

Materials to item 2 of the Agenda of the General Meeting of Shareholders of ALLTERCO JSCo., convened for 13.12.2022, on the additional proposal for a resolution at the request of the shareholder Svetlin Todorov

The Plan for granting the executive members of the Board of Directors remuneration in shares, presented herein, the adoption of which is proposed to the General Meeting of Shareholders at the request of the shareholder Svetlin Todorov, is based on the Plan for granting the executive members of the Board of Directors remuneration in shares prepared by the Board of Directors of the Company, proposed for adoption in the main proposal under item 2, with the following main differences:

- (1) A requirement that some of the shares acquired by executive directors on exercise of the Plan are retained by them for a period of up to one year is introduced, namely: directors are required not to dispose of half of the shares acquired as remuneration, and within one year the shares subject to this restriction are reduced (after the first quarter of restriction, the director becomes entitled to dispose of $\frac{1}{4}$ of the restricted shares, after the second quarter – another $\frac{1}{4}$, etc.).

On the one hand, this will limit the release of large blocks of shares on the market, which could have an adverse effect on the stock price. On the other hand, such an obligation for retaining shares will incentivize the directors' efforts to secure long-term (positive) effects from the Company management during the period of the plan, the effects of which will continue to be evident beyond that period (when the directors will actually be able to realize the additional remuneration they have received in shares).

- (2) The non-financial criteria that will be subject to performance and, accordingly, the Company's assessment of that performance have been clarified.

Additional changes have been introduced to clarify and specify the terms of the Plan and to make its implementation more visible.

Annex: draft of Plan for granting remuneration in shares to the executive members of the Board of Directors.