

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF SOPHARMA AD – SOFIA, 2 JUNE 2017

I. Constituting the General Meeting of Shareholders

The Annual General Meeting of Shareholders of Sopharma AD was held on 2 June 2017, at 11.00 in Sofia, 5 Lachezar Stanchev Str., building B of commercial complex Sopharma Business Towers. It was attended by shareholders and their representatives, as per the annex to the Minutes listing the present shareholders and representatives of shareholders, containing the number of shares present and represented.

The AGM was opened by the Executive Director of Sopharma AD Mr. Ognian Donev. He announced the result of the registration of the shareholders and their representatives, conducted on the basis of the list of shareholders, containing information about the shares, owned by them with voting rights at the Extraordinary General Meeting, provided by the Central Depository AD, namely:

The registered capital of the company is 134 797 899 BGN, divided into 134 797 899 registered dematerialized shares with a nominal value of BGN 1.

The shares with voting rights at the General Meeting of the Company as at 19 May 2017 – the date, as at which the shareholders registered in the register of the Central Depository AD have a voting right at the General Meeting, are **129 135 485** /one hundred and twenty-nine million, one hundred and thirty five thousand, four hundred and eighty five/. As a result of shares buyback, as at the same date – 10 April 2017, the Company has bought back **5 662 414** /five million, six hundred and sixty two thousand, four hundred and fourteen/ treasury shares and according to the regulations of art. 187a, par. 3 of the Commercial Act (CA) all rights on them, including the voting right, have been suspended until the moment of their transfer.

52 shareholders were registered for participation at the Extraordinary General Meeting. 41 288 389 shares are represented personally and 49 765 888 shares - by proxy. The total number of the represented shares is 91 054 277, which is 67.55% or more than ½ of the capital.

There is a quorum for holding the General Meeting and it may be conducted and take valid decisions.

ELECTION OF MANAGEMENT BODY OF THE SESSION OF THE GENERAL MEETING:

1. Proposals for the management body of the session:

For Chairperson – Pelagia Viatcheva

For Secretary – Nikolay Georgiev

For Tellers: Kristina Atanasova, Maria Nedkova, Jeni Asenova

Voting results:

VOTED “FOR”: 91 054 277 shares or 100% of the represented capital and 67.55% of the registered capital of the company

VOTED “AGAINST”: none

VOTED “ABSTAINED”: none

The EGM elected the proposed persons for Chairperson, Secretary and Tellers of the Extraordinary General Meeting.

FINDINGS OF THE CHAIRPERSON AND THE SECRETARY OF THE MEETING:

After opening the session of the EGM, the Chairperson and the Secretary notified the shareholders about the following circumstances:

1. On the basis of art. 223, par. 5 of the CA the invitation was announced in the Commercial Register with registration from 17 March 2017, as well as on the electronic site of the Company. The announcement was within the statutory period under art. 223, par. 5 of the Commercial Act and in compliance with the requirements of the Public Offering of Securities Act for notifications to the Financial Supervision Commission, the Bulgarian Stock Exchange and the Public regarding the convening of the General Meeting of Shareholders, the agenda and the draft decisions.

2. According to a list of the present and represented shareholders, certified by the Chairperson and the Secretary, ***Personally represented are 41 288 389 shares and by proxy – 49 765 888 shares. The total number of represented shares with voting rights is 91 054 277, which represents 67.55% or more than ½ of the capital.***

All represented and registered shares for participation at the General Meeting are valid and with voting right.

3. 14 shareholders are represented by a power of attorney. The powers of attorney are meeting in form and content all the requirements of the POSA. Powers of attorney have been provided electronically and within the period determined in the Invitation to the AGM by eight shareholders, holding a total of 49 765 888 shares.

4. The following **members of the Board of Directors are present** at the AGM:
Ognian Ivanov Donev – Chairman of the Board of Directors and Executive Director
Vessela Liubenova Stoeva - Deputy-chairperson of the Board of Directors
Ognian Kirilov Palaveev – Member of the Board of Directors
Andrey Lyudmilov Breshkov - Member of the Board of Directors;

5. No shareholders have exercised their voting right by correspondence or electronically.

6. The General Meeting was attended by the following guests:
1. Vasil Naydenov – Member of the Audit Committee of Sopharma AD
 2. Krassimira Radeva – Baker Tilly Klitou and Praters Ltd.
 3. Valya Brankova – AFA
 4. Reni Yordanova - AFA

Voting results:

VOTED “FOR”: 91 054 277 shares or 100% of the represented capital and 67.55% of the registered capital of the company

VOTED “AGAINST”: none

VOTED “ABSTAINED”: none

The majority of shareholders attending the General Meeting and the representatives of shareholders agreed to allow the guests to be present in the room of the General Meeting without voting rights.

The agenda, announced in the Commercial Register is as follows:

1. **Approval of Substantiated report by the Board of Directors for transactions under art. 114, par. 1 of POSA; Draft decision:** GM approves the Substantiated report, prepared by the Board of Directors, for transactions under art. 114, par. 1 of POSA, with the participation of the public company SOPHARMA AD.
2. **Approval of the Annual report of the Investor Relations Director for 2016; Draft decision:** AGM approves the Annual report of the Investor Relations Director for 2016;
3. **Approval of the Audit report on the audit of the annual financial statements of the Company for 2016; Draft decision:** AGM approves the Audit report on the audit of the annual financial statements of the Company for 2016;
4. **Approval of the audited annual financial statements of the Company for 2016; Draft decision:** AGM approves the audited annual financial statements of the Company for 2016;
5. **Approval of the audited annual consolidated financial statements of the Company for 2016; Draft decision:** AGM approves the audited annual consolidated financial statements of the Company for 2016;
6. **Approval of the report of the Audit Committee for 2016; Draft decision:** AGM approves the report of the Audit Committee for 2016;
7. **Approval of a decision on the distribution of the Company's net profit for 2016 and undistributed profit from past periods; Draft decision:** AGM accepts the proposal of the Board of Directors for the distribution of the profit of the company realized in 2016 and retained earnings from previous periods as follows: The total amount of the profit to be distributed amounts to BGN 38,249,890.71 / thirty-eight million two hundred forty-nine thousand eight hundred and ninety BGN and seventy one st. / of which BGN 37,769,879.20 / thirty-seven million seven hundred and sixty nine thousand eight hundred seventy-nine BGN and 20 st. / profit realized in 2016 and BGN 480,011.51 / four hundred and eighty thousand BGN and eleven levs and 51 st. / unallocated profit from past periods. After allocating 10% to a mandatory reserve, a dividend of BGN 0.10 (ten stotinki) per share shall be distributed. The amount left over after the allocation should be taken as an additional reserve of the company. The right to receive dividends shall be by the book of shareholders in the registers of the Central Depository as at the 14th day following the day of the General Meeting at which the Annual Financial Statement was adopted and a decision for the distribution of the profit was taken. The Company shall ensure the payment of the dividend voted to the shareholders at the General Assembly is distributed within three months of the date of decision for distribution. The cost for distributing the dividend is at the company's expense.

The payment of the dividend is done with the assistance of the Central Depository. The shareholders with accounts with an investment intermediary will receive their dividend

through the respective intermediary, and those shareholders who do not use the services of an investment intermediary will receive their dividends from the branches of Eurobank Bulgaria AD / Postbank / in the country.

8. **Approval of decision to discharge from liability the members of the Board of Directors for their activities in 2016; Draft decision:** AGM discharges from liability the members of the Board of Directors for their activities in 2016;
9. **Election of a registered auditor of the Company for 2017; Draft decision:** AGM elects a registered auditor to audit and certify the annual financial statements of the Company for 2017 according to the proposal of the Audit Committee, included in the agenda materials.
10. **Election of an Audit Committee. Draft decision:** The GMS elects an Audit Committee in a composition as proposed by the Board of Directors.
11. **Approval of rules for the activity of the Audit Committee according to the requirements of Part Four of the Independent Financial Audit Act; . Draft decision:** The GMS adopts Rules of Procedure of the Audit Committee according to the requirements of Part Four of the Independent Financial Audit Act.
12. **Approval of a Report of the Board of Directors on the implementation of the Remuneration Policy of the Members of the Board of Directors of the Company for 2016; Draft decision:** The General Meeting approves the Report of the Board of Directors on the Application of the Remuneration Policy of the Members of the Board of Directors of the Company for 2016.
13. **Determination of the remuneration of the members of the Board of Directors for 2017; Draft decision:** On the basis of Article 24, paragraph 3, letter "A" of the Articles of Association of the company, the AGM decided: the permanent remuneration of the members of the Board of Directors and the permanent remuneration of the Executive Director in 2017 unchanged.
14. **Approval of decision under art. 24, par. 3, letter B of the Company's Articles of Association; Draft decision:** Pursuant to art. 24, par. 3, letter B of the Articles of Association an additional fee of 1% /one percent/ of the net profit for 2016 according to the approved annual financial statements, shall be paid to the Executive Director of the Company;
15. **Approval of decision determining the percent of the net profit for 2016 to be distributed among the members of the senior management of the Company in compliance with the requirements of art. 26a, item 12 of the Articles of Association of the Company; Draft decision:** AGM approves the decision for the distribution of 1% /two percent/ of the net profit for 2016 among the members of the senior management of the Company in compliance with the requirements of art. 26a, item 12 of the Articles of Association of the Company.
16. **Approval of a Substantiated Report, prepared by the Board of Directors, on the terms and the conditions of a transaction from the scope of Art. 114, para 1, item 2 of the Public Offering of Securities Act; Draft decision:** The General Assembly adopts a Substantiated report on the terms and conditions of a transaction from the scope of Art. 114, para 1, item 2 of POSA.

- 17. Empowering the Board of Directors to conclude a transaction from the scope of Art. 114, para 1, item 2 of the Public Offering of Securities Act according to the Substantiated Report, for the incorporation of SOPHARMA AD as a co-debtor under the conditions of solidarity under a contract for a overdraft between the subsidiary Sopharma Trading AD and a financial institution - ING Bank NV - Sofia Branch; Draft decision:** The General Meeting empowers the Board of Directors of the company to conclude a transaction for the inception of SOPHARMA AD as a co-debtor under the conditions of solidarity under a contract for a working loan between the subsidiary Sopharma Trading AD and a financial institution - ING Bank H .IN. - Sofia Branch according to the approved Substantiated Report.
- 18. Approval of decision for transformation through merger of Medica AD, 000000993 in Sopharma AD. Draft decision:** The GMS approves the transformation through merger of Medica AD, 000000993 in Sopharma AD, UIC:831902088.
- 19. Approval of Contract for transformation through merger of Medica AD, UID 000000993 in Sopharma AD, UIC:831902088 signed on 31 January 2017, as well as Annex №1 from 1 March 2017 Draft decision:** The GMS approves the Contract for transformation through merger of Medica AD, UID 000000993 in Sopharma AD, UIC:831902088 signed on 31 January 2017, as well as Annex №1 from 1 March 2017.
- 20. Approval of the Report by the Board of Directors of Sopharma AD under art. 262f of the CA. Draft decision:** The GMS approves the Report by the Board of Directors of Sopharma AD under art. 262f of the CA.
- 21. Approval of the Report of the common examiner under art. 262m of the CA regarding the transformation through merger of Medica AD in Sopharma AD. Draft decision:** The GMS approves the Report of the common examiner under art. 262m of CA regarding the transformation through merger of Medica AD in Sopharma AD.
- 22. Miscellaneous.**

At the session of the General Meeting of Shareholders not all the voting shares issued by the company are represented, therefore, and on the grounds of Art. 231, para. 1 of the Commercial Act the consideration of other issues outside the announced agenda is not possible.

Following the announcement of the invitation in the Commercial Register, additional questions are included under Art. 223a of the Commerce Act - these are items 18, 19, 20 and 21 including the proposals for decisions on them. The additional issues are included in the agenda with their announcement in the Commercial Register, made with an entry dated 04.05.2017. Regarding the additional issues included on the agenda, the requirements of Article 223a of the Commercial Act and the special requirements of the Public Offering of Securities Act were taken into consideration.

The announced agenda includes issues in respect of which there are special law requirements for taking decisions on them by the General Meeting as follows: The decision under item 17 of the agenda, on the basis of Art. 114a, para. 4 of POSA, should be taken by a simple majority of the shares entitled to vote. In taking the decision under this item, the parties mentioned in the Substantiated Report as stakeholders, as well as all other

stakeholders in respect of whom the conditions of art. 114, para 6 of POSA applies, are not entitled to participate in the voting, whether expressly mentioned in the Substantiated Report or not.

The decision under item 18 of the agenda, based on Art. 262n. Para. 3 of the Commerce Act shall be taken by the General Meeting of Shareholders by a majority of 3/4 of the represented voting shares. **The materials related to the items of the announced agenda of the General Meeting, as well as the issues included in the order of art. 223a of the Commercial Act, are at the disposal of the shareholders from the time of the announcement of the invitation in the Commercial Register to the Registry Agency, respectively from the entry in the Register of additional questions, which are also available in the Chamber where the General Assembly is held. In electronic form, the materials for the General Meeting are also available on the official website of the company.**

II. DEBATES AND DECISIONS ON THE AGENDA ITEMS

On item 1 of the agenda:

Approval of the Annual report of the Board of Directors of the Company for 2016; Draft decision: AGM approves the Annual report of the Board of Directors of the Company for 2016;

The Chairperson put the draft decision of the Board of Directors to the vote

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting and 67.55% of the registered capital of the company. Of them:

VOTED "FOR": 91 054 277 shares or 100% of the represented capital and 67.55 % of the registered capital of the company

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the GM took the following decision: GM approves the **Annual report of the Board of Directors of the Company for 2016** under art. 114, par. 1 of POSA, with the participation of the public company SOPHARMA AD.

The decision was taken with a majority as per the Commercial Act and the Articles of Association of the Company.

No objections to the manner of voting and the results were received.

On item 2 of the agenda:

Approval of the Annual report of the Investor Relations Director for 2016; Draft decision: AGM approves the Annual report of the Investor Relations Director for 2016;

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED “FOR”: 91 054 277 shares or 100% of the represented capital with voting rights, 67.55% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED “AGAINST”: none

VOTED “ABSTAINED”: none

AGM approves the Annual report of the Investor Relations Director for 2016;

The decision was taken with a majority as per the Commercial Act and the Articles of Association of the Company.

No objections to the manner of voting and the results were received.

On item 3 of the agenda:

Approval of the Audit report on the audit of the annual financial statements of the Company for 2016; Draft decision: AGM approves the Audit report on the audit of the annual financial statements of the Company for 2016;

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED “FOR”: 91 054 277 shares or 100% of the represented capital with voting rights, 67.55% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED “AGAINST”: none

VOTED “ABSTAINED”: none

Under these results the GM took the following decision: AGM approves the Audit report on the audit of the annual financial statements of the Company for 2016;

The decision was taken with a majority as per the Commercial Act and the Articles of Association of the Company.

No objections to the manner of voting and the results were received.

On item 4 of the agenda:

Approval of the audited annual financial statements of the Company for 2016; Draft decision: AGM approves the audited annual financial statements of the Company for 2016;

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED “FOR”: 91 054 277 shares or 100% of the represented capital with voting rights, 67.55% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED “AGAINST”: none

VOTED “ABSTAINED”: none

Under these results the GM took the following decision: AGM approves the audited annual financial statements of the Company for 2016;

The decision was taken with a majority as per the Commercial Act and the Articles of Association of the Company.

No objections to the manner of voting and the results were received.

On item 5 of the agenda:

Approval of the audited annual consolidated financial statements of the Company for 2016; Draft decision: AGM approves the audited annual consolidated financial statements of the Company for 2016;

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED “FOR”: 91 054 277 shares or 100% of the represented capital with voting rights, 67.55% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED “AGAINST”: none

VOTED “ABSTAINED”: none

Under these results the GM took the following decision: AGM approves the audited annual consolidated financial statements of the Company for 2016;

The decision was taken with a majority as per the Commercial Act and the Articles of Association of the Company.

No objections to the manner of voting and the results were received.

On item 6 of the agenda:

- 1. Approval of the report of the Audit Committee for 2016; Draft decision:** AGM approves the report of the Audit Committee for 2016;

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED "FOR": 91 054 277 shares or 100% of the represented capital with voting rights, 67.55% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the GM took the following decision: AGM approves the report of the Audit Committee for 2016;

The decision was taken with a majority as per the Commercial Act and the Articles of Association of the Company.

No objections to the manner of voting and the results were received.

On item 7 of the agenda:

Approval of a decision on the distribution of the Company's net profit for 2016 and undistributed profit from past periods; Draft decision: AGM accepts the proposal of the Board of Directors for the distribution of the profit of the company realized in 2016 and retained earnings from previous periods as follows: The total amount of the profit to be distributed amounts to BGN 38,249,890.71 / thirty-eight million two hundred forty-nine thousand eight hundred and ninety BGN and seventy one st. / of which BGN 37,769,879.20 / thirty-seven million seven hundred and sixty nine thousand eight hundred seventy-nine BGN and 20 st. / profit realized in 2016 and BGN 480,011.51 / four hundred and eighty thousand BGN and eleven levs and 51 st. / unallocated profit from past periods. After allocating 10% to a mandatory reserve, a dividend of BGN 0.10 (ten stotinki) per share shall be distributed. The amount left over after the allocation should be taken as an additional reserve of the company. The right to receive dividends shall be by the book of shareholders in the registers of the Central Depository as at the 14th day following the day of the General Meeting at which the Annual Financial Statement was adopted and a decision for the distribution of the profit was taken. The Company shall ensure the payment of the dividend voted to the shareholders at the General Assembly is distributed within three months of the date of decision for distribution. The cost for distributing the dividend is at the company's expense.

The payment of the dividend is done with the assistance of the Central Depository. The shareholders with accounts with an investment intermediary will receive their dividend through the respective intermediary, and those shareholders who do not use the services of an investment intermediary will receive their dividends from the branches of Eurobank Bulgaria AD / Postbank / in the country.

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED “FOR”: 91 054 277 shares or 100% of the represented capital with voting rights, 67.55% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED “AGAINST”: none

VOTED “ABSTAINED”: none

Under these results the GM took the following decision: AGM accepts the proposal of the Board of Directors for the distribution of the profit of the company realized in 2016 and retained earnings from previous periods as follows: The total amount of the profit to be distributed amounts to BGN 38,249,890.71 / thirty-eight million two hundred forty-nine thousand eight hundred and ninety BGN and seventy one st. / of which BGN 37,769,879.20 / thirty-seven million seven hundred and sixty nine thousand eight hundred seventy-nine BGN and 20 st. / profit realized in 2016 and BGN 480,011.51 / four hundred and eighty thousand BGN and eleven levs and 51 st. / unallocated profit from past periods. After allocating 10% to a mandatory reserve, a dividend of BGN 0.10 (ten stotinki) per share shall be distributed. The amount left over after the allocation should be taken as an additional reserve of the company. The right to receive dividends shall be by the book of shareholders in the registers of the Central Depository as at the 14th day following the day of the General Meeting at which the Annual Financial Statement was adopted and a decision for the distribution of the profit was taken. The Company shall ensure the payment of the dividend voted to the shareholders at the General Assembly is distributed within three months of the date of decision for distribution. The cost for distributing the dividend is at the company's expense.

The decision was taken with a majority as per the Commercial Act and the Articles of Association of the Company.

No objections to the manner of voting and the results were received.

On item 8 of the agenda

Approval of decision to discharge from liability the members of the Board of Directors for their activities in 2016; Draft decision: AGM discharges from liability the members of the Board of Directors for their activities in 2016;

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED “FOR”: 91 054 277 shares or 100% of the represented capital with voting rights, 67.55% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED “AGAINST”: none

VOTED “ABSTAINED”: none

Under these results the GM took the following decision: AGM discharges from liability the members of the Board of Directors for their activities in 2016;

On item 9 of the agenda

Election of a registered auditor of the Company for 2017; Draft decision: AGM elects a registered auditor to audit and certify the annual financial statements of the Company for 2017 according to the proposal of the Audit Committee, included in the agenda materials.

The proposal of the Audit Committee of the company is for the Board of Directors to propose to the General Meeting of Shareholders as a registered auditor for auditing and certifying the financial statements of the company for 2017 to choose the auditing company "Baker Tilly Klitou and Partners Business Services EOOD" OOD, with headquarters in Sofia, 104, Akad Ivan E. Geshov Blvd. Questions and speeches on this item of the agenda did not occur and therefore the chairman put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED "FOR": 91 054 277 shares or 100% of the represented capital with voting rights, 67.55% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the GM took the following decision: AGM elects a registered auditor to audit and certify the annual financial statements of the Company for 2017 according to the proposal of the Audit Committee, included in the agenda materials.

On item 10 of the agenda

Election of an Audit Committee. Draft decision: The AGM elects an Audit Committee in a configuration according to the proposal of the Board of Directors.

The Chairperson read out a proposal of the Board of Directors for a decision on this item on the agenda, namely: AGM elects an Audit Committee in composition as proposed by the Board of Directors as follows:

Tsvetanka Stoyanova Zlateva

Vasil Naydenov Naydenov

Kristina Andreeva Atanasova

The Chairperson informed the shareholders about the biographical and professional data submitted by the persons nominated for members of the Audit Committee as well as with the declarations submitted by them under Article 107, paragraph 5 of the Independent Financial

Audit Act. The Chairperson announced that each individual nomination submitted by the Board of Directors would be subject to a vote by the shareholders.

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED “FOR”: 91 054 277 shares or 100% of the represented capital with voting rights, 67.55% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED “AGAINST”: none

VOTED “ABSTAINED”: none

Under these results the GM took the following decision: The GMS elects an Audit Committee in a composition as proposed by the Board of Directors.

On item 11 of the agenda

Approval of rules for the activity of the Audit Committee according to the requirements of Part Four of the Independent Financial Audit Act; . Draft decision: The GMS adopts Rules of Procedure of the Audit Committee according to the requirements of Part Four of the Independent Financial Audit Act.

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED “FOR”: 91 054 277 shares or 100% of the represented capital with voting rights, 67.55% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED “AGAINST”: none

VOTED “ABSTAINED”: none

Under these results the GM took the following decision: The GMS adopts Rules of Procedure of the Audit Committee according to the requirements of Part Four of the Independent Financial Audit Act.

On item 12 of the agenda

Approval of a Report of the Board of Directors on the implementation of the Remuneration Policy of the Members of the Board of Directors of the Company for 2016; Draft decision: The General Meeting approves the Report of the Board of Directors on the Application of the Remuneration Policy of the Members of the Board of Directors of the Company for 2016

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED “FOR”: 91 054 277 shares or 100% of the represented capital with voting rights, 67.55% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED“AGAINST”: none

VOTED“ABSTAINED”: none

Under these results the GM took the following decision: The General Meeting approves the Report of the Board of Directors on the Application of the Remuneration Policy of the Members of the Board of Directors of the Company for 2016.

On item 13 of the agenda

Determination of the remuneration of the members of the Board of Directors for 2017;
Draft decision: On the basis of Article 24, paragraph 3, letter "A" of the Articles of Association of the company, the AGM decided: the permanent remuneration of the members of the Board of Directors and the permanent remuneration of the Executive Director in 2017 unchanged.

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED “FOR”: 90 807 677 shares or 99.72% of the represented capital with voting rights, 67.37% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED“AGAINST”: none

VOTED“ABSTAINED”: 246 600 shares or 0.27% of the represented capital with voting rights, 0.18% of the capital, represented at the General Meeting of the registered capital of the company.

Under these results the GM took the following decision:

On the basis of Article 24, paragraph 3, letter "A" of the Articles of Association of the company, the AGM decided: the permanent remuneration of the members of the Board of Directors and the permanent remuneration of the Executive Director in 2017 unchanged.

On item 14 of the agenda

Approval of decision under art. 24, par. 3, letter B of the Company's Articles of Association; Draft decision: Pursuant to art. 24, par. 3, letter B of the Articles of Association an additional fee of 1% /one percent/ of the net profit for 2016 according to the approved annual financial statements, shall be paid to the Executive Director of the Company;

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED "FOR": 91 054 277 shares or 100% of the represented capital with voting rights, 67.55% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the GM took the following decision: **Pursuant to art. 24, par. 3, letter B of the Articles of Association** an additional fee of 1% /one percent/ of the net profit for 2016 according to the approved annual financial statements, shall be paid to the Executive Director of the Company;

On item 15 of the agenda

Approval of decision determining the percent of the net profit for 2016 to be distributed among the members of the senior management of the Company in compliance with the requirements of art. 26a, item 12 of the Articles of Association of the Company; Draft decision: AGM approves the decision for the distribution of 1% /two percent/ of the net profit for 2016 among the members of the senior management of the Company in compliance with the requirements of art. 26a, item 12 of the Articles of Association of the Company.

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED "FOR": 91 054 277 shares or 100% of the represented capital with voting rights, 67.55% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the GM took the following decision: AGM approves the decision for the distribution of 1% /two percent/ of the net profit for 2016 among the members of the senior

management of the Company in compliance with the requirements of art. 26a, item 12 of the Articles of Association of the Company.

On item 16 of the agenda

Approval of a Substantiated Report, prepared by the Board of Directors, on the terms and the conditions of a transaction from the scope of Art. 114, para 1, item 2 of the Public Offering of Securities Act; Draft decision: The General Assembly adopts a Substantiated report on the terms and conditions of a transaction from the scope of Art. 114, para 1, item 2 of POSA.

the requirements of art. 26a, item 12 of the Articles of Association of the Company.

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED "FOR": 91 054 277 shares or 100% of the represented capital with voting rights, 67.55% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the GM took the following decision: The General Assembly adopts a Substantiated report on the terms and conditions of a transaction from the scope of Art. 114, para 1, item 2 of POSA.

On item 17 of the agenda

Empowering the Board of Directors to conclude a transaction from the scope of Art. 114, para 1, item 2 of the Public Offering of Securities Act according to the Substantiated Report, for the incorporation of SOPHARMA AD as a co-debtor under the conditions of solidarity under a contract for a overdraft between the subsidiary Sopharma Trading AD and a financial institution - ING Bank NV - Sofia Branch; Draft decision: The General Meeting empowers the Board of Directors of the company to conclude a transaction for the inception of SOPHARMA AD as a co-debtor under the conditions of solidarity under a contract for a working loan between the subsidiary Sopharma Trading AD and a financial institution - ING Bank H .IN. - Sofia Branch according to the approved Substantiated Report.

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 62.88% of the capital at the General Meeting with voting rights, 42.47% of the registered capital of the company. Of them:

VOTED “FOR”: 91 054 277 shares or 62.88% of the represented capital with voting rights, 42.47% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED “AGAINST”: none

VOTED “ABSTAINED”: none

Under these results the GM took the following decision: The General Meeting empowers the Board of Directors of the company to conclude a transaction for the inception of SOPHARMA AD as a co-debtor under the conditions of solidarity under a contract for a working loan between the subsidiary Sopharma Trading AD and a financial institution - ING Bank H .IN. - Sofia Branch according to the approved Substantiated Report.

On item 18 of the agenda

Approval of decision for transformation through merger of Medica AD, 000000993 in Sopharma AD. ***Draft decision:*** The GMS approves the transformation through merger of Medica AD, 000000993 in Sopharma AD, UIC:831902088.

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED “FOR”: 91 054 277 shares or 100% of the represented capital with voting rights, 67.55% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED “AGAINST”: none

VOTED “ABSTAINED”: none

Under these results the GM took the following decision: The GMS approves the transformation through merger of Medica AD, 000000993 in Sopharma AD, UIC:831902088.

On item 19 of the agenda

Approval of Contract for transformation through merger of Medica AD, UID 000000993 in Sopharma AD, UIC:831902088 signed on 31 January 2017, as well as Annex №1 from 1 March 2017 ***Draft decision:*** The GMS approves the Contract for transformation through merger of Medica AD, UID 000000993 in Sopharma AD, UIC:831902088 signed on 31 January 2017, as well as Annex №1 from 1 March 2017.

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED “FOR”: 91 054 277 shares or 100% of the represented capital with voting rights, 67.55% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED“AGAINST”: none

VOTED“ABSTAINED”: none

Under these results the GM took the following decision: The GMS approves the Contract for transformation through merger of Medica AD, UID 000000993 in Sopharma AD, UIC:831902088 signed on 31 January 2017, as well as Annex №1 from 1 March 2017.

On item 20 of the agenda

Approval of the Report by the Board of Directors of Sopharma AD under art. 262f of the CA. **Draft decision:** The GMS approves the Report by the Board of Directors of Sopharma AD under art. 262f of the CA.

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED “FOR”: 91 054 277 shares or 100% of the represented capital with voting rights, 67.55% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED“AGAINST”: none

VOTED“ABSTAINED”: none

Under these results the GM took the following decision: The GMS approves the Report by the Board of Directors of Sopharma AD under art. 262f of the CA.

On item 21 of the agenda

Approval of the Report of the common examiner under art. 262m of the CA regarding the transformation through merger of Medica AD in Sopharma AD. **Draft decision:** The GMS approves the Report of the common examiner under art. 262m of CA regarding the transformation through merger of Medica AD in Sopharma AD.

The Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Validly cast votes are 91 054 277, representing 100% of the capital, represented at the General Meeting with voting rights, 67.55% of the capital, represented at the General Meeting and 41.807 of the registered capital of the company. Of them:

VOTED “FOR”: 91 054 277 shares or 100% of the represented capital with voting rights, 67.55% of the capital, represented at the General Meeting of the registered capital of the company.

VOTED “AGAINST”: none

VOTED “ABSTAINED”: none

Under these results the GM took the following decision: The GMS approves the Report of the common examiner under art. 262m of CA regarding the transformation through merger of Medica AD in Sopharma AD.

On item 22 of the agenda

Miscellaneous.

The answer to the questions from the shareholders to the management of the company was exhaustively answered by the Executive Director Mr. Ognian Donev.

Thus, the agenda of the Regular Meeting of the General Meeting of Shareholders of SOPHARMA AD was exhausted and therefore the Chair closed the meeting.

The present minutes were prepared and signed in three identical copies. An integral part of these minutes are: the list of the shareholders and shareholder representatives with the number of shares owned and represented by them, who were present at the Extraordinary Meeting of Sopharma AD; the powers of attorney by shareholders for representation at the General Meeting; current certificates of commercial registration for shareholders - legal entities and the materials for the convening and the agenda items of the General Meeting, conducted on 2 June 2017, Sofia.

CHAIRPERSON OF THE EGM

.....
Pelagia Viatcheva

SECRETARY OF THE EGM

.....
Nikolay Georgiev

TELLERS:

- | | |
|--------------------|---------------|
| 1. | 2. |
| Kristina Atanasova | Maria Nedkova |
| 3. | |
| Jeni Asenova | |

Sofia
2 June 2017