

## **Shareholders' Meetings Procedure**

### **Sphera Franchise Group S.A.**

(approved by the resolution of the extraordinary shareholders' meeting of Sphera Franchise Group S.A. no. 2 of 15.09.2017)

#### **1. Scope of the Procedure**

##### **1.1. Object of Procedure**

- 1.1.1. This procedure ("**Procedure**") applies to the shareholders' meetings of Sphera Franchise Group S.A., a joint stock company incorporated in Romania, registered with the Bucharest Trade Registry under number J40/7126/2017, sole registration code 37586457, with registered seat in 239 Calea Dorobanți str., 2nd floor, office 4, district 1, Bucharest, Romania (the "**Company**").
- 1.1.2. All periods expressed in days set forth by this Procedure are calculated in full days, i.e. by excluding the day in which the period starts and the day in which the period ends. All terms expressed in hours set forth in this Procedure are calculated by excluding the hour when the term starts and the hour when the term ends. In the event that a certain deadline set forth on days/months ends on a nonworking day, such term will end on the immediately following working day.

##### **1.2. Entry into Force**

- 1.2.1. This Procedure enters into force at the date of admission to trading of the Company's shares on the spot regulated market operated by the Bucharest Stock Exchange ("**BSE**").
- 1.2.2. Without prejudice to the provisions of art. 1.3.3 below, this Procedure can be modified by resolution of Company's extraordinary general shareholder's meeting.

##### **1.3. Legal Regime Applicable**

- 1.3.1. This Procedure is complemented accordingly with the legal provisions applicable ("**Applicable Laws**") and with the Articles of Association of the Company, particularly, but without limitation to:
  - a. Law no. 24/2017 on issuers of financial instruments and market operations ("**Law 24/2017**");
  - b. Regulation no. 1/2006 on issuers of and operations with securities ("**Regulation 1/2006**");
  - c. Regulation no. 6/2009 on the exercise of certain shareholder rights in relation to general meetings of companies ("**Regulation 6/2009**");
  - d. Corporate Governance Code of BSE ("**Corporate Governance Code**").

1.3.2. In case of inconsistency between the provisions of this Procedure and the Applicable Laws or the Articles of Association of the Company, the relevant provisions of the Applicable Laws or of the Articles of Association of the Company shall replace the inconsistent provisions of this Procedure.

1.3.3. In the event of legislative changes that require updating of this Procedure in order to reflect such legislative changes, the Board of Directors of the Company is empowered to update this Procedure accordingly.

#### **1.4. Definitions and Abbreviations**

1.4.1. In this Procedure, except for the case where some terms are otherwise defined, the following terms will have the following definitions, and the abbreviations will stand for the complete terms mentioned here below.

<b>Terms</b>	<b>Definitions</b>
Articles of Association	Company's articles of association in force at the date of exercising certain rights or developing certain actions according to this Procedure
GSM	general shareholders' meeting of the Company
EGSM	extraordinary general shareholders' meeting of the Company
OGSM	ordinary general shareholders' meeting of the Company
BoD	board of directors of the Company in office at the date of exercising certain rights or carrying out certain operations according to this Procedure, as applicable
Record Date	means the calendar date set by the BoD of the Company, used to identify the shareholders having the right to participate in the GSM and vote therein, calculated according to the Applicable Laws
Registration Date	means the calendar date set by the GSM, used to identify the shareholders that shall receive dividends or benefit from any other rights, and to whom the effects of the resolutions of the GSM shall apply;
Payment Date	means the calendar date when the distribution of revenues related to the holding of securities, consisting of cash or securities, becomes certain
Ex date	means the date preceding the registration date by a settlement cycle minus a working day, starting with which

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	the financial instruments which are the subject of the corporate resolutions are traded without the rights derived from such resolution
FSA	Romanian Financial Supervisory Authority (Autoritatea de Supraveghere Financiară din România)
Official Gazette	"Monitorul Oficial al României" (Official Gazette of Romania)
ORC	Oficiul Registrului Comerțului (Trade Register Office)
Central Depository	Depozitarul Central S.A.

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1.4.2. Within this Procedure, references to the shareholder's identity card or the proof of his quality as shareholder is construed as follows:

- a. In case of natural persons – identity card;
- b. In case of legal entity – the identity card of the legal representative of the legal entity, registered in the Company's shareholders registry.

In case of shareholders who are legal persons or entities without legal personality, the capacity of legal representative is proved based on the shareholders registry at the Record Date made available to the Company by the Central Depository. Nevertheless, if such shareholder did not inform the Central Depository in due time with regard to its legal representative or if such information is not updated in the shareholders' registry of the Company, then the proof of the capacity of legal representative is a certificate issued by ORC, presented in the original or certified copy, or any other document, presented in the original or certified copy, in Romanian or in English, issued by a relevant authority from the state where the shareholder is registered, issued with no more than 3 months prior to the publication date of the GSM convening notice.

## **2. Persons which may convene the GSM**

### **2.1. Rule**

- 2.1.1. The BoD convenes the GSM, whenever it needs to adopt one or several resolutions falling into the competence of the GSM, according to the Articles of Association and the Applicable Laws.
- 2.1.2. The BoD convenes the OGSM at least once a year, on March 31 at the latest, to adopt the annually mandatory OGSM resolutions.
- 2.1.3. The BoD is obliged to convene the GSM immediately, but no later than 30 days from the reception date of the request of one or several shareholders holding at least 5% of the Company's share capital, if the items on the agenda proposed by the shareholder(s) fall into the competence of GSM. The GSM will meet within 60 days from the reception date of the request. In this case, the shareholders will

send the following documents to the BoD, under the sanction of finding that the conditions for convening GSM are not met:

- a. the request for convening, which will specify all the items proposed to be included on the agenda of the GSM, which fall into the competence of the GSM;
- b. the proof of having the quality of shareholder of the Company at no later than 5 calendar days previous the date of filing such request, along with the proof of the individual or cumulated participation of at least 5% of the Company's share capital, by sending the relevant statement of account issued by the Central Depository or by the investment firm/custodian whose client is the shareholder that signed the request for convening;
- c. copy of the identity cards of the shareholders that sign the request for convening; and
- d. supporting documents underlying each item proposed to be included on the GSM agenda.

## **2.2. Exception**

- 2.2.1. In the event that the BoD does not convene the GSM in the cases provided by art. 2.1.3. above, or in other cases provided by the Applicable Laws, such shareholders may request the relevant court to authorize them to convene the GSM, the court establishing the GSM's agenda, the Record Date, the date of the GSM, and who among the shareholders should chair the GSM.

## **3. Procedure for Convening the GSM**

### **3.1. Term and Means of Publication**

- 3.1.1. The BoD adopts the resolution for convening the GSM, by approving:

- a. the convening notice for the GSM;
- b. the documents underlying each item on the GSM agenda, with regard to the items on the agenda proposed by the BoD;
- c. the Record Date for the GSM.

- 3.1.2. The convening notice approved by the BoD is published in the following order:

- a. it is transmitted to BSE and FSA within 24 hours from its adoption;
- b. it is published on the Company's website, in the section "Investor Relations";
- c. it is transmitted to the Official Gazette and to a newspaper with wide circulation in Bucharest, for publication.

3.1.3. The publishing date of the convening notice in the Official Gazette must be with at least 30 days before the GSM date.

### **3.2. Content of the Convening Notice**

3.2.1. The convening notice will include at least the following information:

- a. the Company's name and identification data;
- b. the date, time, and place of the GSM;
- c. the agenda proposed clearly identifying all issues to be discussed by the GSM;
- d. a clear and precise description of the procedures that must be observed by the shareholders' rights in relation to the GSM, including without limitation:
  - (i) the right to supplement the GSM agenda;
  - (ii) the right to submit draft resolutions for the items included or proposed to be included on the agenda;
  - (iii) the right to ask questions regarding the items included on the agenda;
  - (iv) the right to attend and/or vote by proxy (power of attorney); and
  - (v) the procedures allowing to vote by correspondence or by electronic means, if applicable.
- e. the Record Data and the notice that only the persons who are registered shareholders at such date are entitled to participate and vote in the GSM;
- f. the deadline until which proposals can be made for candidates for the positions of members of the BoD, in the event that on the agenda there is the election of one or more members of the BoD;
- g. the address of the Company's website where all documents and draft resolutions in connection with the GSM agenda are available and the date from which they will be available;
- h. the proposed Registration Date and, if applicable, the proposed Ex Date and Payment Date;
- i. the date for the second convening of GSM, in the event that the quorum requirements are not met at the first convening;
- j. if applicable, the notice that the list with information regarding the names, residence, and professional qualification of the BoD candidates is available for the shareholders.

### **3.3. Information and Documents to Be Published in relation to the GSM**

The following documents and information will be published on the Company's website, in Romanian and in English language, in the section Investor Relations <General Shareholders Meetings Documents> and they will be maintained on the website until the GSM, in the first or second convening, as follows:

3.3.1. At least 30 days before the GSM date:

- a. the annual financial statements, approved by the BoD, together with the auditor's report, if applicable;
- b. the annual report of the BoD, if applicable;
- c. the proposal regarding the distribution of dividends, if applicable;
- d. the convening notice;
- e. the total number of shares and the voting rights at the convening date;
- f. the documents to be presented to the GSM with regard to each item on the agenda, others than the documents provided under items a, b and c above;
- g. a draft resolution or, in the event that a resolution is not proposed for adoption, a comment of the BoD for each item proposed by the BoD on the agenda of the GSM. If the proposals for the agenda come from the shareholders entitled to make such proposals, the draft resolutions or the comments of such shareholders will be published;
- h. the forms of special power of attorney to be used for the vote by proxy;
- i. the forms to be used for the vote by correspondence;
- j. if applicable, the proposals of the BoD for candidates for the position of member of the BoD, together with the curriculum vitae of the candidates proposed. The members of the BoD currently in office may propose candidates for the position of member of the BoD within 15 calendar days from the publication of the GSM convening notice in the Official Gazette, pursuant to art. 7 below;
- k. In the event that on the GSM agenda is the approval of the amendments to the Company's Articles of Association, the entire text thereof after the modification will be published, the proposed modifications being underlined in the text.

The documents mentioned at points a, b and c will be also made available for the Company's shareholders at the registered office of the Company, for the period mentioned above. Upon request, the shareholders will be given photocopies of such documents against payment.

3.3.2. After the publication of the convening notice for the GSM:

- a. The request to supplement the convening notice, in cases provided under art. 6 below, immediately after the transmission of the current report on the request to supplement the convening notice to BSE and FSA within the term provided under art. 3.1.2(a) above;
- b. the supplemented convening notice, the documents transmitted by the shareholders that accompany the proposals for supplementing the agenda or comments or draft resolutions according to art. 6 below, with at least 10 days before the GSM date at the first convening;
- c. If applicable, the complete list of candidates proposed by the BoD or by the shareholders for the position of BoD member, along with the curriculum vitae of the proposed candidates and a notice regarding the accomplishment by the candidates of the eligibility criteria for such position with at least 10 calendars days prior to the GSM date at the first convening;
- d. any incidents related to the documents published with regard to GSM or with regard to the organization or carrying out of the GSM, within 24 hours from the moment when the Company becomes aware of such incidents.

#### **4. Exercise of the Voting Right by Proxy before GSM**

- 4.1.** Each shareholder registered at the Record Date has the right to appoint any other natural or legal person with legal capacity as proxy, in order to participate and vote on his behalf in the GSM, based on a general/special power of attorney. The proxy enjoys the same rights to take the floor, to propose candidates for the position of secretary of the meeting, and to ask questions during the GSM, as the shareholder that she/he represents.
- 4.2.** A shareholder may appoint a single person to represent him at a certain GSM. Nevertheless, if a shareholder holds shares of the Company in several securities' accounts, this restriction will not prevent the respective shareholder to appoint a separate representative for the shares held in each account of securities in a certain GSM. In any case, the shareholders are forbidden to express different votes based on the shares held by them in the Company.
- 4.3.** A shareholder may appoint by proxy one or several alternate representatives to ensure his representation in the GSM in the event that the initial representative is unavailable to carry out his mandate. In the event that several alternate representatives are appointed, the order in which they will exercise their mandate will be established as well.
- 4.4.** When appointing his representative, the shareholder will avoid potential situations of conflict of interests that might occur between the representative and the shareholder in relation to the GSM.
- 4.5.** A person acting in capacity of representative may represent several shareholders, the number of shareholders thus represented being unlimited.
- 4.6.** The shareholder will duly fill in and sign the general power of attorney, before the first use, or the special powers of attorney for each GSM, in three counterparts, in

Romanian or in English, one counterpart for the shareholder, one for the representative, and one to be filed with or sent to the Company.

**4.7.** The powers of attorney will be sent to the Company with at least two business days before the GSM date (first convening), as indicated in the convening notice, as follows:

- a. general powers of attorney – before the first use thereof, in certified copy of the original (signed for conformity with the original);
- b. special powers of attorney – on each and every GSM.

**4.8.** The shareholder may transmit the power of attorney along with the copy of the shareholders' identity card by:

- a. submission at the Company's office, in a sealed envelope with the clear indication written in uppercase letters: "FOR THE ORDINARY/EXTRAORDINARY GSM OF THE SHAREHOLDERS OF SPHERA FRANCHISE GROUP S.A. DATED [•]".
- b. e-mail with the extended digital signature incorporated pursuant to the Law no. 455/2001 concerning the digital signature, at the address [contact@spheragroup.com](mailto:contact@spheragroup.com) mentioning in the subject line: "FOR THE ORDINARY/EXTRAORDINARY GSM OF SPHERA FRANCHISE GROUP S.A. DATED [•]";
- c. any form of courier with confirmation of receipt sent to the Company's Secretariat, in a sealed envelope with the clear indication written in uppercase letters: "FOR THE ORDINARY/EXTRAORDINARY GSM OF SPHERA FRANCHISE GROUP S.A. DATED [•]";

on the condition to be received by the Company before or at the deadline mentioned under art. 4.7 above.

**4.9.** The general or special powers of attorney cease producing any effects in the event that the shareholder appears in the GSM in personam.

**4.10.** Failure to cumulatively meet all the conditions provided under this art. 4 for the powers of attorney will trigger the invalidation of the vote expressed by representation.

**4.11. General Power of Attorney**

4.11.1. The general power of attorney will be valid only if:

- a. it is granted for a period not exceeding 3 years;
- b. it allows expressly for the representative of the shareholder granted such a power of attorney to vote in relation to all aspects debated at any GSM, including with regard to acts of disposition; and

- c. it is granted by the shareholder, in his capacity of client, to an intermediary as defined by art. 2 paragraph (1) item 20 of Law 24/2017 or to a lawyer.

4.11.2. The shareholders cannot be represented in a GSM based on a general power of attorney by a person who is conflicted; such a conflict of interest may appear especially in one of the following cases:

- a. he/she is a majority shareholder of the Company or another entity controlled by such shareholder;
- b. he/she is a member of a managing body of the Company, of a majority shareholder or of a controlled entity, according to the provisions of letter (a);
- c. he/she is an employee or an auditor of the Company or of a majority shareholder or of a controlled entity, according to the provisions of letter (a);
- d. he/she is the spouse, a relative or spouse/husbands' relative up to the 4th grade inclusive of one of the natural persons provided under letters a)-c).

4.11.3. The general power of attorney must include at least the following information:

- a. shareholder's name;
- b. representative's (proxy's) name;
- c. date of the power of attorney and the validity period thereof, with the observance of the legal provisions; the powers of attorney granted at a later date will have as effect the revocation of the powers of attorney granted at a previous date;
- d. statement of the fact that the shareholder empowers the representative to participate and vote on his behalf based on such general power of attorney at the GSM for the whole participation held by the shareholder at the Record Date with the express specification of the Company for which such general power of attorney is used.

4.11.4. The proxy may be substituted by another person only if this right was conferred to him/her expressly by the shareholder in a power of attorney. If the proxy is a legal person, this may exercise the received mandate through any person that is part of his administration or management body or from its employees.

4.11.5. The general power of attorney ceases by:

- a. its written revocation by the shareholder, sent to the Company at the latest until the deadline for the submission of powers of attorney applicable for a GSM; or
- b. loss of the quality of shareholder at the Record Date of the GSM; or

- c. proxy's loss of the capacity of intermediary or of lawyer.

#### **4.12. Special Power of Attorney**

- 4.12.1. If a shareholder chooses to grant a special power of attorney, he must:
  - a. use the form of special power of attorney made available by the Company, pursuant to art. 3.3.1(h) above;
  - b. indicate the voting instructions for each item on the published agenda of the GSM by ticking off one voting option: "for", "against", "abstention";
  - c. fill in and sign the power of attorney.
- 4.12.2. The special power of attorney is valid only for the GSM for which it was granted. The representative must vote according to the instructions formulated by the shareholder who appointed him.
- 4.12.3. The special power of attorney must include:
  - a. the name/name of shareholder and its holding by reference to the total number of securities of the same class and to the total number of voting rights;
  - b. the name/name of the proxy holder (to whom the special proxy is granted);
  - c. the date, time and place of the GSM to which it relates;
  - d. the date of the special power of attorney; the special power of attorney bearing a subsequent date shall result in the revocation of the special power of attorney previously issued;
  - e. the clear specification of each issue subject to the shareholders' vote, with the possibility for the shareholder to vote "for", "against" or "abstention";
  - f. where the agenda includes appointment of directors, each candidate for the BoD shall be mentioned separately, the shareholder having the possibility to vote for each candidate "for", "against" or "abstention" and also to mention the cumulative number of votes attributed to each of them, where they would be elected through cumulative voting method. Where the shareholder fails to make specifications relating to the allocation of votes accumulated, and the directors are elected by the cumulative voting method, such shareholder's cumulated votes shall be distributed equally by the proxy holder to the candidates for whom the shareholder voted "for";
  - g. The statement that in case of discussing within the GSM, according to the legal provisions, of certain items that are not included on the published agenda, the empowered person may vote according to the interest of the represented shareholder.

**4.13.** In case a shareholder is represented by a credit institution that provides custody services, he/she may vote in the GSM based on the voting instructions received by means of electronic communication, without being necessary to prepare a special or general proxy. The custodian votes in the GSM exclusively according to and within the limits of the instructions received by the shareholder on the Record Date.

## **5. Exercise of the Voting Right by Correspondence Before the GSM**

**5.1.** The Company's shareholders registered at the Record Date in the shareholders' registry kept with the Central Depository have the possibility to vote by correspondence, by using the form of the voting bulletin by correspondence, made available for the shareholders of the Company, both in Romanian and in English, pursuant to art. 3.3.1(i) above.

**5.2.** The voting form, filled in in Romanian or English and signed, together with a copy of the identity card of the shareholder, will be transmitted to the Company by the means provided by art. 4.8 above with at 2 business days prior to the date of the GSM (first convening).

**5.3.** Where the shareholder who has cast his vote by correspondence attends in person or through a representative the GSM, the vote by correspondence cast for that GSM shall be annulled. In this case, only the vote cast personally or by representative shall be taken into account.

**5.4.** If the person who represents the shareholder through personal participation in the general meeting is other than that who cast the vote by correspondence, then, for the validity of his vote, such person shall submit in the meeting a written revocation of the vote by correspondence signed by the shareholder or by the representative who cast the vote by correspondence. This shall not be necessary if the shareholder or its legal representative is present at the general meeting.

**5.5.** For the items on the agenda of the GSM for which the vote is secret according to the Applicable Laws, the shareholder will tick off the voting option on the separate section of the voting bulletin by correspondence that will be sent to the Company as follows:

- a. If the voting bulletin by correspondence is sent by mail or by courier service or handed in at the head office of the Company, such section will be presented separately and introduced in a sealed envelope marked "Secret Vote Expressed", which will accompany the voting bulletin by correspondence;
- b. If the voting bulletin by correspondence is sent by e-mail, such section will be attached in the e-mail in a separate document entitled: "Secret Vote Expressed".

## **6. Shareholders' Proposals regarding the Supplementing of the Agenda and Draft Resolutions**

- 6.1. One or several shareholders representing, individually or jointly, at least 5% of the Company's share capital (hereinafter referred to as "**Initiators**") are entitled:
  - a. to introduce new items of the agenda of the GSM provided that each item is accompanied by a justification or by a draft resolution proposed for adoption by the GSM; and
  - b. to present draft resolutions for the items included or proposed to be included on the agenda of the GSM.
- 6.2. The Initiators' requests for the introduction of new items on the agenda, as well as the presentation of draft resolutions for the items included or proposed to be included on the agenda of the GSM, accompanied by the copy of the valid identity card of the Initiator, will be sent to the Company by the means provided under art. 4.8 above, within 15 calendar days from the publishing date of the convening notice in the Official Gazette.
- 6.3. The BoD will analyse the requests of supplementing of the agenda and, in the event that they meet the conditions provided by the Applicable Laws and by this Procedure, and the items proposed for supplementing the agenda fall into the competence of the convened GSM, it will decide to supplement the agenda accordingly. The agenda of the GSM supplemented with the items proposed by the Initiators will be published by the Company with the observance of the requirements of the Applicable Laws and of the Articles of Association, with at least 10 business days before the date of the GSM at the first convening.
- 6.4. By exercising the right provided under this article 6, the shareholders may only supplement the agenda, they may not modify or remove any items included on the already published agenda.
- 6.5. At the GSM, the BoD may present its point of view with regard to the Initiators' proposals, especially in the event that it considers that such proposals are contrary to the law, to the Articles of Association, or to the Company's interests.
- 6.6. The proposals for resolutions presented by the shareholders will be added onto the website of the Company as soon as possible after their receipt by the Company.

## 7. Candidates for the Position of BoD Members

- 7.1. The proposals regarding the candidates for the position of BoD member may be made by the shareholders or by the current BoD members ("**Entitled Person**") in writing, by a request addressed by the Entitled Person to the BoD sent by the means provided by art. 4.8 above within 15 calendar days from the publication of the GSM convening notice in the Official Gazette.
- 7.2. The request concerning the proposals of candidates will be accompanied by the identity card of the Entitled Person and the detailed CV of the candidate, which will include the candidate's identification data, the place of residence, and the professional qualification. In the event that the Board of Directors or the Nomination and Remuneration Committee establish certain eligibility criteria for the BoD members or there are candidates for the position of independent administrators, the request

will also be accompanied by an affidavit of the candidate regarding the accomplishment of all eligibility criteria.

## **8. Questions**

- 8.1.** The Company's shareholders, irrespective of their participation in the Company's share capital, may address the BoD before the GSM written questions regarding the items on the agenda of the GSM, at the latest until the business day immediately preceding the date of the GSM at the first convening.
- 8.2.** The questions, accompanied by the shareholder's identity card, will be transmitted by the means provided by art. 4.8 above, and the answers will be given during the GSM or posted on the Company's website, in the section "Investor Relations".
- 8.3.** The shareholders may ask questions, others than those previously addressed pursuant to art. 8.1 above, during the GSM, after the chairman or other designated persons have presented the item on the agenda that the question refers to. In this case, the presentation of such question and any comments of the shareholder regarding such question may not exceed 3 minutes. The chairman or the person designated by him will answer the question before opening the voting regarding the item on the agenda that the question refers to.

## **9. Shareholders' Access to the GSM**

- 9.1.** The access to the GSM of the shareholders registered in the shareholders' registry at the Record Date is allowed based by simply proving their identity i.e. in case of natural person shareholders by their identity document, or, in the case of legal person shareholders by identity document of its legal representative, and in case of represented shareholders legal entities and natural person, by the proxy granted to the person representing them, in line with the applicable legal provisions.
- 9.2.** Upon entering the GSM, the shareholders or their representatives will present their identity card to the technical secretaries, in view of registration.
- 9.3.** After registration, each shareholder will receive the following documents, at their choice, in Romanian or in English:
  - a. voting bulletin for the election of the meeting secretary;
  - b. voting bulletins for the items of the published agenda;
  - c. other voting bulletins, as the case may be;
  - d. the equipment necessary for hearing the simultaneous translation into English/Romanian of the GSM debates, as the case may be.

## **10. Conduct of the GSM**

### **10.1. Technical Secretaries**

- 10.1.1. The chairman of the GSM will inform the shareholders on the identity of the technical secretaries who: (i) draw up the minutes with regard to the quorum and the accomplishment of all legal and statutory formalities for the convening of the GSM, and (ii) participate in all the GSM related procedures.
- 10.1.2. One of the technical secretaries presents to the shareholders the minutes regarding the fulfilment/non-fulfilment of the requirements of the Applicable Laws and of the Articles of Association for the convening of the GSM, including the presence quorum until that moment, by indicating the number of shareholders present or represented at the GSM, as well as those who have voted by correspondence, along with their cumulated holding in the Company's share capital.

## **10.2. Quorum**

- 10.2.1. The chairman of the GSM verifies the fulfilment of the quorum conditions based on the minutes drawn up by the technical secretaries.
- 10.2.2. The voting rights suspended for whatever reason will not be taken into account for the presence quorum. Such shareholders may be present in the GSM meeting room, but they will not participate in the debates or in the voting. Such votes will be excluded from the reporting base of the majority for the decision making, if applicable.
- 10.2.3. In the event that a shareholder intends to leave the GSM meeting room on a temporary or permanent basis, he must inform the meeting secretaries before leaving the room and when he has re-entered the room, allowing thus to recalculate the quorum. A shareholder who does not observe this rule will be exclusively responsible for the prejudices caused by adopting the decisions with lack of quorum or with an erroneously calculated quorum.

## **10.3. Opening of the Meeting**

- 10.3.1. At the date, time, and place indicated in the GSM convening notice, the chairman of the GSM will open the meeting provided that the formalities for convening and the quorum requirements have been met.
- 10.3.2. Any specialist, consultant, expert, or financial analyst may participate in the GSM based on a prior invitation from the BoD. Accredited journalists may also participate in the GSM, except for the case where the Chairman of the BoD decides otherwise.
- 10.3.3. The meeting of the GSM will be held in Romanian or English language.
- 10.3.4. The chairman of the GSM informs the shareholders whether:
  - a. the GSM is being recorded video and/or audio;
  - b. the discussions will be translated simultaneously into English/Romanian by an authorized translator.

- 10.3.5. The chairman of the GSM informs the shareholders that the statements made by them during the meeting will be recorded in the minutes of the meeting based on their express request in this respect.
- 10.3.6. In the event that, at the time indicated in the GSM convening notice, the minimum presence quorum is not met, the chairman of the GSM will announce the shareholders that the registration of the shareholders for the respective GSM is extended by 30 minutes after the time indicated in the convening notice.
- 10.3.7. If the minimum quorum is not met within the term provided by art. 10.3.6, the chairman of the GSM will declare the meeting closed for lack of quorum, and the GSM will meet at the second convening at the date, time, place and having the agenda indicated in the published convening notice.

#### **10.4. The Meeting Secretaries**

- 10.4.1. In the event that the quorum is met pursuant to the provisions of art. 10.2 and 10.3 above, the chairman of the GSM requests the shareholder to propose candidacies for the election of one meeting secretary, who check the shareholder presence list, the minutes drawn up by the technical secretary with regard to the fulfilment of all formalities required by the Applicable Laws and by the Articles of Association, and supervise compliance of the meeting with the Applicable Laws.
- 10.4.2. The meeting secretary may not be a member of the BoD, managing or control bodies, or employee of the Company.
- 10.4.3. For all the candidates proposed by the shareholders there will be a single voting, and the first candidate with the largest number of voting rights granted by the shareholders will be elected as meeting secretaries.

#### **10.5. Presentation of the Agenda**

- 10.5.1. The chairman of the GSM presents the published agenda.
- 10.5.2. The chairman of the GSM may give the floor to any other persons, in order to present each item on the agenda of the GSM.
- 10.5.3. Subsequent to the presentation of each item of the agenda, the shareholders may ask questions to the BoD and debates can take place with the observance of the time provided by art. 8.3 above.

#### **10.6. Voting Procedure**

- 10.6.1. Exercise of the Voting Right
  - 10.6.1.1. Each share gives a voting right in the GSM, with the following exceptions:
    - a. the treasury shares held by the Company do not give voting rights;
    - b. the shares whose voting rights have been suspended do not give voting rights during the suspension period;

- c. the cumulative votes will be calculated according to the provisions of the Applicable Laws.
- 10.6.1.2. Each voting bulletin for each item on the agenda includes its integral description, as well as the options "for", "against" or "abstention".
- 10.6.1.3. The voting right will be expressed by marking one voting option by the "X" sign and submitting the voting bulletin to one of the meeting's technical secretaries or by depositing it into the designated box, during the period in which the chairman of the GSM declares that the voting on such item is open.
- 10.6.1.4. Marking an option by other signs or marking two or several voting options will trigger the cancelation of such vote.
- 10.6.1.5. The shareholders who are in a conflict of interests with regard to one or several items on the agenda of the GSM shall not vote in relation to such items on the agenda or shall mark abstention vote.
- 10.6.1.6. The vote "abstention" is an expressed vote.
- 10.6.1.7. As a rule, the decisions of the GSM are made by open ballot.

#### **10.6.2. Secret Voting**

- 10.6.1.1. The secret voting is mandatory for:
  - a. Appointment or revocation of the BoD members;
  - b. Appointment, revocation, or dismissal of the financial auditor;
  - c. Adopting decisions concerning the liability of the members of the Company's administrative, managing, and control bodies.
- 10.6.1.2. The secrecy of the vote will be ensured by non-inclusion of the shareholder's or representative's surname and given name on the vote ballot. Nevertheless, the form will contain the number of shares and voting rights held by the respective shareholder.
- 10.6.1.3. In case of voting bulletins by correspondence, the secretariat will open the envelopes and access the documents attached to e-mails bearing the mention "Secret Vote Expressed" only after the closure of the voting for the relevant item on the agenda within the GSM, by the chairman of the GSM.

#### **10.7. Announcement of the Voting Results**

The chairman of the GSM will announce whether the result of the voting for each item on the agenda will be presented after the voting for each item or after the voting for all items, according to the logistics available for the votes counting.

#### **11. Closing the GSM**

After discussion and debating all items on the agenda, the chairman of the GSM will declare the GSM closed.