Supporting Note for Implementing a Stock Option Plan, as a Compensation and Retention Program for the Management Team of ROCA Industry Holdingrock1 S.A. (“ROCA Industry”)

According to the Fiscal Code (Law no. 227/2015), a "stock option plan" ("SOP") represents "a program initiated within a legal entity whereby employees, administrators, and/or directors thereof or of affiliated legal entities, as provided in point 26 letters c) and d), are granted the right to purchase at a preferential price or receive free of charge a determined number of participation units, as defined under point 40, issued by the respective entity.”

In accordance with point 40, "participation unit" means "any share or other equity interest in a general partnership, limited partnership, joint-stock company, partnership limited by shares, limited liability company or in another legal entity, or holdings in an investment fund."

Furthermore, it is provided that "For a program to qualify as a stock option plan, it must include a minimum period of one year between the granting of the right and the exercise thereof (acquisition of participation units)."

Implementing a SOP program presents the advantage of lower operational expenses and tax optimization allowed by the provisions of the current Fiscal Code.

The Fiscal Code regulates a favorable tax treatment for the distribution of shares through SOP programs. For the income obtained from these operations, the company and the beneficiaries are exempt from paying income tax assimilated to salaries (Article 76 of the Fiscal Code) and from paying social security contributions (Article 142 of the Fiscal Code). To benefit from the tax incentives, the minimum period after which the acquirers of shares under the SOP plan can exercise their option to receive free shares cannot be less than 12 months.

Considering:

(i) The necessity of motivating and retaining the management team of Roca Industry,

(ii) The necessity of aligning the reward and motivation system of Roca Industry employees with market practices,

(iii) The necessity of aligning the objectives of the management team of Roca Industry with the interests of its shareholders,

(iv) The necessity of setting medium-term objectives that are quantifiable and measurable, as well as

(v) the approval of the necessary steps for the initiation and implementation of a Stock Option Plan for the 2024-2027 period by the shareholders during the Ordinary General Meeting of Shareholders (“OGMS”) of ROCA Industry on April 29, 2024, based on a substantiation note provided for the respective OGMS outlining the main criteria and requirements, which were subsequently supplemented for a better understanding of the obligations and benefits of the management team, The Board of Directors of Roca Industry proposes the approval of initiating a Stock Option Plan for the management team of Roca Industry, with the following general characteristics (enhanced compared to the program previously submitted for approval):

1. **The duration of the SOP: from 2025 to 2028,** with the actual granting of shares after the approval of the annual financial statements for the year 2027, i.e., in T2 2028.

2. **Beneficiaries:**

   The SOP is addressed to persons who have concluded an employment or mandate contract (regarding administrators/directors) and hold within the Company, on the date of approval of the SOP by the Board of Directors of ROCA Industry ("**the Board**"), the positions of:
   (i) General Manager;
   (ii) Chief Financial Officer;
   (iii) Commercial Manager and
   (iv) Chief Operating Officer.
   The Board may decide, during the implementation of the SOP, to address the SOP to other persons who will acquire the functions mentioned in letters (i)-(iv) above during the implementation of the SOP or to other persons who have the status of employees, administrators and/or directors within the Company ("**Other Beneficiaries**"), in which case the Board will determine the number of shares that will be granted to these persons, the conditions for exercise and the manner in which the provisions of the SOP are applicable to them.

3. **Percentages offered** – **a maximum percentage of 3% of the total number of Shares** on the date of grant will be allocated to the Beneficiaries, as follows:

   (i) Maximum 1% of the Shares for the General Manager;
   (ii) Maximum 0.33% of the Shares for the Chief Financial Officer;
   (iii) Maximum 0.33% of the Shares for the Commercial Manager;
   (iv) Maximum 0.33% of the Shares for the Chief Operating Officer;
   (v) Maximum 1% for Other Beneficiaries to be determined by the Board.

4. **Granting conditions** – the shares will be granted based on and as a result of achieving Performance Indicators, aligned with the holding company's development strategy, as follows:

   - **Financial indicators (weight 50%)** - calculated based on the sum of the financial results (turnover and EBITDA) from 2025, 2026 and 2027 of the companies in which the Company is a shareholder/associate on the date of the Plan, based on the Company's audited financial statements, as follows:
     i) 2025 – cumulative turnover of 700 million lei and EBITDA of 85 million lei;
     ii) 2026 – cumulative turnover of 800 million lei and EBITDA of 100 million lei;
     iii) 2027 – cumulative turnover of 900 million lei and EBITDA of115 million lei.

Following future transactions, the Board of Directors will update the indicators using the same principle, namely by cumulating the values above with the budgeted results of the acquired companies.

- **Development indicators (weight 25%)** - minimum one acquisition transaction per year resulting in at least a 10% increase in cumulative turnover and at least a 10% increase in cumulative EBITDA, based on the Company's audited financial statements.
- **Stock performance indicators (weight 25%)** – The stock market performance indicator established by the Company, aims for the Company's share price to exceed the BET index by at least 5% per year.

5. Other Granting Conditions:

- For each Performance Indicator, the Board will determine its level of fulfillment (as a percentage of the thresholds set for each indicator).
- The percentages determined in this way will be multiplied by the weight associated with each Performance Indicator;
- The results obtained will be summed to determine the final score for the respective year (“**Annual Performance Score**”);
- Depending on the value of the Annual Performance Score, the Board will determine the percentage of Shares in respect of which each Beneficiary will be entitled to exercise his/her option. The percentage of shares for each year represents one third of the maximum percentage allocated under the Plan for each Beneficiary (“**Annual Percentage of Shares**”);
- Depending on the Annual Performance Score, the Board will apply the following weights regarding the Annual Percentage of Shares:

Annual Performance Score	Weight applied to the Annual Percentage of Shares
100%	100%
85%	75%
70%	50%
<70%	0%

- After the 2026 assessment, to the extent that the Performance Indicators for 2025 and 2026 were not 100% met, the Board will determine, in addition to the Performance Indicators for 2027, a set of cumulative performance indicators ("**Cumulative Performance Indicators**"), which take into account the situation in which the Performance Indicators would have been met in 2025 as well, both in 2026 and in 2027.
- If, as a result of the evaluation of the Beneficiaries' performance in 2027, the Cumulative Performance Indicators' fulfillment score is greater than or equal to 100%, the Beneficiaries will be able to exercise their Option regarding the maximum number of shares that were allocated in the Plan to each of them, regardless of the score obtained in previous years.

- the Beneficiaries will be able to exercise their Option only after the vesting period expires, subject to the suspensive condition of obtaining an Annual Performance Score of at least 70% in an annual performance evaluation (2025, 2026, 2027).
- The beneficiaries will acquire the shares for which they have exercised their option either by subscribing to the capital increase approved by the Company in this regard, or by acquiring them as a result of the transfer to them of the shares held by the Company in their own name. The mechanisms for acquiring the shares will be carried out in compliance with all legal provisions applicable to the Company.

6. Acceleration mechanism

The Board has the right to decide unilaterally that the Beneficiaries' possibility of exercising the option be accelerated, on a date established by the Board's decision, in the event that one of the acceleration conditions below is met (or if its occurrence is imminent):

(i) the termination of the contractual relationship between the Company and the Beneficiary, before the date of exercise of the option, except in cases where the termination occurs due to the fault of the Beneficiary (including as a result of fraud committed by the Beneficiary);

(ii) the withdrawal of financial instruments issued by the Company from the regulated market (delisting), regardless of the mechanism through which the delisting takes place;

(iii) by entering into an agreement to this effect between the Beneficiaries and the Company.

The Beneficiaries may have their option exercised accelerated only after a period of at least one year has passed from the moment the option right is granted. In such a situation, the Beneficiaries will be able to exercise their option only with respect to the number of shares to which they are entitled by the date established by the Board for exercise.

In the event of acceleration of the option due to the withdrawal from trading of the Company's shares, the Company has the right to purchase from any and/or all Beneficiaries, following delisting, the shares granted to them under the SOP as a result of the acceleration of the option, for which they have validly exercised the option received under the SOP.

In support of the above, we believe that this employee motivation and retention program is aligned not only with the holding's development plan but also with the interests of the shareholders.