

Dividend Policy

Shares owned by the shareholders of Sphera Franchise Group SA ("Sphera") (other than Shares owned by Sphera) bear equal and full rights to dividends.

The annual shareholders' meeting has the sole discretion to decide on the distribution of dividends based on the proposal of the Board of Directors (the "BoD"). Dividends can be distributed only out of profits determined by law, based on and according to the annual standalone financial statements of Sphera approved by the shareholder, pro rata with the contribution to the paid share capital. No interim dividends may be distributed.

Following the admission of the shares issued by Sphera to trading on the spot regulated market operated by the Bucharest Stock Exchange, payment of dividends shall be made to the shareholders registered in the shareholders' registry of Sphera on the record date set by the shareholders' meeting approving the dividend distribution. The record date must be set on a date that occurs at least 10 business days after the date of the shareholders' meeting. Furthermore, the payment date set by the shareholders must not occur later than 15 business days after the record date, within the six months period from the date of the shareholders' meeting approving dividend distribution. Any dividends that are not claimed by the entitled shareholders within three years from the date on which their payment becomes due shall be retained by Sphera.

Sphera's ability to pay dividends depends on its statutory financial statements prepared in accordance with relevant legal provisions. Dividends (if any) may only be declared and paid from the current year's statutory profit and accumulated profit from previous years, as recorded in the Sphera's standalone annual financial statements as approved by the shareholders on the basis of the BoD report. In determining the amount available for distribution as dividends, the current year's statutory profit and accumulated profit from previous years will be adjusted to account for the creation of the required statutory reserves.

In absence of exceptional market conditions or circumstances, for future years the BoD intends to recommend to the shareholders that Sphera distributes 100% of its distributable profits each year, subject to any restrictions due to Romanian legal and taxation regulation or triggered by any commitment undertaken in financing contracts. Furthermore, the BoD may from time to time propose to the shareholders cash distributions by way of restitution of capital to the shareholders, if it finds that such distribution is appropriate and sustainable in the context of Sphera and its subsidiaries growth strategy and provided that such distribution may be carried out in compliance with the applicable law.

Sphera's financial year begins on 1 January and ends on 31 December.