published the revised version of the Remuneration Policy adopted at the Company's 2017 listing. By Resolution No. 1 of the Ordinary General Meeting of Shareholders held on 29.04.2025 (the "Remuneration Policy") the shareholders approved the current form of the Remuneration Policy within Sphera Franchise Group S.A, available on the Company's website at the following link: <https://spheragroup.com/wp-content/uploads/2023/05/Politica-de-remunerare.pdf>.

The Board of Directors of Sphera Franchise Group SA (hereinafter, the "Company" or "Sphera") has drawn up, in accordance with the legal provisions in force, this Remuneration Report, which includes the remuneration granted to the members of the Board of Directors, as well as to the executive management of the Company, during the financial year ending on December 31st, 2025, to be subject to the consultative vote, within the Ordinary General Meeting of Shareholders according to art.107 of Law 24/ 2017, (*republished*) on issuers of financial instruments and market operations. The Remuneration Report will be published on the Company's website at www.spheragroup.com, to remain available to the public for 10 years from publication, in accordance with the applicable legal provisions.

The Remuneration Report aims to provide shareholders with an overview of how the Remuneration Policy was applied during the previous financial year, as well as reliable information regarding the individual remuneration of all the Company's managers.

B. Remuneration of the Board of Directors' members

The basic principles for the remuneration of the members of the Board of Directors aim to support:

- the strategic component, as proposed to the shareholders;
- the supervision/control component and continuous monitoring of the management decision-making process and the executive management fulfillment of the annual and strategic objectives in the current activity of the Company;
- the component of compliance with ethical and legal norms.

The Board of Directors consists of 5 members, with mandates valid until the date of April 26th, 2027, according to decision no. 2 of the Ordinary General Meeting of Shareholders held on April 27th, 2023.

The members of the Company's Board of Directors, including the Chairman, were entitled, until April 29, 2025, to a **fixed remuneration** and an **additional** one, the latter in the form of the meeting remuneration for participation in the consultative committees of the Board of Directors. The amount of both the fixed and the variable remuneration is approved by the Ordinary General Meeting of Shareholders.

Considering the adoption of the BVB's New Corporate Governance Code and in order to align with best practices regarding the remuneration of Board of Directors members, by Resolution No. 1 of the Extraordinary General Meeting of Shareholders dated April 29, 2025, it was decided not to be granted the additional remuneration based on attendance at Consultative Committee meetings. Accordingly, the shareholders approved a fixed monthly net remuneration of 4,500 euros for each member, including the Chairman of the Board of Directors.

The remuneration thus determined shall be effective from the date of the OGSM meeting (i.e., April 29, 2025) until the date of the next OGSM meeting, when the amount of the directors' monthly remuneration will be approved.

Therefore (i) until April 29, 2025, the Directors' remuneration was in accordance with OGSM Resolution no. 1 from April 26, 2024, respectively, € 4,000 net/month/member, € 4,000 net/month for the Chairman of the Board of Directors and € 200 net/meeting as additional remuneration for the members of the Board of Directors who are also members of the consultative committees, within the limit of eight annual meetings of each consultative committee; (ii) starting with April 29, 2025, the Directors' remuneration was as by OGSM Resolution no. 1 from April 29, 2025, respectively 4.500 euros/month/member, including the Chairman's remuneration.



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Name	2025				2024	delta	2023	delta	2022	delta	2021
	Gross Fixed Allowance	Gross Additional Allowance	Total	delta							
Carmaciui Silviu Gabriel	450.0	1.7	451.7	14.1%	395.9	11.1%	356.4	-7.4%	384.9	-6.5%	411.7
Ene Mihai	450.0	3.4	453.4	12.6%	402.7	11%	362.7	3%	352.3	N/A	
Hoanca Lucian	450.0	1.7	451.7	14.1%	395.9	9.9%	360.2	-7%	387.4	-5.3%	409.2
Lefter Razvan Stefan	450.0	3.4	453.4	13.1%	401.0	9.4%	366.5	-6.9%	393.7	-4.4%	411.7
Repidonis Georgios Vassilios	450.0	5.1	455.1	11.8%	407.0	10.7%	367.8	-6.6%	393.7	-3.8%	409.2
TOTAL	2,250.0	15.3	2,265.3	13.1%	2,002.5	10.4%	1,813.6	-5.1%	1,912.0	16.5%	1,641.8

During 2025, 19 (nineteen) Board of Director meetings were held, of which 4 (four) were held by electronic correspondence. Out of the 15 (fiveteen) Board of Director meetings held in person, all members attended 11, and 4 (four) had partial attendance. In addition to the Board of Directors' meetings, there were 6 (six) meetings of the Audit Committee and 2 (two) meetings of the Nomination and Compensation Committee.

Meetings of the Administrative Council - in person participation

2025	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	No. of meetings
Carmaciui Silviu Gabriel	√	√	√	√	√	√	√	√	√	√	√	√	15
Ene Mihai	√	√	√	√	√	√	√	√	√	√	x	√	14
Hoanca Lucian	√	√	√	x	x	√	√	√	√	√	√	√	13
Lefter Razvan Stefan	√	√	√	x	√	√	√	√	√	√	√	√	14
Repidonis Georgios Vassilios	√	√	√	√	√	√	√	1/2	√	√	√	√	14
Numar Sedinte	1	1	2	1	1	2	1	2	1	1	1	1	15

The members of the Board of Directors are not part of any other benefit scheme, other than the remuneration presented above.

C. Executive Managers' Remuneration

In the case of executive managers' remuneration, the basic criteria aim at the continuity and profitability of the company's business by meeting the annual objectives approved by the shareholders within the revenue and expenses budget and the long-term strategic objectives, developed under the guidance of the Board of Directors, at the proposal of the executive management and approved by shareholders at certain intervals. Responsibility, integrity, loyalty and diligence towards the Company, its fundamental values and its employees and collaborators are an essential element in determining individual performance.

Executive managers' remuneration is composed by a fixed remuneration (in cash) and by a variable remuneration (in cash and in shares), based on the fulfillment of the performance indicators established by the Board of Directors. The variable remuneration is intended to encourage managers to focus on creating long-term value for the Company, according to the Company's strategy, and to align the interests of managers with the interests of the Company and of the shareholders as well.

According to the mandate agreements of Sphera's executive managers and the Remuneration Policy, the variable remuneration (in cash and in shares) is established based on negotiation and cannot exceed 100% of the annual fixed component (the gross amount). In accordance with the mandates in force, the variable remuneration is set at 60% of the annual fixed remuneration for the Chief Executive Officer and at 50% of the annual fixed remuneration for the other Executive Managers. Based on the *Options Plan for Sphera Managers* for 2024 and the Remuneration Policy, Sphera's executive managers were granted to receive, free of charge, Sphera's shares as part of the variable remuneration, within the limit of 50%-75% from the total value of the variable remuneration due to each executive manager, and under the condition of fulfilling the performance criteria and the approval of Sphera's financial statements related to the reference period.



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Name	2025						delta	2024	delta	2023	delta	2022	delta	2021
	Gross Fixed Remuneration	Gross Variable Remuneration*	Medical leave**	Remuneration in kind	Remuneration received from subsidiaries	Total								
Budes Valentin Ionut	883.9	217.9		44.8	57.1	1,203.8	12%	1,075.2	-3.3%	1,111.9	8.7%	1,023.2	-12.6%	1,170.9
Eftimie Oana-Monica	190.3	200.1	121.6	40.7		552.7	-48.5%	1,072.6	7.2%	1,000.6	9.8%	911.0	-11%	1,023.5
Ionescu Calin-Viorel	1,313.0	389.2		49.8	57.1	1,809.1	1.4%	1,783.7	6.5%	1,674.6	13.3%	1,478.0	-10.6%	1,653.0
TOTAL	2,387.2	807.2	121.6	135.3	114.2	3,565.6	-9.3%	3,931.5	3.8%	3,787.1	11%	3,412.2	-11.3%	3,847.4

* The annual gross variable remuneration is paid during the year presented but related to the previous year.

** Ms. Eftimie was on maternity leave until October 13, 2025.

*** The category "Benefits in kind" does not include expenses related to participation in training sessions, courses, or other similar events attended by executives

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Name	shares approved in 2025, for 2024*			shares handed over in 2025, for 2023**			shares handed over in 2024, for 2022			shares handed over in 2024, for 2021		
	no. of shares	share price (RON)	Variable Remuneration - Shares	no. of shares	share price (RON)	Variable Remuneration - Shares	no. of shares	share price (RON)	Variable Remuneration - Shares	no. of shares	share price (RON)	Variable Remuneration - Shares
Budes Valentin Ionut	9,724	40.0	389.0	8,970	26.4	236.8	13,700	19.6	268.1	12,300	19.6	240.7
Eftimie Oana-Monica	8,927	40.0	357.1	5,499	26.4	145.2	13,300	19.6	260.3	9,500	19.6	185.9
Ionescu Calin-Viorel	16,313	40.0	652.5	11,242	26.4	296.8	24,500	19.6	479.5	17,500	19.6	342.5
Osiac Cristian	---	---	---	6,249	26.4	165.0	13,300	19.6	260.3	---	---	---
TOTAL	34,964	---	1,398.6	31,960	---	843.8	64,800	---	1,268	39,300	---	769.1

* According to the Company corporate approvals, respectively the Decision of the Board of Directors no. 2 dated 25.03.2025, the *Option Plan for Sphera Managers for the activity carried out in 2024*, approved by OGMS resolution no. 3 of 29.04.2025, the executive managers of the Company benefited, as part of the variable remuneration, for the activity carried out in 2024 on the basis of the mandate contracts concluded with the Company, of Sphera shares granted free of charge, representing 50% of the variable remuneration for the year 2024, the actual transfer shall operate in three annual installments, within one year from the grant date.

** In April 2025, 31,960 free shares were granted to the Company's managers, representing the Stock Options Plan for the activity carried out in 2023.

As of 2024, the Sphera Board of Directors approved the grant of variable remuneration in the form of Sphera shares to some of the subsidiary's managers, in accordance with the signed mandate agreements. Thus, the General Manager of US Food Network SA was granted a total of 4.364 Sphera shares as part of the variable remuneration for the results of 2024 and for the American Restaurant System SA General Manager, a number of 2.910. These shares were recorded in the financial statements at a share price of 40 RON, resulting in a total value of 290,962 RON, and the first tranche of these shares was repurchased pursuant to Resolution No. 1 of the Extraordinary General Shareholders Meeting dated April 29, 2025. In



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May 2025, 1,928 bonus shares were granted to the General Manager of US Food Network SA (in the amount of 53,610 lei), representing the first tranche of the Stock Options Plan for performance in 2023.

For 2025 achievements, estimates have been recorded and are to be submitted to the Nomination and Remuneration Committee and the Board of Directors for approval to grant the executive managers variable remuneration, as follows:

Name	Gross Variable Remuneration to be provided cash (RON)	Gross Variable Remuneration to be provided in shares (RON)	number of shares
Ionescu Calin - Viorel	363,999	510,838	13,532
Budes Valentin-Ionut	203,820	304,946	8,078
Eftimie Oana - Monica*	43,722	65,415	1,733
TOTAL (provisioned for 2025 achievements)	611,542	881,198	23,343

*Mrs. Monica Eftimie's mandate was suspended for a period of 10 months starting on 11.12.2024 until 13.10.2025, during which time she was on maternity leave.

Also, for the Managers of Sphera's subsidiaries (i.e. US Food Network SA), estimates for the share based component of the variable remuneration for 2025 results have been recorded. For the General Manager of US Food Network S.A., 3.682 shares totaling RON 138,987 have been recorded.

The financial and non-financial performance indicators considered by the Remuneration Policy for the variable remuneration in cash and in shares, included also in *Share option plan for Sphera's Managers*, are the following:

Financial indicators:

- Normalised EBITDA of the Group;
- Normalised Net Profit of the Group;
- Company sales;
- Free Cash Flow of the Group
- YoY positive change in share price
- dividend distribution according to LRP
- net debt/EBITDA ratio ≤ 1



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Non-Financial indicators:

- the social impact and sustainability of the Group's operations - e.g. environment, safety and employee involvement;
- management of strategic projects: business development projects, turnaround management and increasing the Company's profitability, significant improvement of processes, improvement of existing franchise contracts, new markets, and products, etc.

All financial indicators amount to 90% of the maximum value of the variable remuneration for the respective year, and each indicator is equal and represents 25%. The target values of the financial performance indicators are established every year by the Board of Directors and approved by the shareholders by approving the annual budget. All non-financial indicators amount to 10% of the maximum value of the variable remuneration for the respective year, and their degree of fulfillment is established by the Nomination and Remuneration Committee.

D. The medium gross remuneration based of Full time equivalent (FTE) employees

According to the labor market dynamics and the financial performance achieved by the Company, the medium gross remuneration of Sphera employees excluding top management is reflected in the table below for the last 5 years period:

<i>(in RON)</i>	2025	delta	2024	delta	2023	delta	2022	delta	2021
Medium gross Remuneration, FTE based	15,391	6.8%	14,411	+12.3%	12,828	13.7%	11,281	11.8%	10,088

These changes are the result of a multitude of factors, the most important of which being:

- a) the average salary level in the market,
- b) legal limitations and labor market dynamics,
- c) local competitiveness of wages,
- d) labor availability,



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e) the ability of the Company to ensure the competitiveness, stimulation and retention of the labor force in the medium and long term.

General considerations

The Remuneration Report of the Sphera Franchise Group for the financial year ended at December 31st, 2024 was submitted for the consultative vote of the Ordinary General Meeting of Shareholders in the date of April 29th, 2025, according to the provisions of art. 107, paragraph (6) of Law no. 24/2017 regarding issuers of financial instruments and market operations, republished, receiving favorable votes from the shareholders representing 99,0997% of the total number of votes held by the shareholders present, represented or who expressed their vote by correspondence or by electronic means at the Meeting.

During the reporting period, there was no deviation from the implementation procedure of the Remuneration Policy and no derogation from the remuneration policy, in accordance with the provisions of paragraph 107. (2) letter f) from Law no. 24 / 2017, regarding issuers of financial instruments and market operations, republished, and the granted remuneration respected the structure and principles in the Remuneration Policy for all remuneration components.

Sphera's Board of Directors and Executive Managers personal data included in this Remuneration Report are processed by the Company according to the provisions of art. 107 para. (4) from Law no. 24 / 2017, regarding issuers of financial instruments and market operations, republished, namely for the purpose of increasing transparency and increasing the responsibility of managers, but also the supervision of their remuneration by shareholders.

This Report was drawn up in accordance with the requirements of Law 24/2017 on issuers of financial instruments and market operations, republished and approved by the Board of Directors of the Company on [March 25th, 2026], to be submitted to the advisory vote within Annual Ordinary General Meeting of the Company's Shareholders convened for April 29/30th, 2026 , the opinion of the shareholders in the general meeting regarding the Remuneration Report, resulting from the vote, having an consultative character.

SPHERA FRANCHISE GROUP S.A.
Chairman of the Board of Directors

LUCIAN HOANCA