

ENDORSEMENT LETTER
Of the Board of Directors of the Company
SPHERA FRANCHISE GROUP SA

WITH REGARDS TO THE 3RD ITEM ON THE AGENDA OF THE
EXTRAORDINARY GENERAL SHAREHOLDERS MEETING ("EGSM")

i.e. Ratification of the Addendum no 40/2020 to the existing Term Credit Facility Agreement no. 120/2006/1 from October 31, 2006 (the "*Facility Agreement*") concluded with Alpha Bank Romania SA, as per Board of Directors' request

GIVEN:

- Most part of limits granted and approved to the Company by Alpha Bank Romania SA by way of the *Facility Agreement* are already drawn in full, new negotiations have been initiated with Alpha Bank Romania SA, in order to activate the Sublimit 7 within the existing facility, materialized by entering into the Addendum no. 40 on April 3rd, 2020, under the following conditions: (i) the value to be activated is 2.7 million EUR (related to Sublimit 7 – already existing in the *Facility Agreement*) and (ii) usable by US Food Network SA for financing/refinancing 100% of development/investment cost of the KFC restaurant network (US FOOD NETWORK S.A.) throughout the country;
- US Food Network SA will use this sublimit 7 to refinance the development costs for 2019 amounting to approximately EUR 2.3 million and to finance development costs for the period January - March 2020 amounting to EUR 0.4 million;
- The term for the activated sublimit 7 is of maximum 6 years (out of which 12 months grace period), having an interest margin of 2.85% p.a.;
- All the other provisions of the Addendum no. 40 concluded with Alpha Bank Romania SA (through which the value of 2.7m EUR was activated) are in accordance with the existing provisions of the Term Credit Facility Agreement, except for the clause below:

„Sphera Franchise Group SA undertakes not to distribute dividends for year 2019 to its shareholders, without Alpha Bank's prior written consent, which shall not be unreasonably withheld.”

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