The responses provided to the questions asked by the shareholders prior to the Annual General Meeting of the Company convened for 17 June 2021.

Part I – Remuneration Questions

Question 1: Could you please clarify the following issues regarding short-term variable remuneration calculation:

- **a. Why is there no multiplier cap on GMV but there is one for EBITDA (150%)?**
- **b. Have you considered incorporating other metrics such as NPS?**

Allegro: The Remuneration Committee views the Allegro Group as operating in a high growth market with a significant and long term opportunity to grow in an e-commerce segment which is underpenetrated by international standards. In this context, uncapping the maximum performance score for GMV is intended to align Shareholder and Management interests to grow the business as fast as possible. In contrast, the EBITDA maximum performance score is capped at 150% of the annual budget to incentivise management to stay focussed on growth and investment rather than absolute EBITDA delivery (for example through cost cutting or reducing investment) even in a situation where GMV growth is underperforming the annual budget.

The Remuneration Committee has full discretion each year to change or introduce different KPIs from GMV and EBITDA in the Short-Term Variable Bonus Plan. A KPI such as NPS could therefore be included at some point in the future. However, at present the Remuneration Committee views NPS as already deeply embedded in the mind-set of the organisation as a key metric that helps to drive top line growth, which is itself already sufficiently targeted by the inclusion of the GMV metric in the Short-Term Variable Bonus Plan and also in the longer term Performance Stock Unit Plan.

Question 2: The question is referring to the Performance Stock Unit (the "PSU") - part of the long-term variable remuneration available to employees under the Allegro Incentive Plan ("AIP") grant: it looks like the first grant has already been made. Would it be possible to disclose more parameters of the grant such as maximum dilution, or maximum cash outlay?

Allegro: The first PSU grant was finalised on 2 April 2021 by decision of the Remuneration Committee, which was almost one month after finalisation of the Management's Annual Report for 2020, including the Remuneration Committee report, on 3 March 2020. Accordingly, such details as maximum dilution from the first grant were not available at the date of the Remuneration Committee Report. This information has however been disclosed in the financial statements that comprise part of the Management Report prepared for the first quarter of 2021 and released on 13 May 2021.

The annual Remuneration Report discloses the following in respect to Overall Plan Limits for dilution: "In any ten-year period, not more than 10% of the issued share capital of the Issuer may be issued or transferred out of treasury for the purposes of awards granted under the AIP and any other discretionary employees' share plans adopted by the Company."

The quarterly financial statements, note 19 on "Events occurring after the reporting period", discloses the size of share awards made under the PSU and RSU plans and the estimated total cost of the awards of PLN 53.3m over the three year vesting period. Furthermore, Management's presentation accompanying the first quarter results covers the AIP grant in detail on slide 24 and discloses maximum dilution from the first grant at 0.13% of existing share capital. This is 1.3% of the maximum available dilution over the ten year period referred to in the Overall Plan Limits.

Question 3: I understand that Allegro has accrued towards the CEO's bonus, an amount of PLN 7.3m, 218% of his salary whereas the Short-term-incentive plan allows max payout of 100%. Could you please explain the discrepancy? Does the amount PLN 7.3m include some long-term components as well, and if so, how is it paid in cash?

Allegro: A description of the Group's Short-Term Variable Bonus Plan ('the Bonus") for Executive Directors and Key Managers was included in the Remuneration Report and appears as section 4.3.2 of the 2020 Management Report. There is no cap on the maximum size of the CEO's Bonus relative to base salary at 100%. We include below a detailed explanation of how the 218% of base salary bonus accrual was arrived at:

As described in note 4.3.2:

"The amount of the annual bonus depends on:

- the amount of the annual base salary,
- the target size of the bonus as a percentage of annual base salary that ranges from 60% to 100% depending on the performed function,
- results against agreed corporate performance criteria that determines the size of the relevant Corporate Bonus Pool expressed as a percentage of the target bonus of 100% and accrued for each participant in the pool,
- a modifier based on individual performance that can boost or reduce the bonus based on corporate performance within a range of +25% and – 100%, considering the following criteria:
    - realization of goals and tasks,
    - attitude and way of performing work,
    - skills development and knowledge sharing"

Further details on the calculation of the Corporate Bonus Pool are also included in note 4.3.2.

In the case of Mr Nuyts, the Group's CEO, the target size of his bonus for achieving budgeted performance on the twin performance criteria of GMV and EBITDA was 100% of base salary. The CEO has the largest variable pay component of all grades within the Group. Other Executive Directors and Key Managers have a variable pay component between 60% and 75%, while the equivalent for lower levels in the organization ranges from 10% to 30% of base salary as seniority increases.

This target size Bonus level is multiplied by the weighted average achievement on the Corporate Performance Criteria that define the size of the Corporate Bonus Pool, (GMV and EBITDA) where 100% performance is achieved by delivering budgeted performance. As described in note 4.3.2, the minimum performance is 87.5% of budget (0% achievement) through to 100% achievement for 100% budget delivery and 8% of achievement for every additional 1% of budget delivery. GMV and EBITDA carry equal 50% weight but the EBITDA achievement is capped at 150% while the GMV achievement is uncapped. Due to the exceptional results achieved during 2020, the weighted average achievement was 218% with 75% (50% weight x 150% achievement) coming from EBITDA and 143% (50% weight x 286% achievement) coming from GMV. This component of the Bonus payout is calculated in exactly the same way for all employees on the Short-Term Variable Bonus Plan, regardless of level in the organisation.

In accordance with the rules described above, the CEO's bonus was therefore accrued at 218% of Mr Nuyts' annual base salary.

Question 4. Can you comment on why one part of the long-term incentive plan is not tied to performance criteria and why vesting is allowed after one year?

Allegro: We assume that the question is referring to the Restricted Stock Unit ("RSU") - part of the long-term variable remuneration available to employees under AIP. The RSU grants are awarded to managers and senior expert levels in the organisation. The awards take the form of shares in Allegro.eu and are earned through service over a three year period following each grant date. While the value of these awards are not tied to performance criteria, which can be difficult for junior managers to understand, the value does vary materially with the appreciation or depreciation of the share price and therefore aligns the interests of shareholders and employees deep into the Allegro Group's organisation. Moreover, the individual performance of the employee is reflected in the size of the grant received. The Remuneration Committee is of the opinion that the RSU part of the AIP helps the Group to compete effectively for the best high potential talent with multinationals who are also able to offer stock based compensation and at the same time will foster a sense of ownership and loyalty to the Group amongst the Group's best talents and future leaders.

The Remuneration Committee have included a vesting schedule of 25%, 25% and 50% across the three years of each grant in order to ensure that the RSU and PSU plans are attractive and differentiated in appealing to two key groups of employees: Firstly, new hires would be less likely to fully value these awards if they had to commit for the full three years before receiving an award, and this is viewed as putting the Group at an unnecessary disadvantage in the competition for talent. Secondly, a significant group of more senior and experienced employees were co-investors in the private equity project to acquire the Allegro and Ceneo businesses and acquired significant wealth in the form of Allegro shares following the Group's IPO. As some of these individuals may be considering pursuing other life goals than a professional business career with the help of their greater financial independence, the Remuneration Committee believes that the shorter vesting periods makes it more attractive for them to continue contributing to the growth of the Allegro Group in the short term, without needing to commit for three years in order to benefit from the AIP.

Part II – The auditors

<u>Question 5:</u> PwC's non-audit fees were 77% of total fees received during the fiscal year. Was this a one-off, perhaps because of consulting work due to the IPO? Could you share any details on the nature of the non-audit fees paid to PWC, and whether you would expect this to reduce in future?

<u>Allegro:</u> PwC non-audit fees charged in 2020 related mostly to services connected with the IPO. Auditors performed the assessment before commencing any non-audit services and none of the services impaired PwC independence. Most related to services pre-IPO:

- audit of the consolidated financial statements of Adinan Super Topco (Allegro.eu) for the years 2019-2017;
- review of the interim condensed consolidated financial statements for 6 months ended 30 June 2020 and 30 June 2019;
- professional services in relation to the issuance of comfort letters and
- review of interim condensed consolidated financial statements for 9 months ended 30 June 2020.

The above services are considered permissible under relevant EU, Luxembourg and Polish independence regulations. PwC confirmed independence to the Audit Committee during the 2020 audit and at the closing meeting on 1 March 2021. After Allegro.eu became a public entity, the only non-audit services in 2020 related to the review of Q3 accounts.