



**ASBISc Enterprises Plc
Remuneration Report
2022 – 2023
financial years**

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Introduction

ASBISC Enterprises Plc. (hereinafter referred to – Company, ASBIS) has designed and integrated a Remuneration Policy for Members of Management Board in line with the provisions on remuneration as set out the Public Offer and the Conditions for Introducing Financial Instruments to the Organized Trading System and Public Companies Act which transpose regulations of Directive (EU) 2017/828, dated 17 May 2017.

Following regulations of Directive (EU) 2017/828, the Annual General Meeting of Shareholders of ASBISc Enterprises Plc dated 6 May 2020 approved a new Remuneration Policy for Members of Management Board.

The Remuneration Policy for Members of the Management Board describes the principles for payment of remuneration to the members of the Management Board.

This Remuneration Policy is available at the Company's registered office and on its website <https://investor.asbis.com/remuneration-policy>

The Remuneration Report for each financial year is subject to be assessed by auditors and approved at the Annual General Meeting each year under a separate item on the agenda.

This Remuneration Report provides an overview of the Remuneration Policy for ASBISc Enterprises Plc Management Board and the application thereof in 2023.

Key highlights – 2023 performance

In 2023 despite the inflationary pressures, weaker demand and the uncertain geopolitical environment, ASBIS was able to increase its revenues in all major markets of its operation including the already established markets of Caucasus, Western Europe and Africa. The Company has managed to build strong foundations and competent teams to deliver what we promised to the market - our ambitious forecast.

In 2023, we have been further strengthening the development of our portfolio of IT products and services with technologically advanced solutions, including the division related to robotics - ASBIS Robotic Solutions (AROS) - based on two major segments – the distribution of collaborative robots (cobots) from leading global brands in the sector as well as own robotic platforms under own brand – CRON ROBOTICS.

In 2023, we have also continued to diversify our activities by investing in another company from the biotechnology sector i.e., Theramir Ltd - operating in a growing market and at an early stage of their development.

In 2023, ASBIS generated revenues of USD 3.06 billion (up 13.8% compared to 2022). Gross profit margin stabilized and reached 8.24% in 2023 as compared to 8.47% in 2022. The profit from operations (EBIT) reached USD 112.5 million USD (up 1.35 % compared to 2022) and net profit after taxation amounted to USD 53 million, as compared to USD 75.9 million in 2022.

As of December 31, 2023, ASBIS had USD 143.6 million in cash and equivalents on its balance sheet, as compared to USD 134.6 million at the end of 2022.

The Management Board delivered on its promise of short and long-term value creation, by taking important steps towards further execution of ASBIS's growth strategy.

The Management Board is satisfied with the Group's results in 2023. The Group has once again showed its strength and motivation to deliver robust outcome despite the unfavorable geopolitical environment.

**Summarized overview of ASBIS remuneration policy and application in 2023
/ in thousands USD/**

	Policy summary	Application in 2023
Fixed salary	<ul style="list-style-type: none"> A fixed salary is paid to Executive Directors in 13 equal monthly instalments and to Non-Executive Directors in 12 equal monthly instalments. The aim of the fixed salary is to attract and retain the best-qualified members Fixed salary is considered on a regular basis in light of economic climate, market conditions, Company performance, the individual's role, skills and remit, and increases elsewhere in the Company. 	<ul style="list-style-type: none"> Fixed salary was paid as follows: <ul style="list-style-type: none"> Siarhei Kostevitch – USD 213, Marios Christou – USD 127, Costas Tziamalis – USD 127, Julia Prihodko – USD 59 Hanna Kaplan – USD 44. Constantinos Petrides – USD 21. Tasos Panteli – USD 26, Maria Petridou – USD 26.
Incentive pays	<ul style="list-style-type: none"> Incentive pay is based on performance criteria and it is in line with the business strategy, market condition and the specific environment in which the Company operates. Incentive pay is paid only if it is sustainable according to the financial situation of the Company as a whole and justified according to the performance of the business unit, the fund and the individual concerned. At the target level: <ul style="list-style-type: none"> quarterly financial, non-financial and personal objectives, paid up to around 7% of the Chief Executive Officer's total pay and up to 5% of the Deputy CEO and Chief Finance Officer's total pay, Net profit bonus - calculated as % from achieved NP target. The maximum level is up to 11% of the Deputy CEO and Chief Finance Officer's total pay, Net Profit commissions - calculated as a % from Profit after Tax. The maximum level is up to approximately 44% of the Chief Executive Officer's total pay. 	<p>Applicable criteria and their weight:</p> <ul style="list-style-type: none"> financial results: 100% non-financial targets: not quantified personal objectives: not quantified <p>Actual pay-out was as follows:</p> <ul style="list-style-type: none"> Siarhei Kostevitch – USD 792, Marios Christou – USD 171, Costas Tziamalis – USD 171, Julia Prihodko – USD 50. Hanna Kaplan – USD 0.
Provident Fund	<ul style="list-style-type: none"> The members of the Management Board are not entitled to any pension contributions however they participate in the Employees' Provident Fund. 	<p>Provident Fund was paid as follows:</p> <ul style="list-style-type: none"> Siarhei Kostevitch – USD 6, Marios Christou – USD 4, Costas Tziamalis – USD 4, Julia Prihodko – USD 2 Hanna Kaplan – USD 1

Application of Remuneration Policy in 2023

Fixed salary

The fixed salary for the members of the Management Board is determined by the Remuneration Committee.

The basic salaries for the members of the Management Board in 2023 have increased, as compared to 2022, mainly due to a change in EUR/USD rate.

Annual fixed salary for the management board /in thousands USD/		
	2023	2022
Siarhei Kostevitch	213	205
Marios Christou	127	123
Costas Tziamalis	127	123
Hanna Kaplan*	44	-
Julia Prihodko	59	50
Constantinos Petrides**	21	-
Tasos Panteli	26	13
Maria Petridou	26	13

* Hanna Kaplan was appointed to the BOD as an Executive Director on the 23rd of June 2023

** Constantinos Petrides was appointed to the BOD as a Non-Executive Director on the 23rd of June 2023

In 2023 there were the following changes in the members of the Company's Board of Directors:

- Executive directors:

- on May 10th, 2023, the Company's Annual General Meeting of Shareholders has re-elected Mr. Siarhei Kostevitch and Mr. Marios Christou to the Board of Directors,
- on June 23rd, 2023, the Company appointed to the Board of Directors Mrs. Hanna Kaplan.

- Non-executive directors (NED):

- on June 23rd, 2023, the Company appointed to the Board of Directors Mr. Constantinos Petrides.

Incentive pay

The objective of the Management Board incentive pay is to ensure that its members' priorities define short-term operational objectives, leading to longer-term value creation.

The incentive pay consists of a (potential) cash bonus payment, depending on achievements concerning pre-set targets:

- a) financial ("Net Profit After Tax" and "Cash From Operating Activities") and
- b) non-financial and personal objectives, which are consistent with the Company's strategy and aligned with shareholders' interests for the Chief Executive Officer, Deputy CEO of Asbis Group and Chief Finance Officer.

Incentive pays for the management board, in USD thousand		
	2023	2022
Siarhei Kostevitch	792	773
Marios Christou	171	170
Costas Tziamalis	171	170
Hanna Kaplan*	-	-
Julia Prihodko	50	35

* Hanna Kaplan was appointed to the BOD as an Executive Director effective from the 23th of June 2023

On an annual basis, the Remuneration Committee selects financial and non-financial targets for the Management Board. In selecting these targets, the Remuneration Committee considers analysts' forecasts, economic conditions and the Committee's expectation of performance over the relevant period.

Incentive pay criteria for 2023

The following table shows the selected criteria, their weight and the performance ranges that applied to the 2023 incentive pay:

Criteria	Performance thresholds	Total weight
Non-financial criteria	Performance and pay-out are assessed by the Remuneration Committee per individual criteria	not quantified

Personal objectives	Performance and pay-out is assessed by the Remuneration Committee per individual criteria	not quantified
Financial results	<p><i>Net Profit after Tax:</i> Minimum target – USD 78 m Maximum target – USD 82 m</p> <p><i>Cash From Operating Activities:</i> Generate a positive amount for 2023 from “Cash From Operating Activities”.</p>	100% (only applies to NPAT)

The financial results in 2023 (without one-off events) exceeded the minimum level, hence the full amount (i.e., 100%) of the total incentive pay was awarded for this component.

In conclusion, the total incentive pay for 2023 granted to the Chief Executive Officer, the Deputy CEO, the Chief Finance Officer, the Chief Human Relations Officer and Hanna Kaplan – Executive Director amounted to 100% of the maximum opportunity. This resulted in a gross cash bonus payment of USD 792 to the Chief Executive Officer, USD 171 to the Deputy CEO, USD 171 to the Chief Finance Officer, USD 50 to the Chief Human Relations Officer and USD 0 to Hanna Kaplan – Executive Director.

Pensions and other benefits

Benefits

To provide a market competitive remuneration package, a number of work-related benefits are available to the Executive Directors. In addition to the fixed and incentive pay, the Company offers a range of benefits including:

- Car;
- Phone;
- House allowance;
- Medical Insurance.

Employees Provident Fund

The Employees’ Provident Fund is the main scheme under the Employees’ Provident Funds and Miscellaneous Provisions Act, 1952. The scheme is managed under the aegis of the Employees’ Provident Fund Organization. Certain members of the Management Board also participate in the Employees’ Provident Fund.

A contribution is payable by each employee (the employee has the option to contribute 3%, 5% or 10%). The Company also contributes 3% on employees' fixed salary. The benefits from the Provident Fund can only be paid to any member of such fund or to the legitimate heirs of the member:

- In case of retirement;
- In case the member becomes permanently incapable for work;
- In case of death of the member;
- In case of termination of employment of the member;
- In case of dissolution of the fund.

Pension

The members of the Management Board are not entitled to any pension contributions in addition to the fixed annual remuneration and Provident Fund contributions.

The table below presents information on performance criteria and its application in 2023

Name of director, position	1 Description of the performance criteria and type of applicable remuneration	2 Relative weighting of the performance criteria	3 Information on Performance Targets		4 a) Measured performance and b) actual award outcome
			a) Minimum target/threshold performance and b) corresponding award	a) Maximum/target performance and b) corresponding award	
Siarhei Kostevitch, Chairman, Executive (Chief Executive Officer)	Income Statement: NPAT		a) USD 78 M	a) USD 82 M	a) USD 78 M (without one-offs)
			b) USD 799 000	b) USD 839 000	b) USD 792 000
	Cash Flow: Cash From Operating Activities ("CFO")		a) positive "CFO"	a) not quantified	a) + USD 45 M
			b) not applicable	b) not applicable	b) not applicable
	Non-finance: compliance with all applicable laws and regulations in all the countries we conduct business in (non-measurable)		a) not quantified	a) not quantified	a) not quantified
b) not applicable			b) not applicable	b) not applicable	
Marios Christou, Executive (Chief Financial Officer)	Income Statement: NPAT		a) USD 78 M	a) USD 82 M	a) USD 78 M (without one-offs)
			b) USD 175 000	b) USD 183 000	b) USD 171 000
	Cash Flow: Cash From Operating Activities		a) positive "CFO"	a) not quantified	a) + USD 45 M
			b) not applicable	b) not applicable	b) not applicable
	Non-finance: compliance with all applicable laws and regulations in all the countries we conduct business in (non-measurable)		a) not quantified	a) not quantified	a) not quantified
b) not applicable			b) not applicable	b) not applicable	
	Income Statement: NPAT		a) USD 78 M	a) USD 82 M	a) USD 78 M (without one-offs)

Costas Tziamalis, Executive (Deputy CEO)			b) USD 175 000	b) USD 183 000	b) USD 171 000
	Cash Flow: Cash From Operating Activities		a) positive "CFO"	a) not quantified	a) + USD 45 M
			b) not applicable	b) not applicable	b) not applicable
	Non-finance: compliance with all applicable laws and regulations in all the countries we conduct business in (non- measurable)		a) not quantified	a) not quantified	a) not quantified
		b) not applicable	b) not applicable	b) not applicable	
Julia Prihodko Executive (Chief Human Relations Officer)	Income Statement: NPAT		a) USD 78 M	a) USD 82 M	a) USD 78 M (without one-offs)
			b) not applicable	b) not applicable	b) USD 50 000
	Cash Flow: Cash From Operating Activities		a) positive "CFO"	a) not quantified	a) + USD 45 M
			b) not applicable	b) not applicable	b) not applicable
Non-finance: compliance with all applicable laws and regulations in all the countries we conduct business in (non- measurable)		a) not quantified	a) not quantified	a) not quantified	
		b) not applicable	b) not applicable	b) not applicable	
Hanna Kaplan, Executive	Income Statement: NPAT		a) USD 78 M	a) USD 82 M	a) USD 78 M (without one-offs)
			b) not applicable	b) not applicable	b) not applicable
	Cash Flow: Cash From Operating Activities		a) positive "CFO"	a) not quantified	a) + USD 45 M
			b) not applicable	b) not applicable	b) not applicable
	Non-finance: compliance with all applicable laws and regulations in all the countries we conduct business in (non- measurable)		a) not quantified	a) not quantified	a) not quantified
			b) not applicable	b) not applicable	b) not applicable

The table below presents information on performance criteria and its application in 2022

Name of director, position	1 Description of the performance criteria and type of applicable remuneration	2 Relative weighting of the performance criteria	3 Information on Performance Targets		4 a) Measured performance and b) actual award outcome
			a) Minimum target/threshold performance and b) corresponding award	a) Maximum/target performance and b) corresponding award	
Siarhei Kostevitch, Chairman, Executive (Chief Executive Officer)	Income Statement: NPAT		a) USD 70 M	a) USD 74 M	a) USD 76 M
			b) USD 700 000	b) USD 740 000	b) USD 773 000
	Cash Flow: Cash From Operating Activities ("CFO")		a) Not quantified	a) not quantified	a) - USD 56 M
			b) not applicable	b) not applicable	b) not applicable
	Non-finance: compliance with all applicable laws and regulations in all the countries we conduct business in (non-measurable)		a) not quantified	a) not quantified	a) not quantified
			b) not applicable	b) not applicable	b) not applicable
Marios Christou, Executive (Chief Financial Officer)	Income Statement: NPAT		a) USD 70 M	a) USD 74 M	a) USD 76 M
			b) USD 158 000	b) USD 166 000	b) USD 170 000
	Cash Flow: Cash From Operating Activities		a) Not quantified	a) not quantified	a) – USD 56 M
			b) not applicable	b) not applicable	b) not applicable
	Non-finance: compliance with all applicable laws and regulations in all the countries we conduct business in (non-measurable)		a) not quantified	a) not quantified	a) not quantified
			b) not applicable	b) not applicable	b) not applicable
Costas Tziamalis, Executive (Deputy CEO)	Income Statement: NPAT		a) USD 70 M	a) USD 74 M	a) USD 76 M
			b) USD 158 000	b) USD 166 000	b) USD 170 000
	Cash Flow: Cash From Operating Activities		a) Not quantified	a) not quantified	a) - USD 56 M
			b) not applicable	b) not applicable	b) not applicable
	Non-finance: compliance with all applicable laws and regulations in all the countries we conduct business in (non-measurable)		a) not quantified	a) not quantified	a) not quantified
			b) not applicable	b) not applicable	b) not applicable
Julia Prihodko Executive (Chief Human Relations Officer)	Income Statement: NPAT		a) USD 70 M	a) USD 74 M	a) USD 76 M
			b) not applicable	b) not applicable	b) USD 35 000
	Cash Flow: Cash From Operating Activities Non-finance: compliance with all applicable laws and regulations in all the countries we conduct business in (non-measurable)		a) Not quantified	a) not quantified	a) - USD 56 M
			b) not applicable	b) not applicable	b) not applicable
	Non-finance: compliance with all applicable laws and regulations in all the countries we conduct business in (non-measurable)		a) not quantified	a) not quantified	a) not quantified
			b) not applicable	b) not applicable	b) not applicable

Total remuneration for directors paid in 2022 and 2023

The following table summarizes the remuneration of ASBIS Management Board members in the financial years 2022 and 2023.

Name of the director, Position	Year	1 Fixed remuneration			2 Variable remuneration		3 Extraordinary items	4 Provident Fund	5 Total remuneration	6 Proportion of fixed and variable remuneration
		Basic	Fees	Fringe benefits	One-year variable	Multi-year variable				
Siarhei Kostevitch, Chairman, Executive (Chief Executive Officer)	2022	205			773		-	6	984	21%/79%
	2023	213			792			6	1011	21%/79%
Marios Christou, Executive (Chief Financial Officer)	2022	123			170		-	4	297	41%/59%
	2023	127			171			4	302	43%/57%
Costas Tziamalis, Executive (Deputy CEO)	2022	123			170		0	4	297	41%/59%
	2023	127			171			4	302	43%/57%
Julia Prihodko Executive (Chief Human Relations Officer)	2022	50			35		-	2	87	57%/43%
	2023	58			50			2	111	48%/52%
Hanna Kaplan, Executive Director*	2022	-			-		-	-	-	-
	2023	43			-			1	44	only fixed
Constantinos Petrides, Non-executive (Non-executive Director)*	2022	-			-		-	-	-	-
	2023	21							21	only fixed
Tasos Panteli, Non-executive (Non-executive Director)	2022	13			-		-	-	13	only fixed
	2023	26							26	only fixed
Maria Petridou Non-executive (Non-executive Director)	2022	13			-		-	-	13	only fixed
	2023	26							26	only fixed

*Hanna Kaplan and Constantinos Petrides were appointed to the BOD on the 23th of June 2023.

Share-based remuneration

Share-based remuneration is not applied by ASBIS.

Comparative information on the change of remuneration and Company performance

The annual change of remuneration of ASBIS's Management Board, the performance of the Company and the average remuneration of ASBIS are presented in the below table in a comparative manner for the last five reported financial years (RFY).

	RFY2019 vs RFY2018	RFY2020 vs RFY2019	RFY2021 vs RFY2020	RFY2022 vs RFY2021	RFY2023 vs RFY2022
Directors remuneration					
Siarhei Kostevitch, Chairman, executive (Chief Executive Officer)	-23%	55%	107%	-9%	+3%
Marios Christou, executive (Chief Financial Officer)	-3%	66%	60%	+16%	+3%
Costas Tziamalis, executive (Deputy CEO)	-4%	66%	63%	+14%	+3%
Yuri Ulasovich, executive (Chief Operating Officer)	-5%	49%	-76%	-	-
Hanna Kaplan, executive director	--	-	-	-	+100%
Julia Prihodko, executive, (Chief Human Relations Officer)	-	-	100%	+67%	+31%
Demos Demou, non-executive (Non-executive Director)	100%	40%	-50%	-	-
Chris Pavlou, non-executive (Non-executive Director)	-100%	-	-	-	-
Constantinos Petrides, non-executive (Non-executive Director)	-	-	-	-	+100%
Tasos Panteli, non-executive (Non-executive Director)	-	40%	0%	-7%	+100%
Maria Petridou, non-executive (Non-executive Director)	-	-	100%	+18%	+100%
Total	-12%	57%	63%	-3%	+10%
Company Performance					
Finance metric A - Income Statement: Profit for the year	27%	140%	111%	-1%	+1% (without one-offs)
Finance metric B - Cash Flow: Cash from Operating Activities	358%	43%	-2%	-237%	+180%
Non-finance metric C - compliance with all applicable laws and regulations in all the countries we conduct business in (non-measurable)					

Average remuneration on a full-time equivalent basis of employees					
Employees of the Company	3%	20%	8%	-3%	+14%
Employees of the Group	9%	6%	17%	+3%	+5%

Derogations and deviations from the Remuneration Policy and the procedure for its implementation

In 2023, the application of the Remuneration Policy for the Management Board was consistent with the policies included therein. No deviation or derogation took place.

Any use of the right to reclaim

During the reported financial year, the variable remuneration has not been reclaimed.

Information on shareholder vote

The Annual General Meeting of Shareholders of ASBISc Enterprises Plc held on the 10th of May 2023, approved a Remuneration Report of ASBISc Enterprises Plc for the year ended 31 December 2021 with the following voting result:

A number of shares for which valid votes were cast: 22,968,463 which constitutes 41.38% of the share capital.

The following number of votes were cast with respect to the resolution:

- a total number of valid votes: 22,968,463
- votes “in favor” of the resolution: 22,812,403
- votes “against” the resolution: 156,060;
- “abstaining” votes: 0

Signatures:

.....
Siarhei Kostevitch
Chairman, Chief Executive Officer
Member of the Board of Directors

.....
Marios Christou
Chief Financial Officer
Member of the Board of Directors

.....
Constantinos Tziamalis
Deputy CEO
Member of the Board of Directors

.....
Julia Prihodko
Chief Human Relations Officer
Member of the Board of Directors

.....
Hanna Kaplan
Member of the Board of Directors