

## NOTICE TO SHAREHOLDERS

The Management Board of Eurohold Bulgaria AD, Sofia, on grounds of Art. 223, paragraph 1 of the Commerce Act (CA) in connection with art. 115, paragraph 1 of the Public Offering of Securities Act (POSA) convenes ordinary annual session of the General meeting of the shareholders of Eurohold Bulgaria which will be held on June 30, 2019 from 10.00 a.m. at 43 Christopher Columbus Blvd., floor 1, conference hall, Sofia, Bulgaria, under the following agenda:

1. Adoption of the annual financial statements of the company for the year 2018. *(draft decision: The General meeting of the shareholders adopts the annual financial statements of the company for the year 2018.);*
2. Adoption of the report of the specialized auditors' company for the audit performed of the annual financial statements of the company for the year 2018. *(draft decision: The General meeting of the shareholders adopts the report of the specialized auditors' company for the audit performed of the annual financial statements of the company for the year 2018.);*
3. Adoption of the report of the Management Board for the company's activity during the year 2018. *(draft decision: The General meeting of the shareholders adopts the report of the Management Board for the company's activity during the year 2018.);*
4. Adoption of the consolidated annual financial statements of the company for the year 2018. *(draft decision: The General meeting of the shareholders adopts the consolidated annual financial statements of the company for the year 2018.);*
5. Adoption of the report of the specialized auditors' company for the audit performed of the consolidated annual financial statements of the company for the year 2018. *(draft decision: The General meeting of the shareholders adopts the report of the specialized auditors' company for the audit performed of the consolidated annual financial statements of the company for the year 2018.);*
6. Adoption of the consolidated report of the Management Board for the company's activity during the year 2018. *(draft decision: The General meeting of the shareholders adopts the consolidated report of the Management Board for the company's activity during the year 2018.);*
7. Approval of the proposal of the Management board for allocation of the profit from company's operation during the year 2018. *(draft decision: The net profit from the company's operation during the year 2018 is in the amount of BGN 1 659 719, 97 (one million six hundred and fifty nine thousand seven hundred nineteen and 0,97 Bulgarian leva). The net profit from the company's operation during the year 2018, as well as part of undistributed profit from past years in overall amount of BGN 2 469 070 (two million four hundred and sixty nine thousand and seventy Bulgarian Leva) shall be distributed as gross dividends to the shareholders, where the gross dividend per share shall be equal to BGN 0.0125 per share. The dividend payments shall be made within 60 (sixty) days following the date of the approval by the General Meeting of the shareholders of the decision for distribution of dividends, unless the shareholders vote for a different payment period.);*
8. Election of a specialized auditors' company of the company for the year 2019. *(draft decision: The General meeting of the shareholders elects the specialized auditors' company HLB Bulgaria OOD, UIC 121871342, to audit the annual financial statements of the company for the year 2019.);*
9. Release from liability the members of the Supervisory Board and the members of the Management Board of Eurohold Bulgaria AD for their activity during the year 2018. *(draft decision: The General meeting of the shareholders releases from liability the members of the Supervisory Board and the members of the Management Board of Eurohold Bulgaria AD for their activity during the year 2018.);*
10. Adoption of the report of the Investor Relations Director's activity during the year 2018. *(draft decision: The General meeting of the shareholders adopts the report of the Investor Relations Director's activity during the year 2018.);*
11. Adoption of the report of company's Audit Committee for the year 2018. *(draft decision: The General meeting of the shareholders adopts the report of company's Audit Committee for the year 2018.);*
12. Adoption of the report for application of the remuneration policy during 2018 pursuant to Art. 12, paragraph 1 of Ordinance No. 48 on the Remuneration Requirements dated 20 March 2013. *(draft decision: The General meeting of the shareholders adopts the report for application of the*

*remuneration policy during 2018 pursuant to Art. 12, paragraph 1 of Ordinance No. 48 on the Remuneration Requirements dated 20 March 2013.).*

The registration of the participants at the session will start at 09.30 a.m. on June 30, 2019 at 43 Christopher Columbus Blvd., floor 1, Sofia, Bulgaria.

On ground of Art. 115, paragraph 2 of POSA the Company notifies the shareholders that the total number of its shares is 197 525 600 (one hundred and ninety seven million five hundred twenty five thousand and six hundred) and a voting right appertains to each share. Only the persons registered as shareholders in Central Depository's registers 14 days before the date of the General meeting (namely June 16, 2019) shall be admitted to participation in the session of the General meeting. Only the persons registered till and including this date have the right to participate and to vote at the General meeting.

The shareholders have the right to include items in the agenda and to propose draft decisions of items, already included in the agenda. The shareholders who possess jointly and severally shares representing at least 5 per cent of the share capital of the Company for a period longer than three months may include additional items in the agenda or propose different draft decisions under items already included in the agenda after the announcement at the Trade register. These shareholders are not entitled to propose different draft decisions under items under items already included in the agenda, whereas the subject matter of the respective item is voting resolution under art. 114, paragraph 1 of the POSA, and they are not entitled to include in the agenda of the general meeting new items with respect to resolutions under art. 114, paragraph 1 of the POSA.

Not later than 15 days before the opening of the General meeting (June 15, 2019), the shareholders who possess shares representing at least 5 per cent of the share capital of the company for a period longer than three months, present for announcement in the Trade Register the list of the items, which will be included in the agenda, as well as the draft decisions. The circumstance that the shares are in possession of a given shareholder for a period longer than three months shall be proved by declaration. The shareholders shall present before the Bulgarian Financial Supervision Commission and the public company at the latest on the next business day after the announcement at the Trade register the materials related to the additional items in the agenda, pursuant to Art.223a, paragraph 4 of the Commerce Act. Upon receipt of the materials, Eurohold Bulgaria will update the invitation and will publish it together with the written materials under the terms and conditions of Art. 110t, paragraph 1 and 3 of POSA immediately, but not later than the end of the business day following the day of receipt of the notification for the inclusion of additional questions in the agenda.

The shareholders have the right to make draft resolutions in substance under each item, included in the agenda and observing all legal requirements, but they cannot propose resolution to items already included in the agenda when the subject matter is voting resolution under art.114, para. 1 of POSA. The deadline for execution of this right is up to the termination of the discussion under the respective item and before voting of the resolution of the general meeting.

The shareholders have the right to pose queries during the General meeting. The members of the management board and supervisory board of the Company shall respond truly, exhaustively and accurately to the queries of the shareholders, regarding the economic and financial status and business activity of the Company, unless regarding the circumstances representing internal information. The shareholders may pose such queries despite the fact that they are not included in the agenda.

In order to be admitted for participation in the General meeting, the shareholders should present an ID document and the proxies should present original explicit notarized power of attorney for the particular general meeting, with content corresponding to the requirements of Art. 116, paragraph 1 of POSA and the relevant legislation. The reauthorization with the powers granted by force of this power of attorney, as well as power of attorney which violates the rules under previous sentence shall be null. The shareholders – legal entities and sole proprietors registered under Bulgarian laws should present

certificate of good standing issued by the Trade Register. Foreign legal entities should present original certificate of good standing from their country of incorporation not older than 3 months as of the date of the General meeting, issued by a competent state authority, with apostille, translated and legalized according to the Bulgarian law in force. The shareholders, in possession of shares kept by the Polish Central Depository (*KDPW*), should present certificate with official translation in Bulgarian or English language, issued by depository institution, which keeps the financial instruments, certifying the number of shares owned by the respective shareholder as of June 16, 2019.

The shareholders in the public company have the right to authorize each natural or legal person to participate and vote in the General meeting on their behalf. Art. 220, paragraph 1 of the Commerce Act will not apply in case the shareholder has explicitly stated the way of voting under each item of the agenda. The proxy has the same rights to speak and to pose queries at the session of the general meeting as the represented shareholder does. The proxy has to exercise the voting right in compliance with the instructions given in the power of attorney. The proxy may represent more than one shareholder at the General meeting. In this case the proxy may vote in a different way with shares owned by different shareholders it represents. The authorization may be performed by electronic means, whereas the terms and conditions of receiving power of attorneys by electronic means to the e-mail of the Company – [investors@eurohold.bg](mailto:investors@eurohold.bg) shall be published at the web page of the Company – [www.eurohold.bg](http://www.eurohold.bg).

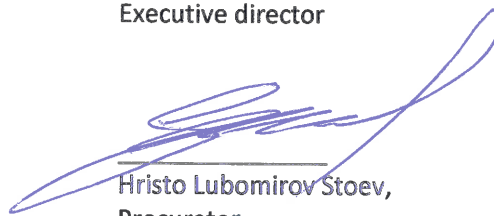
The written materials according to the agenda of the General meeting of the shareholders shall be at disposal of the shareholders and their authorized representatives at the office of the company – 43 Christopher Columbus Blvd., Sofia, Bulgaria at the office of the investor relation manager and on the web page of the Company – [www.eurohold.bg](http://www.eurohold.bg).

In case of lack of quorum on grounds of Art. 227 of Commerce Act in liaison with Art. 115, paragraph 21 POSA the session of the General meeting of the shareholders will be held on 17.07.2019 at 11.00 a.m. at 43 Christopher Columbus Blvd., floor 1, conference hall, Sofia, Bulgaria, with identical agenda, and the registration of the participants in the new session will start at 10.30 a.m. on 17.07.2019 at 43 Christopher Columbus Blvd., floor 1, Sofia, Bulgaria.

For and on behalf EUROHOLD BULGARIA AD:



Assen Minchev Minchev,  
Executive director



Hristo Lubomirov Stoev,  
Procurator

**MATERIALS AND PROPOSALS FOR RESOLUTIONS  
UNDER THE AGENDA OF THE ANNUAL MEETING OF THE SHAREHOLDERS OF  
EUROHOLD BULGARIA AD  
CONVENED FOR 30.06.2019**

**I. DRAFT RESOLUTIONS:**

1. Adoption of the annual financial statements of the company for the year 2018. *(draft decision: The General meeting of the shareholders adopts the annual financial statements of the company for the year 2018.);*
2. Adoption of the report of the specialized auditors' company for the audit performed of the annual financial statements of the company for the year 2018. *(draft decision: The General meeting of the shareholders adopts the report of the specialized auditors' company for the audit performed of the annual financial statements of the company for the year 2018.);*
3. Adoption of the report of the Management Board for the company's activity during the year 2018. *(draft decision: The General meeting of the shareholders adopts the report of the Management Board for the company's activity during the year 2018.);*
4. Adoption of the consolidated annual financial statements of the company for the year 2018. *(draft decision: The General meeting of the shareholders adopts the consolidated annual financial statements of the company for the year 2018.);*
5. Adoption of the report of the specialized auditors' company for the audit performed of the consolidated annual financial statements of the company for the year 2018. *(draft decision: The General meeting of the shareholders adopts the report of the specialized auditors' company for the audit performed of the consolidated annual financial statements of the company for the year 2018.);*
6. Adoption of the consolidated report of the Management Board for the company's activity during the year 2018. *(draft decision: The General meeting of the shareholders adopts the consolidated report of the Management Board for the company's activity during the year 2018.);*
7. Approval of the proposal of the Management board for allocation of the profit from company's operation during the year 2018. *(draft decision: The net profit from the company's operation during the year 2018 is in the amount of BGN 1 659 719, 97 (one million six hundred and fifty nine thousand seven hundred nineteen and 0,97 Bulgarian leva). The net profit from the company's operation during the year 2018, as well as part of undistributed profit from past years in overall amount of BGN 2 469 070 (two million four hundred and sixty nine thousand and seventy Bulgarian Leva) shall be distributed as gross dividends to the shareholders, where the gross dividend per share shall be equal to BGN 0.0125 per share. The dividend payments shall be made within 60 (sixty) days following the date of the approval by the General Meeting of the shareholders of the decision for distribution of dividends, unless the shareholders vote for a different payment period.);*
8. Election of a specialized auditors' company of the company for the year 2019. *(draft decision: The General meeting of the shareholders elects the specialized auditors' company HLB Bulgaria OOD, UIC 121871342, to audit the annual financial statements of the company for the year 2019.);*
9. Release from liability the members of the Supervisory Board and the members of the Management Board of Eurohold Bulgaria AD for their activity during the year 2018. *(draft decision: The General meeting of the shareholders releases from liability the members of the Supervisory Board and the members of the Management Board of Eurohold Bulgaria AD for their activity during the year 2018.);*
10. Adoption of the report of the Investor Relations Director's activity during the year 2018. *(draft decision: The General meeting of the shareholders adopts the report of the Investor Relations Director's activity during the year 2018.);*
11. Adoption of the report of company's Audit Committee for the year 2018. *(draft decision: The General meeting of the shareholders adopts the report of company's Audit Committee for the year 2018.);*
12. Adoption of the report for application of the remuneration policy during 2018 pursuant to Art. 12, paragraph 1 of Ordinance No. 48 on the Remuneration Requirements dated 20 March 2013. *(draft decision: The General meeting of the shareholders adopts the report for application of the remuneration policy during 2018 pursuant to Art. 12, paragraph 1 of Ordinance No. 48 on the Remuneration Requirements dated 20 March 2013.);*

**II. MATERIALS RELEVANT TO THE AGENDA OF THE MEETING OF THE SHAREHOLDERS**

1. Notice to shareholders for the ordinary Meeting of the Shareholders of EUROHOLD BULGARIA AD;

2. Sample of a power of attorney for participation at the ordinary Meeting of the Shareholders of EUROHOLD BULGARIA AD;
3. Minutes from a session of the Management Board of EUROHOLD BULGARIA AD convening the ordinary Meeting of the Shareholders of EUROHOLD BULGARIA AD;
4. Audited financial statements of EUROHOLD BULGARIA AD for 2018;
5. Report of the Management Board of EUROHOLD BULGARIA AD for the operations of the company in 2018;
6. Consolidated audited financial statements of EUROHOLD BULGARIA AD for 2018;
7. Consolidated report of the Management Board of EUROHOLD BULGARIA AD for the operations of the company in 2018;
8. Report of the Investor Relations Director's activity during the year 2018;
9. Report of EUROHOLD BULGARIA AD's Audit Committee for the year 2018;
10. Report for application of the remuneration policy during 2018.

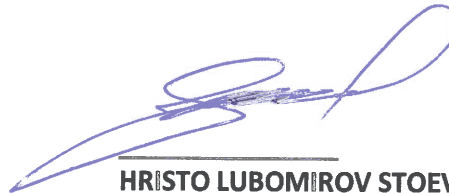
23.05.2019

**MANAGING DIRECTOR:**



**ASSEN MINCHEV MINCHEV**

**PROCURATOR:**



**HRISTO LUBOMIROV STOEV**

**MINUTES**  
**OF MEETING OF THE MANAGEMENT BOARD OF**  
**EUROHOLD BULGARIA AD**

On this 21<sup>th</sup> day of May 2019, a meeting of the Management Board of Eurohold Bulgaria AD, UIC 175187337, was held. The meeting was attended by all the members of the Supervisory Board, namely:

1. KIRIL IVANOV BSHOV – Chairman;
2. ASSEN MINCHEV MINCHEV – Executive director;
3. VELISLAV MILKOV CHRISTOV – Member;
4. ASSEN EMANOUILOV ASSENOV – Member;
5. DIMITAR KIRILOV DIMITROV – Member;
6. RAZVAN STEFAN LEFTER – Member.

Upon finding that there are no legal obstacles for adoption of valid resolutions pursuant to the provisions of the law and the company's Articles of Association, the members of the Management Board **unanimously** adopted the following

**AGENDA:**

**Item one:** Adoption of resolution for Management board's proposal for profit distribution from company's operation during 2018.

**Item two:** Adoption of resolution for convening of an annual meeting of shareholders of Eurohold Bulgaria AD for the year 2019.

**Under item one of the agenda,** the Management Board of Eurohold Bulgaria AD **unanimously** adopted the following

**RESOLUTION No. 1**

The Management board adopts the following resolution for proposal for profit distribution from company's operation during 2018, namely: The net profit from the company's operation during the year 2018 is in the amount of BGN 1 659 719, 97 (one million six hundred and fifty nine thousand seven hundred nineteen and 0,97 Bulgarian leva). The net profit from the company's operation during the year 2018, as well as part of undistributed profit from past years in overall amount of BGN 2 469 070 (two million four hundred and sixty nine thousand and seventy Bulgarian Leva) shall be distributed as gross dividends to the shareholders, where the gross dividend per share shall be equal to BGN 0.0125 per share. The dividend payments shall be made within 60 (sixty) days following the date of the approval by the General Meeting of the shareholders of the decision for distribution of dividends, unless the shareholders vote for a different payment period.

The Management Board found that no objections have been brought against the voting so held and against the results of such voting.

**Under item two of the agenda,** the Management Board of Eurohold Bulgaria AD **unanimously**

adopted the following

**RESOLUTION No. 2:**

The Management Board of Eurohold Bulgaria AD, Sofia, on grounds of Art. 223, paragraph 1 of the Commerce Act (CA) in connection with art. 115, paragraph 1 of the Public Offering of Securities Act (POSA) convenes ordinary annual session of the General meeting of the shareholders of Eurohold Bulgaria which will be held on June 30, 2019 from 10.00 a.m. at 43 Christopher Columbus Blvd., floor 1, conference hall, Sofia, Bulgaria, under the following agenda:

1. Adoption of the annual financial statements of the company for the year 2018. *(draft decision: The General meeting of the shareholders adopts the annual financial statements of the company for the year 2018.);*

2. Adoption of the report of the specialized auditors' company for the audit performed of the annual financial statements of the company for the year 2018. *(draft decision: The General meeting of the shareholders adopts the report of the specialized auditors' company for the audit performed of the annual financial statements of the company for the year 2018.);*

3. Adoption of the report of the Management Board for the company's activity during the year 2018. *(draft decision: The General meeting of the shareholders adopts the report of the Management Board for the company's activity during the year 2018.);*

4. Adoption of the consolidated annual financial statements of the company for the year 2018. *(draft decision: The General meeting of the shareholders adopts the consolidated annual financial statements of the company for the year 2018.);*

5. Adoption of the report of the specialized auditors' company for the audit performed of the consolidated annual financial statements of the company for the year 2018. *(draft decision: The General meeting of the shareholders adopts the report of the specialized auditors' company for the audit performed of the consolidated annual financial statements of the company for the year 2018.);*

6. Adoption of the consolidated report of the Management Board for the company's activity during the year 2018. *(draft decision: The General meeting of the shareholders adopts the consolidated report of the Management Board for the company's activity during the year 2018.);*

7. Approval of the proposal of the Management board for allocation of the profit from company's operation during the year 2018. *(draft decision: The net profit from the company's operation during the year 2018 is in the amount of BGN 1 659 719, 97 (one million six hundred and fifty nine thousand seven hundred nineteen and 0,97 Bulgarian leva). The net profit from the company's operation during the year 2018, as well as part of undistributed profit from past years in overall amount of BGN 2 469 070 (two million four hundred and sixty nine thousand and seventy Bulgarian Leva) shall be distributed as gross dividends to the shareholders, where the gross dividend per share shall be equal to BGN 0.0125 per share. The dividend payments shall be made within 60 (sixty) days following the date of the approval by the General Meeting of the shareholders of the decision for distribution of dividends, unless the shareholders vote for a different payment period.);*

8. Election of a specialized auditors' company of the company for the year 2019. *(draft*



*decision: The General meeting of the shareholders elects the specialized auditors' company HLB Bulgaria OOD, UIC 121871342, to audit the annual financial statements of the company for the year 2019.);*

9. Release from liability the members of the Supervisory Board and the members of the Management Board of Eurohold Bulgaria AD for their activity during the year 2018. *(draft decision: The General meeting of the shareholders releases from liability the members of the Supervisory Board and the members of the Management Board of Eurohold Bulgaria AD for their activity during the year 2018.);*

10. Adoption of the report of the Investor Relations Director's activity during the year 2018. *(draft decision: The General meeting of the shareholders adopts the report of the Investor Relations Director's activity during the year 2018.);*

11. Adoption of the report of company's Audit Committee for the year 2018. *(draft decision: The General meeting of the shareholders adopts the report of company's Audit Committee for the year 2018.);*

12. Adoption of the report for application of the remuneration policy during 2018 pursuant to Art. 12, paragraph 1 of Ordinance No. 48 on the Remuneration Requirements dated 20 March 2013. *(draft decision: The General meeting of the shareholders adopts the report for application of the remuneration policy during 2018 pursuant to Art. 12, paragraph 1 of Ordinance No. 48 on the Remuneration Requirements dated 20 March 2013.);*

The registration of the participants at the session will start at 09.30 a.m. on June 30, 2019 at 43 Christopher Columbus Blvd., floor 1, Sofia, Bulgaria.

On ground of Art. 115, paragraph 2 of POSA the Company notifies the shareholders that the total number of its shares is 197 525 600 (one hundred and ninety seven million five hundred twenty five thousand and six hundred) and a voting right appertains to each share. Only the persons registered as shareholders in Central Depository's registers 14 days before the date of the General meeting (namely June 16, 2019) shall be admitted to participation in the session of the General meeting. Only the persons registered till and including this date have the right to participate and to vote at the General meeting.

The shareholders have the right to include items in the agenda and to propose draft decisions of items, already included in the agenda. The shareholders who possess jointly and severally shares representing at least 5 per cent of the share capital of the Company for a period longer than three months may include additional items in the agenda or propose different draft decisions under items already included in the agenda after the announcement at the Trade register. These shareholders are not entitled to propose different draft decisions under items under items already included in the agenda, whereas the subject matter of the respective item is voting resolution under art. 114, paragraph 1 of the POSA, and they are not entitled to include in the agenda of the general meeting new items with respect to resolutions under art. 114, paragraph 1 of the POSA.

Not later than 15 days before the opening of the General meeting (June 15, 2019), the shareholders who possess shares representing at least 5 per cent of the share capital of the company for a period longer than three months, present for announcement in the Trade Register the list of the



items, which will be included in the agenda, as well as the draft decisions. The circumstance that the shares are in possession of a given shareholder for a period longer than three months shall be proved by declaration. The shareholders shall present before the Bulgarian Financial Supervision Commission and the public company at the latest on the next business day after the announcement at the Trade register the materials related to the additional items in the agenda, pursuant to Art.223a, paragraph 4 of the Commerce Act. Upon receipt of the materials, Eurohold Bulgaria will update the invitation and will publish it together with the written materials under the terms and conditions of Art. 110t, paragraph 1 and 3 of POSA immediately, but not later than the end of the business day following the day of receipt of the notification for the inclusion of additional questions in the agenda.

The shareholders have the right to make draft resolutions in substance under each item, included in the agenda and observing all legal requirements, but they cannot propose resolution to items already included in the agenda when the subject matter is voting resolution under art.114, para. 1 of POSA. The deadline for execution of this right is up to the termination of the discussion under the respective item and before voting of the resolution of the general meeting.

The shareholders have the right to pose queries during the General meeting. The members of the management board and supervisory board of the Company shall respond truly, exhaustively and accurately to the queries of the shareholders, regarding the economic and financial status and business activity of the Company, unless regarding the circumstances representing internal information. The shareholders may pose such queries despite the fact that they are not included in the agenda.

In order to be admitted for participation in the General meeting, the shareholders should present an ID document and the proxies should present original explicit notarized power of attorney for the particular general meeting, with content corresponding to the requirements of Art. 116, paragraph 1 of POSA and the relevant legislation. The reauthorization with the powers granted by force of this power of attorney, as well as power of attorney which violates the rules under previous sentence shall be null. The shareholders – legal entities and sole proprietors registered under Bulgarian laws should present certificate of good standing issued by the Trade Register. Foreign legal entities should present original certificate of good standing from their country of incorporation not older than 3 months as of the date of the General meeting, issued by a competent state authority, with apostille, translated and legalized according to the Bulgarian law in force. The shareholders, in possession of shares kept by the Polish Central Depository (*KDPW*), should present certificate with official translation in Bulgarian or English language, issued by depository institution, which keeps the financial instruments, certifying the number of shares owned by the respective shareholder as of June 16, 2019.

The shareholders in the public company have the right to authorize each natural or legal person to participate and vote in the General meeting on their behalf. Art. 220, paragraph 1 of the Commerce Act will not apply in case the shareholder has explicitly stated the way of voting under each item of the agenda. The proxy has the same rights to speak and to pose queries at the session of the general meeting as the represented shareholder does. The proxy has to exercise the voting right in compliance with the instructions given in the power of attorney. The proxy may represent more than one shareholder at the General meeting. In this case the proxy may vote in a different way with shares owned by different shareholders it represents. The authorization may be performed by electronic means, whereas the terms and conditions of receiving power of attorneys by electronic means to the e-mail of the Company – [investors@eurohold.bg](mailto:investors@eurohold.bg) shall be published at the web page of the Company –

[www.eurohold.bg](http://www.eurohold.bg).

The written materials according to the agenda of the General meeting of the shareholders shall be at disposal of the shareholders and their authorized representatives at the office of the company – 43 Christopher Columbus Blvd., Sofia, Bulgaria at the office of the investor relation manager and on the web page of the Company – [www.eurohold.bg](http://www.eurohold.bg).

In case of lack of quorum on grounds of Art. 227 of Commerce Act in liaison with Art. 115, paragraph 21 POSA the session of the General meeting of the shareholders will be held on 17.07.2019 at 11.00 a.m. at 43 Christopher Columbus Blvd., floor 1, conference hall, Sofia, Bulgaria, with identical agenda, and the registration of the participants in the new session will start at 10.30 a.m. on 17.07.2019 at 43 Christopher Columbus Blvd., floor 1, Sofia, Bulgaria.

The Management Board found that no objections have been brought against the voting so held and against the results of such voting.

Upon voting the above resolutions, the session of the Management Board of Eurohold Bulgaria AD was closed.

**MEMBERS OF THE MANAGEMENT BOARD:**

1. KIRIL IVANOV BOSHOV:

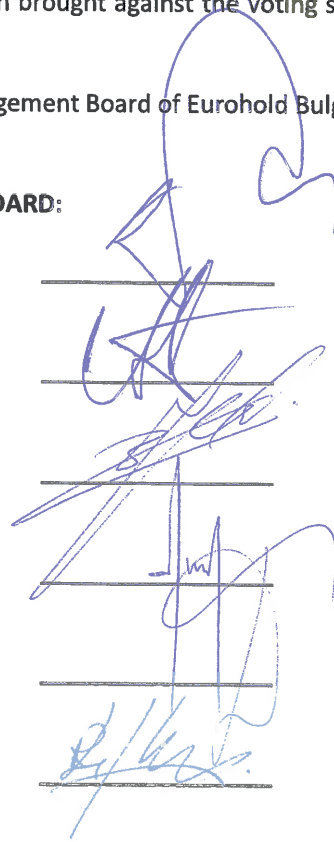
2. ASSEN MINCHEV MINCHEV:

3. VELISLAV MILKOV CHRISTOV:

4. ASSEN EMANOUILOV ASSENOV:

5. DIMITAR KIRILOV DIMITROV:

6. RAZVAN STEFAN LEFTER:



**TO THE GENERAL MEETING  
OF SHAREHOLDERS OF  
EUROHOLD BULGARIA AD**

**R E P O R T**

**on the activity of the Audit Committee of  
Eurohold Bulgaria AD  
for the year ended 31 December 2018**

**Dear Shareholders,**

This report is prepared pursuant to Article 108(1)(8) and Article 108(1)(9) of the Independent Financial Audit Act (IFAA promulgated in State Gazette issue 95 dated 29.11.2016, amended in State Gazette issue 17 dated 26.02.2019) and provides you with a comprehensive report of the Audit Committee for the year ended 31 December 2018.

**I. General information**

**1. Composition of the Audit Committee**

In 2018 there were no changes in the composition of the Audit Committee, elected by a mandate of three years, according to a decision of the regular General Meeting of Shareholders (GMS) of EUROHOLD BULGARIA AD held on 30.06.2017. The activity of the Audit Committee was carried out in accordance with the Statute of the Audit Committee approved by the same General Meeting of Shareholders.

The members of the Audit Committee are the following natural persons who meet the requirements of Article 107(3) of IFAA in terms of educational qualification degree and professional experience in the sphere of the activity of the Company:

<b>Name</b>	<b>Educational qualification degree and professional experience</b>	<b>Function</b>
<i>Dimitar Stoyanov Dimitrov</i>	Graduated the Technical University of Sofia with Master`s degree in Information and Measuring Equipment. Member of the Supervisory Board of EUROHOLD BULGARIA AD. He was member of the previous Audit Committee. He participates in the management of the Company since its establishment in 2006.	Member of the Audit Committee
<i>Ivan Georgiev Munkov</i>	Graduated Sofia University "Kliment Ohridski", Sofia with Master`s degree in Law. He has	Chair and independent



	23 years of professional experience in law, including in holding structures.	member of the Audit Committee
<i>Rositsa Mihailova Pencheva</i>	Graduated University of National and World Economy, Sofia, with Master`s degree in Business Management and Administration. She has 24 years of professional experience in accounting, including in holding structures	Independent member of the Audit Committee.

## 2. Rights and obligations of the Audit Committee

The rights and obligations of the Audit Committee are listed in detailed in Art. 108 of IFAA and are also included in its statute.

The key rights and obligations of the Audit Committee include the following activities:

- Inform the management bodies on the results of the statutory financial audit and explain how the statutory audit contributed to the reliability of the financial reporting;
- Monitor the financial reporting processes in the company;
- Monitor the effectiveness of the internal audit systems and the risk management system;
- Monitor the statutory audit of the annual individual and consolidated financial statements;
- Review and monitor the independence of the registered auditor in accordance with the provisions of IFAA, including appropriateness of the provided services apart from the audit;
- Conduct the selection procedure for a registered auditor, as well as give recommendations for the appointment of a registered auditor to audit and certify the annual individual and consolidated financial statements of the Company;
- Notify the Commission for public oversight of statutory auditors (CPOSA) within 7 days from the date of the decision for each approval under Art. 64, para. 3 of IFAA for providing under certain conditions tax services, according to Art. 5 (1), para. (2) (a) (vii) of Regulation (EU) No 537/2014;
- Notifies the Commission for public oversight of the statutory auditors (CPOSA) within 7 days from the date of the decision for an approval under Art. 66, para. (3) of IFAA for continuing the statutory audit of the registered auditor for a period not exceeding two years where the remuneration paid continues to exceed 15 percent of the total income of the registered auditor or, where applicable, the auditor of the group performing the statutory audit.

## 3. Meetings of the Audit Committee

During the reporting period and at the date of this report, the Audit Committee held five meetings dealing with:

- Issues related to the audit firm - selection, independence, monitoring of its work, key audit issues and other findings for the company and the group;
- Issues related to ongoing monitoring of financial reporting, and in particular the application of IFRS 9 and IFRS 15 as of 1 January 2018, as well as other matters of importance to the company and the group - accounting for insurance reserves, reputation from business combinations;
- Issues related to internal control and risk management.

The Audit Committee also held meetings with the management of the company to discuss the above issues.

## **II. Activity of the Audit Committee for the year ended 31 December 2018**

The activity of the Audit Committee for the year ended 31 December 2018 included:

### **1. Informed the management bodies on the results of the statutory financial audit and explained how the statutory audit contributed to the reliability of the financial reporting.**

For the year ended 31 December 2018, the Audit Committee of EUROHOLD BULGARIA AD performed independent monitoring and supervision over the process of preparing and presenting reliable and true financial information on individual and consolidated basis. In the exercise of its functions, the Audit Committee:

- Informed the management bodies of the Company on the results of the financial audit;
- Facilitated the adequate reporting of the Company's operations and ensured the reliability of the prepared individual and consolidated financial statements of EUROHOLD BULGARIA AD for 2018.

### **2. Monitored the financial reporting processes in the company**

In 2018, the Company complied with and applied consistently adequate financial reporting in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU).

Management was responsible for selecting and applying appropriate accounting policies. The Company had a comprehensive and adequate accounting policy, approved by the Management Board. The significant accounting policies used by EUROHOLD BULGARIA AD are described in the notes to the annual individual and consolidated financial statements. 2018 is characterized by the entry into force of IFRS 9 Financial Instruments and IFRS 15 Revenue from contracts with clients for which management has chosen and implemented an appropriate accounting policy after thorough analysis and preparation. The management has adapted the accounting policies applied as of December 31, 2017 in the light of these new standards as well as the other amendments in effect from 1 January 2018. The Company has adopted all new standards, amendments and interpretations to IFRSs developed and published by the International Accounting Standards Board and adopted by the European Commission, which have an impact on the company's financial statements and are mandatory for the annual period beginning on 1 January 2018.

The financial statements of EUROHOLD BULGARIA AD are prepared on a going concern basis and under the historical cost principle. The Management is responsible for keeping proper accounting records, for appropriate management of the assets and for taking reasonable measures to prevent possible fraud and other irregularities.



In accordance with the Public Offering of Securities Act, the individual and consolidated interim quarterly and annual financial statements of EUROHOLD BULGARIA AD for 2018 were prepared and presented to the Financial Supervision Commission, Bulgarian Stock Exchange - Sofia, the investors and the public. For the purposes of the internal and external reporting, the Company has deadlines, at EUROHOLD BULGARIA AD level and at group level, for the preparation of the interim quarterly and annual individual and consolidated financial statements, for their approval by the management and their disclosure to regulators and the public through publication.

The Audit Committee is familiar with the contents of the interim and annual individual and consolidated financial statements and activity reports of EUROHOLD BULGARIA AD.

In the process of the completed statutory financial audit of the Company for 2018 it can be concluded that as far as we are aware, there are no significant deficiencies and/or weaknesses in the financial reporting process, which might affect the fair presentation of the financial position of the Company and EUROHOLD Group for 2018. In the course of the activities performed by the Audit Committee there were no cases of legal and regulatory gaps, fraud and non-compliance with legal and regulatory requirements in the operations of EUROHOLD BULGARIA AD and its group.

### **3. Monitored the effectiveness of the internal audit systems and the risk management system in the Company**

The Management Board of EUROHOLD BULGARIA AD is responsible for the management of the financial resources, the risk management of the Company and its economic group, for the assessment and action taking to reduce the underlying risk and carrying out subsequent monitoring, overseeing the implementation and the results of the actions taken.

The effectiveness of the internal control system, established in the Company, allows for monthly financial analyses and control of current accounting in the Company and the Group. The internal control is a process established and maintained by the management and the personnel of the Company in order to provide reasonable assurance on the achievement of the objectives of the Company and its group with regard to the reliability of financial reporting, the effectiveness and efficiency of the operations and the activities, as well as compliance with applicable laws and regulations. The subsidiaries of EUROHOLD BULGARIA AD are subject to direct control by the parent company.

The Audit Committee is familiar with the internal control procedures and rules that apply at group level, and it has not identified significant gaps in the existing and operational control and/or accounting system. Based on the observations and checks, the Audit Committee confirms that in 2018 the financial reporting system of the Company is reliable and adequate and presents fairly the financial position of EUROHOLD BULGARIA AD on unconsolidated and consolidated level. The existing internal control system allows for effective management of the financial resources of the Company and its Group.

In 2018 the management of EUROHOLD BULGARIA AD engaged in effective risk management of the Company through the implementation of an effective system for their forecasting, reporting, taking corrective actions and monitoring. The annual unconsolidated activity report and the annual consolidated activity report for 2018, prepared by the Management Board of the Company, contained a comprehensive description of the types of risks affecting the operations of the Company and its group, as well as the risk management mechanisms. The Management Board adopted principles for financial risk management, based on which procedures were developed for managing individual risks, such as currency, interest rate, credit, liquidity, and others.

After the monitoring exercise of the risk management systems, the Audit Committee has noted that the Company effectively manages the risks, affecting its operations and the activity of the Group. No recommendations have been made on the structure, functions and processes of the internal control and the risk management system.



#### **4 Monitored the statutory audit of the annual unconsolidated and consolidated financial statements, including review and monitoring of the independence of the registered auditor in accordance with IFAA.**

In accordance with the Independent Financial Audit Act, EUROHOLD BULGARIA AD and its economic group are subject to statutory financial audit on individual and consolidated basis.

According to Art. 9, para. 1, item 5 of its Statute, the Audit Committee conducted a procedure for selecting a registered Auditor - Audit Firm for 2018, complying with the criteria set out in Appendix 1 to the Statute. As a result of the procedure, the Audit Committee proposed to the Management Board that the audit company HLB Bulgaria OOD be selected. It is entered under Reg. No 17 in the public register of the registered auditors under Art. 20 of IFAA, which is available on the websites of the Institute of Certified Public Accountants (ICPA) and CPOSA.

In accordance with the provisions of the Accountancy Act and the Independent Financial Audit Act, on 29<sup>th</sup> of June 2018 the General Meeting of Shareholders of EUROHOLD BULGARIA AD elected the audit company HLB Bulgaria OOD, UIC 121871342 to perform the statutory audit of the annual individual and consolidated financial statements of EUROHOLD BULGARIA AD for 2018.

The responsibilities of the audit firm HLB Bulgaria OOD in relation to the audit of the individual and consolidated financial statements of EUROHOLD BULGARIA AD were included in the Audit Engagement Letter dated 3 December 2018. The Audit Committee was also aware with its content.

The audit of the individual and consolidated financial statements of the Company was performed by the audit firm HLB Bulgaria OOD with leading auditor Vaska Gelina, CPA, Registered Auditor No 667. The Audit Committee reviewed the independence of the registered auditor at the initial audit engagement, according to IFAA and Regulation 537/2014. The audit firm HLB Bulgaria OOD declared, by an express statement from 3 December 2018 at the start of the process of the annual audit, its independence from the company in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standards Board for Accountants (IESBA Code), and the ethical requirements of IFAA. The audit of the individual and consolidated financial statements of the Company for the year, ending on 31 December 2018, was the second full uninterrupted statutory audit engagement carried out by the audit firm HLB Bulgaria OOD. The responsible registered auditor, Vaska Gelina, is also the responsible auditor for the second year.

The independence of the auditor was monitored during the entire process of the audit, and the Audit Committee confirmed that the independent financial audit for 2018 was carried out lawfully and prepared in strict compliance with the requirements for independent financial audit. Upon completion of the audit, the audit firm has also declared its independence. There are no threats to the independence and objectivity of the audit firm.

The remuneration of the auditing company for the statutory audit of the individual and consolidated financial statements of EUROHOLD BULGARIA AD does not exceed 15% of the audited company's income on information provided and the examination of the transparency reports.

In 2018 no approval by the Audit Committee for the provision of services other than statutory audit by the audit firm was sought.

In 2018, HLB Bulgaria OOD has not provided other services to EUROHOLD BULGARIA AD outside of the audit of the financial statements.

The audit firm has provided services related to mandatory financial audit of the following subsidiaries of EUROHOLD BULGARIA AD:

- AVTO UNION AD
- EUROLEASE GROUP EAD



Observations on the audit process have shown that it has been carried out in compliance with professional requirements.

The audit reports on an individual and consolidated basis are structured in a form consistent with the requirements set out in the International Standards on Auditing. On 29 March 2019 and 29 April 2019 the Audit Firm provided the additional reports under Art. 60 of the IFAA in accordance with the requirements of Art. 59 on the audit of the individual and consolidated financial statements. These reports summarize information from the meetings and communication with the management of the company and the Audit Committee with the audit firm regarding the audit planning, the timetable for conducting the interim and final audits, materiality levels, significant audit findings and other audit issues. The responsibilities of the auditor for the audit of the company's individual and consolidated financial statements and its independence are described. Audit reports are also presented.

During the reporting period, the Audit Committee contributed to ensuring the best conditions, created by management of the Company, to achieve an environment that guarantees transparency and independence in the process of performing the duties of the auditor. The Company met the deadlines for submitting the information required by the auditor, and granted the auditor full access to the requested information. During the audit, meetings were held between the auditor and the management of the Company at the planning stage /December 2018/, at the intermediate stage /January 2019/ and to discuss the main findings of the final stage audit /March and April 2019/. The Company's management considered the main findings of the audit of the individual and consolidated financial statements for 2018.

Through communication with the registered auditor, the Audit Committee identified that the audit procedures were implemented responsibly and in accordance with the regulations. The audit was planned and performed with precision. The registered auditor has maintained communication with the Audit Committee in relation to the performance of the audit in separate stages, the progress of the audit and other ongoing issues, as well as regarding the final audit of the Company on individual and consolidated basis. The Audit Committee held a meeting with the registered auditor.

During the performance of the independent financial audit engagement, including the period of the engagement and the process until the issue of the audit reports, there were no problematic issues identified in relation to IFAA regarding the registered auditor.

In 2018, the audit firm was not included in the plan for planned inspections of the CPOSA to verify the quality of the activity. The audit firm was included in the thematic review plan. By decision dated 17.12.2018, CPOSA adopted the report on the results of a thematic non-plan inspection of the activity of audit firm HLB Bulgaria OOD - reg. № 017 from the register under Art. 20 of the IFAA on the quality of fulfillment of a mandatory financial audit commitment of a bank's annual financial statements for 2017, concluding that the audit firm was broadly in line with all material aspects of the quality requirements of the audit services performed in applying the procedures defined in the professional standards.

The monitoring of the Audit Committee indicated that the audit service provided by the registered auditor was objective, the overall operations of the Company were audited, and the auditor's reports were prepared in accordance with the statutory requirements.

The complete set of the audited annual individual and consolidated financial statements of the Company, together with the other information thereon was approved and adopted by the management Board of EUROHOLD BULGARIA AD after coordination with the Audit Committee.

### **III. RECOMMENDATION ON THE APPOINTMENT OF A REGISTERED AUDITOR TO AUDIT AND CERTIFY THE ANNUAL INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY FOR 2019**

At the date of this report the Audit Committee has conducted a procedure for selection of an independent auditor of the individual and consolidated financial statements for 2019. In

pursuance of Article 108(1)(6) of the Independent Financial Audit Act and with a view to strict performance of the obligations as a registered auditor on the audit and certification of the annual individual and consolidated financial statements of the Company for 2018, the Audit Committee of EUROHOLD BULGARIA AD recommends the independent financial audit of the individual and consolidated financial statements for 2019 to be carried out by the audit firm HLB Bulgaria OOD, reg. No 017.

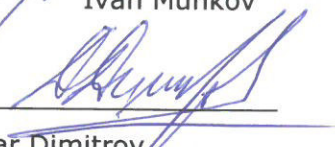
The Report is approved by a Decision of the Audit Committee dated 15 May 2019.

Chair of the Audit Committee: \_\_\_\_\_



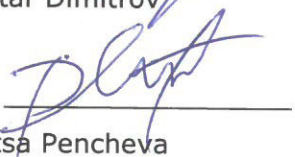
Ivan Munkov

Member of the Audit Committee: \_\_\_\_\_



Dimitar Dimitrov

Member of the Audit Committee: \_\_\_\_\_



Rositsa Pencheva

**REPORT**  
**FOR THE IMPLEMENTATION OF THE POLICY FOR REMUNERATIONS**  
**OF THE MEMBERS OF THE SUPERVISORY BOARD**  
**AND OF THE MANAGEMENT BOARD**  
**OF EUROHOLD BULGARIA AD**  
**for 2018**

1. This report is prepared on the grounds of article 12 of Ordinance № 48 of the Financial Supervision Commission of 20 March 2013 on the requirements to remunerations.

2. This report is hereby submitted to the attention of the company's general meeting of shareholders.

3. The report for the reporting period reflects the actual implementation during 2018 of the criteria for formation of remunerations of the members of the supervisory and of the management board of the company as provided for in Ordinance № 48 of the Financial Supervision Commission of 20 March 2013 on the requirements to remunerations adopted after the expiration of the reporting period.

4. Eurohold Bulgaria AD' Remuneration Policy is prepared by the supervisory board of the company. No external consultants have been used for its preparation. Before the adoption of Ordinance № 48 of the Financial Supervision Commission of 20 March 2013 on the requirements to remunerations, the supervisory board has observed the application of the legal regulations relevant to remuneration formation. In 2018, the supervisory board has not made any proposals to the general meeting of shareholders for changing the remunerations of the members of the company's supervisory and management board.

5. The members of the supervisory and management board of the company receive fixed remunerations only.

6. The provision of options for shares, company's shares or any other kind of variable remuneration to the members of the company's supervisory and management boards is not foreseen, and thus no criteria relevant thereto have been established.

7. The fixed remunerations paid to the members of the supervisory and management boards comply with the economic results achieved by the company during the reporting period. The fixed remunerations reflect the stable position of the company in the period of economic crisis and difficult access to loans and the preservation of economic growth perspectives upon improvement of the business climate in the country and in Europe.

8. In addition to the fixed remunerations received, the company does not apply a scheme for payment of bonuses and/or other non-monetary additional remunerations.

9. The company does not pay at its own expense any contributions for additional voluntary pension insurance for the members of the supervisory and management board.

10. The company does not pay variable remunerations to the members of the supervisory and management board, and thus no information about periods for deferral of such type of remunerations is relevant.

11. No early termination benefits are provided for in the contracts of the members of the supervisory and the management board, and thus no information about such benefits is relevant.

12. The company does not foresees to grant the members of the supervisory and the management board any options for shares of company's shares, and thus no information about the period when shares may not be transferred and the options for shares may not be exercised is relevant.

13. The company does not apply policy for reservation of specific number of shares until the end of the term of office of the members of the supervisory and management board after the expiration of specific period.

14. Information about the contracts of the members of the supervisory and the management board

#### **14.1. Assen Milkov Christov – member of the supervisory board**

a. Term of validity of the contract – until the expiration of the term of office

b. Term of termination notice – no termination notice

c. Information about any early termination benefits and/or other payments due – no such benefits and/or other payments are foreseen;

d. Full amount of remuneration and other material incentives for 2018 received by Eurohold Bulgaria AD – **under the current control contract**

e. Full amount of paid and/or assigned remuneration for 2018 if the person has held the position for specific period during 2018 - **none**.

f. Remuneration and other material and non-material incentives received by the person from companies within the same economic group – **under the management and control contracts**.

g. Remuneration received by the person in the form of profit share and/or bonuses, and grounds for granting thereof – **none**.

h. All other additional payments for services provided by the person outside his/her usual functions, where such payments are allowed by the contract with him/her – **none**.

i. Paid and/or assigned benefits in relation to termination of the person's functions during the last financial year – **none**.

j) Total evaluation of all non-monetary benefits equated to remunerations, except those under letters "d" – "i" – **there are no other** non-monetary benefits equated to remunerations, except those under letters "d" – "i".

k) Eurohold Bulgaria AD, its subsidiaries, as well as any other companies being subject to consolidation in the annual financial statements of Eurohold Bulgaria AD, have not granted any loans to the person, have not paid any utility expenses in his/her name, have not issued any guarantees in his/her favour, and thus no information about any unpaid parts of such obligations is relevant.

#### **14.2. Dimitar Stoyanov Dimitrov – member of the supervisory board**

- a. Term of validity of the contract – until the expiration of the term of office
- b. Term of termination notice – no termination notice
- c. Information about any early termination benefits and/or other payments due – no such benefits and/or other payments are foreseen;
- d. Full amount of remuneration and other material incentives for 2018 received by Eurohold Bulgaria AD – **under the current control contract**
- e. Full amount of paid and/or assigned remuneration for 2018 if the person has held the position for specific period during 2018 - **none**.
- f. Remuneration and other material and non-material incentives received by the person from companies within the same economic group – **under the current contract for procuracy**.
- g. Remuneration received by the person in the form of profit share and/or bonuses, and grounds for granting thereof – **none**.
- h. All other additional payments for services provided by the person outside his/her usual functions, where such payments are allowed by the contract with him/her – **none**.
- i. Paid and/or assigned benefits in relation to termination of the person's functions during the last financial year – **none**.
- j) Total evaluation of all non-monetary benefits equated to remunerations, except those under letters "d" – "i" – **there are no other** non-monetary benefits equated to remunerations, except those under letters "d" – "i".

k) Eurohold Bulgaria AD, its subsidiaries, as well as any other companies being subject to consolidation in the annual financial statements of Eurohold Bulgaria AD, have not granted any loans to the person, have not paid any utility expenses in his/her name, have not issued any guarantees in his/her favour, and thus no information about any unpaid parts of such obligations is relevant.

#### **14.3. Lubomir Stoev – Independent member of the supervisory board**

- a. Term of validity of the contract – until the expiration of the term of office
- b. Term of termination notice – no termination notice
- c. Information about any early termination benefits and/or other payments due – no such benefits and/or other payments are foreseen;



d. Full amount of remuneration and other material incentives for 2018 received by Eurohold Bulgaria AD – **none**.

e. Full amount of paid and/or assigned remuneration for 2018 if the person has held the position for specific period during 2018 - **none**.

f. Remuneration and other material and non-material incentives received by the person from companies within the same economic group – **none**.

g. Remuneration received by the person in the form of profit share and/or bonuses, and grounds for granting thereof – **none**.

h. All other additional payments for services provided by the person outside his/her usual functions, where such payments are allowed by the contract with him/her – **none**.

i. Paid and/or assigned benefits in relation to termination of the person's functions during the last financial year – **none**.

j) Total evaluation of all non-monetary benefits equated to remunerations, except those under letters "d" – "i" – **there are no other** non-monetary benefits equated to remunerations, except those under letters "d" – "i".

k) Eurohold Bulgaria AD, its subsidiaries, as well as any other companies being subject to consolidation in the annual financial statements of Eurohold Bulgaria AD, have not granted any loans to the person, have not paid any utility expenses in his/her name, have not issued any guarantees in his/her favour, and thus no information about any unpaid parts of such obligations is relevant.

#### **14.4. Radi Georgiev Georgiev – member of the supervisory board**

a. Term of validity of the contract – until the expiration of the term of office.

b. Term of termination notice – no termination notice.

c. Information about any early termination benefits and/or other payments due – no such benefits and/or other payments are foreseen;

d. Full amount of remuneration and other material incentives for 2018 received by Eurohold Bulgaria AD – **none**.

e. Full amount of paid and/or assigned remuneration for 2018 if the person has held the position for specific period during 2018 - **none**.

f. Remuneration and other material and non-material incentives received by the person from companies within the same economic group – **under the current control and consultancy contracts**.

g. Remuneration received by the person in the form of profit share and/or bonuses, and grounds for granting thereof – **none**.

h. All other additional payments for services provided by the person outside his/her usual functions, where such payments are allowed by the contract with him/her – **none**.

i. Paid and/or assigned benefits in relation to termination of the person's functions during the last financial year – **none**.

j) Total evaluation of all non-monetary benefits equated to remunerations, except those under letters "d" – "i" – **there are no other** non-monetary benefits equated to remunerations, except those under letters "d" – "i".

k) Eurohold Bulgaria AD, its subsidiaries, as well as any other companies being subject to consolidation in the annual financial statements of Eurohold Bulgaria AD, have not granted any loans to the person, have not paid any utility expenses in his/her name, have not issued any guarantees in his/her favour, and thus no information about any unpaid parts of such obligations is relevant.

#### **14.5. Kustaa Lauri Aima – Independent member of the supervisory board**

a. Term of validity of the contract – until the expiration of the term of office

b. Term of termination notice – no termination notice.

c. Information about any early termination benefits and/or other payments due – no such benefits and/or other payments are foreseen;

d. Full amount of remuneration and other material incentives for 2018 received by Eurohold Bulgaria AD – **none**.

e. Full amount of paid and/or assigned remuneration for 2018 if the person has held the position for specific period during 2018 - **none**.

f. Remuneration and other material and non-material incentives received by the person from companies within the same economic group – **none**.

g. Remuneration received by the person in the form of profit share and/or bonuses, and grounds for granting thereof – **none**.

h. All other additional payments for services provided by the person outside his/her usual functions, where such payments are allowed by the contract with him/her – **none**.

i. Paid and/or assigned benefits in relation to termination of the person's functions during the last financial year – **none**.

j) Total evaluation of all non-monetary benefits equated to remunerations, except those under letters "d" – "i" – **there are no other** non-monetary benefits equated to remunerations, except those under letters "d" – "i".

k) Eurohold Bulgaria AD, its subsidiaries, as well as any other companies being subject to consolidation in the annual financial statements of Eurohold Bulgaria AD, have not granted any loans to the person, have not paid any utility expenses in his/her name, have not issued any guarantees in his/her favour, and thus no information about any unpaid parts of such obligations is relevant.

#### **14.6. Luise Gabrielle Roman – Member of the supervisory board**

a. Term of validity of the contract – until the expiration of the term of office

b. Term of termination notice – no termination notice.

c. Information about any early termination benefits and/or other payments due – no such benefits and/or other payments are foreseen;

d. Full amount of remuneration and other material incentives for 2018 received by Eurohold Bulgaria AD – **none**.

e. Full amount of paid and/or assigned remuneration for 2018 if the person has held the position for specific period during 2018 - **none**.

f. Remuneration and other material and non-material incentives received by the person from companies within the same economic group – **none**.

g. Remuneration received by the person in the form of profit share and/or bonuses, and grounds for granting thereof – **none**.

h. All other additional payments for services provided by the person outside his/her usual functions, where such payments are allowed by the contract with him/her – **none**.

i. Paid and/or assigned benefits in relation to termination of the person's functions during the last financial year – **none**.

j) Total evaluation of all non-monetary benefits equated to remunerations, except those under letters "d" – "i" – **there are no other** non-monetary benefits equated to remunerations, except those under letters "d" – "i".

k) Eurohold Bulgaria AD, its subsidiaries, as well as any other companies being subject to consolidation in the annual financial statements of Eurohold Bulgaria AD, have not granted any loans to the person, have not paid any utility expenses in his/her name, have not issued any guarantees in his/her favour, and thus no information about any unpaid parts of such obligations is relevant.

#### **14.7. Kiril Ivanov Boshov – Chairman of the management board**

a. Term of validity of the contract – until the expiration of the term of office

b. Term of termination notice – no termination notice

c. Information about any early termination benefits and/or other payments due – no such benefits and/or other payments are foreseen;

d. Full amount of remuneration and other material incentives for 2018 received by Eurohold Bulgaria AD – **under the current management contract**

e. Full amount of paid and/or assigned remuneration for 2018 if the person has held the position for specific period during 2018 - **none**.

f. Remuneration and other material and non-material incentives received by the person from companies within the same economic group – **under the current management contracts**

g. Remuneration received by the person in the form of profit share and/or bonuses, and grounds for granting thereof – **none**.

h. All other additional payments for services provided by the person outside his/her usual functions, where such payments are allowed by the contract with him/her – **none**.

i. Paid and/or assigned benefits in relation to termination of the person's functions during the last financial year – **none**.

j) Total evaluation of all non-monetary benefits equated to remunerations, except those under letters "d" – "i" – **there are no other** non-monetary benefits equated to remunerations, except those under letters "d" – "i".

k) Eurohold Bulgaria AD, its subsidiaries, as well as any other companies being subject to consolidation in the annual financial statements of Eurohold Bulgaria AD, have not granted any loans to the person, have not paid any utility expenses in his/her name, have not issued any guarantees in his/her favour, and thus no information about any unpaid parts of such obligations is relevant.

#### **14.8. Asen Minchev Minchev – Executive member of the management board**

a. Term of validity of the contract – until the expiration of the term of office

b. Term of termination notice – no termination notice

c. Information about any early termination benefits and/or other payments due – no such benefits and/or other payments are foreseen;

d. Full amount of remuneration and other material incentives for 2018 received by Eurohold Bulgaria AD – **under the current management contract.**

e. Full amount of paid and/or assigned remuneration for 2017 if the person has held the position for specific period during 2017 - none.

f. Remuneration and other material and non-material incentives received by the person from companies within the same economic group – **under the current contract for procuracy.**

g. Remuneration received by the person in the form of profit share and/or bonuses, and grounds for granting thereof – **none.**

h. All other additional payments for services provided by the person outside his/her usual functions, where such payments are allowed by the contract with him/her – **none.**

i. Paid and/or assigned benefits in relation to termination of the person's functions during the last financial year – **none.**

j) Total evaluation of all non-monetary benefits equated to remunerations, except those under letters "d" – "i" – there are no other non-monetary benefits equated to remunerations, except those under letters "d" – "i".

k) Eurohold Bulgaria AD, its subsidiaries, as well as any other companies being subject to consolidation in the annual financial statements of Eurohold Bulgaria AD, have not granted any loans to the person, have not paid any utility expenses in his/her name, have not issued any guarantees in his/her favour, and thus no information about any unpaid parts of such obligations is relevant.

#### **14.10. Assen Emanouilov Assenov – member of the management board**

a. Term of validity of the contract – until the expiration of the term of office

b. Term of termination notice – no termination notice

c. Information about any early termination benefits and/or other payments due – no such benefits and/or other payments are foreseen;

d. Full amount of remuneration and other material incentives for 2018 received by Eurohold Bulgaria AD – **under the current management contract.**

e. Full amount of paid and/or assigned remuneration for 2018 if the person has held the position for specific period during 2018 - none.

f. Remuneration and other material and non-material incentives received by the person from companies within the same economic group – **under the current management contracts.**

g. Remuneration received by the person in the form of profit share and/or bonuses, and grounds for granting thereof – **none.**

h. All other additional payments for services provided by the person outside his/her usual functions, where such payments are allowed by the contract with him/her – **none.**

i. Paid and/or assigned benefits in relation to termination of the person's functions during the last financial year – **none.**

j) Total evaluation of all non-monetary benefits equated to remunerations, except those under letters "d" – "i" – **there are no other** non-monetary benefits equated to remunerations, except those under letters "d" – "i.

k) Eurohold Bulgaria AD, its subsidiaries, as well as any other companies being subject to consolidation in the annual financial statements of Eurohold Bulgaria AD, have not granted any loans to the person, have not paid any utility expenses in his/her name, have not issued any guarantees in his/her favour, and thus no information about any unpaid parts of such obligations is relevant.

#### **14.10. Dimitar Kirilov Dimitrov – Member of the management board**

a. Term of validity of the contract – until the expiration of the term of office

b. Term of termination notice – no termination notice.

c. Information about any early termination benefits and/or other payments due – no such benefits and/or other payments are foreseen;

d. Full amount of remuneration and other material incentives for 2018 received by Eurohold Bulgaria AD – **under the current management contract.**

e. Full amount of paid and/or assigned remuneration for 2018 if the person has held the position for specific period during 2018 – **none.**

f. Remuneration and other material and non-material incentives received by the person from companies within the same economic group – **under the current management contract.**

g. Remuneration received by the person in the form of profit share and/or bonuses, and grounds for granting thereof – **none.**

h. All other additional payments for services provided by the person outside his/her usual functions, where such payments are allowed by the contract with him/her – **none**.

i. Paid and/or assigned benefits in relation to termination of the person's functions during the last financial year – **none**.

j) Total evaluation of all non-monetary benefits equated to remunerations, except those under letters "d" – "i" – **there are no other** non-monetary benefits equated to remunerations, except those under letters "d" – "i".

k) Eurohold Bulgaria AD, its subsidiaries, as well as any other companies being subject to consolidation in the annual financial statements of Eurohold Bulgaria AD, have not granted any loans to the person, have not paid any utility expenses in his/her name, have not issued any guarantees in his/her favour, and thus no information about any unpaid parts of such obligations is relevant.

#### **14.11. Velislav Milkov Hristov – Member of the management board**

a. Term of validity of the contract – until the expiration of the term of office

b. Term of termination notice – no termination notice

c. Information about any early termination benefits and/or other payments due – no such benefits and/or other payments are foreseen;

d. Full amount of remuneration and other material incentives for 2018 received by person from Eurohold Bulgaria AD – **none**.

e. Full amount of paid and/or assigned remuneration for 2018 if the person has held the position for specific period during 2018 - **none**.

f. Remuneration and other material and non-material incentives received by the person from companies within the same economic group – **under the current management contract**.

g. Remuneration received by the person in the form of profit share and/or bonuses, and grounds for granting thereof – **none**.

h. All other additional payments for services provided by the person outside his/her usual functions, where such payments are allowed by the contract with him/her – **none**.

i. Paid and/or assigned benefits in relation to termination of the person's functions during the last financial year – **none**.

j) Total evaluation of all non-monetary benefits equated to remunerations, except those under letters "d" – "i" – **there are no other** non-monetary benefits equated to remunerations, except those under letters "d" – "i".

k) Eurohold Bulgaria AD, its subsidiaries, as well as any other companies being subject to consolidation in the annual financial statements of Eurohold Bulgaria AD, have not granted any loans to the person, have not paid any utility expenses in his/her name, have not issued any guarantees in his/her favour, and thus no information about any unpaid parts of such obligations is relevant.



#### **14.12. Razvan Stefan Lefter – Member of the management board**

- a. Term of validity of the contract – until the expiration of the term of office
  - b. Term of termination notice – no termination notice.
  - c. Information about any early termination benefits and/or other payments due – no such benefits and/or other payments are foreseen;
  - d. Full amount of remuneration and other material incentives for 2018 received by person from Eurohold Bulgaria AD – **none**.
  - e. Full amount of paid and/or assigned remuneration for 2018 if the person has held the position for specific period during 2018 - **none**.
  - f. Remuneration and other material and non-material incentives received by the person from companies within the same economic group – **none**.
  - g. Remuneration received by the person in the form of profit share and/or bonuses, and grounds for granting thereof – **none**.
  - h. All other additional payments for services provided by the person outside his/her usual functions, where such payments are allowed by the contract with him/her – **none**.
  - i. Paid and/or assigned benefits in relation to termination of the person's functions during the last financial year – **none**.
  - j) Total evaluation of all non-monetary benefits equated to remunerations, except those under letters "d" – "i" – **there are no other** non-monetary benefits equated to remunerations, except those under letters "d" – "i".
  - k) Eurohold Bulgaria AD, its subsidiaries, as well as any other companies being subject to consolidation in the annual financial statements of Eurohold Bulgaria AD, have not granted any loans to the person, have not paid any utility expenses in his/her name, have not issued any guarantees in his/her favour, and thus no information about any unpaid parts of such obligations is relevant.
15. The total annual remuneration paid to the members of the Supervisory Board by EUROHOLD BULGARIA AD amounts to **BGN 68,780.00**.
16. The total annual amount of remuneration paid to all members of the Supervisory Board by other companies in the same economic group amounts to **BGN 847,165.00**.
17. The total annual remuneration paid to the members of the Management Board from EUROHOLD BULGARIA AD amounts to **BGN 81,600.00**.
18. The total annual remuneration paid to all members of the Management Board by other companies in the same economic group amounts to **BGN 1,118,887.00**.
19. The members of the supervisory and the management board of the company have no right to receive shares, and/or options for shares, and/or other incentive schemes based on shares, and thus the company does not disclose information pursuant to article 13, item 15 of Ordinance № 48 of the Financial Supervision Commission of 20 March 2013 on the requirements to remunerations.

20. After being adopted by the general meeting of shareholders this report will be published on the website of the public company.

22.03.2019

CHIEF EXECUTIVE OFFICER:

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Asen Minchev



**REPORT OF THE INVESTOR RELATIONS DIRECTOR  
TO THE ANNUAL GENERAL MEETING OF SHAREHOLDERS  
OF EUROHOLD BULGARIA AD  
June 2019**

## **Dear Shareholders,**

In the course of its business, Eurohold Bulgaria AD tries to strictly apply the internationally recognized standards of good corporate governance for the purpose of protecting its shareholders and investors' interests. This determines the need of timely disclosure of correct and complete information within the statutory form and terms.

The main objectives of the Investor Relations Director are to ensure effective communication between Eurohold Bulgaria and its shareholders, other stakeholders /business partners, company's creditors, potential investors/, regulatory authorities, the stock exchange and Central Depository, as well as to assist the company in meeting its obligations as a public company. With view of achieving these objectives, the work in 2018 was aimed at:

### ***• Implementing of Program for Applying the Internationally Recognized Standards for Good Corporate Governance***

This program is developed on the grounds of the provisions of the Law on Public Offering of Securities (LPOS) and the Code of Ethics of the investor relations directors. It provides for the major guidelines and principles of good corporate governance of Eurohold Bulgaria in compliance with the internationally recognized practices in the field of, and in full compliance with, the provisions of the Bulgarian legal regulations and the subordinate legislation.

### ***• Maintaining updated information on the company's website***

The information on the company's website is maintained on regular basis by accordingly updating any changes. As a priority, such information is updated and uploaded in the sections for the investors – News, Financial Information, Stock Information, General Meetings, which is done in parallel with the announcement of the respective news.

The website is developed in implementation of the good corporate governance program and is aimed at better and more flexible communication between Eurohold Bulgaria and the investors, business partners, regulatory authorities and any other stakeholders. In pursuance of the principles of shareholders' publicity, transparency and equality, the information on the website is published in Bulgarian and in English.

Eurohold Bulgaria's website contains complete and correct information about the company's business. There you can find the prospectuses for public offering of securities, the company's statutes, the ongoing investment projects; there you can take a look of the annual and interim financial statements. All events that happen are published in the News section of the Eurohold Bulgaria's website in timely manner.

• ***Disclosing information by Eurohold Bulgaria AD as a public company***

During the last 2018, Eurohold Bulgaria disclosed all the information required by the law to the Financial Supervision Commission, the Bulgarian Stock Exchange and Central Depository, and in parallel to the public disclosed via media. The information is published on the websites of the Financial Supervision Commission (E-register) and the Bulgarian Stock Exchange (X3News).

Pursuant to the statutory requirements, the notices for convocation of General Meetings of Shareholders are sent to the Financial Supervision Commission, the Bulgarian Stock Exchange and Central Depository, and are registered in the Trade Register.

The company's financial statements – interim and annual, are submitted on time, whereas their contents and manner of submission meet the requirements of the applicable legislation and the instructions of the Financial Supervision Commission. They are available on the company's website.

With view of the Eurohold Bulgaria AD stock double listing at the end of 2011 at the Warsaw Stock Exchange, the company is obliged to disclose the entire information provided by the company to the Financial Supervision Commission in Poland, to the regulated securities market, and to the Polish investment community.

The entire information about the company is made and disclosed both in Bulgarian and in English.

• ***Administrative service of the managing bodies***

All meetings of the Managing and the Supervisory Board of the company are convened in compliance with the statutory and intra-company regulations. The notices with agenda, together with the materials thereof, are sent to all members on time. The minutes from all meetings are duly made and kept.

***Activities of the Investor Relations Director in 2018***

In compliance with the legal regulations providing for the business of any public companies, the company's statutes and the ethical professional requirements, in my capacity of Investor Relations Director, I can state as follows:

- In 2018 Eurohold Bulgaria AD has always submitted in time the statutory information – whether regular and incident, to the regulatory authorities, to the public and to the regulated securities market;
- Disclosed information is always complete and correct, provided in an investor-friendly manner;
- I do everything necessary to be sure that the information provided to the public, to the Financial Supervision Commission, to the Bulgarian Stock Exchange – Sofia, to the financial analyzers and any other stakeholders, is correct and based on the principle of equality;

- I assist and ensure the communication between the stakeholders (shareholders, financial analyzers, etc.) and the company's management, so that they can get the information they need in timely manner;
- The Investor Relations Director can be easily reached through the publicly available e-mail and phone number.

***Perspectives and measures for improvement of coordination and contacts with shareholders in 2019***

In 2019, the work with view of investor relations will be aimed at:

- Improvement of adopted practices and principles, as well as its overall monitoring and analysis.

In pursuance of my obligations of an investor relations director I comply with the ethical and professional standards and I try to make my work subject to the responsibility to the investors of Eurohold Bulgaria AD and to the investment society as a whole.

**Milena Stoyanova,**  
Investor Relations Director

**POWER – OF – ATTORNEY \***

The undersigned ....., citizen of ....., PIN/ born on ....., ID card/ passport № ....., issued on ....., valid till, permanent residence: ....., in my capacity of .....  
(*data of the represented natural/ legal person*), possessing as of ..... (*day/month/year – the date pursuant to the invitation to the shareholders*)) ..... number (*description of shares*) voting shares from the share capital of EUROHOLD BULGARIA AD, registered with the Trade Register at the Registry Agency, UIC 175187337, having its registered seat and address of management at 43 Christopher Columbus Blvd., Iskar district, city of Sofia, pursuant to art. 226 of the Commerce Act (CA) and art. 116, paragraph 1 of Public Offering of Securities Act (POSA), hereby

**AUTHORIZE :**

..... (*full name*), PIN/ born on ....., ID card/ passport № ....., issued on ....., valid till, address: .....

TO REPRESENT ..... at annual/ extraordinary session of the General meeting of shareholders of EUROHOLD BULGARIA AD, which will be held on ..... (*day, month, year*) at ..... am at 43 Christopher Columbus Blvd., Iskar district, city of Sofia, conference hall and to vote with all shares owned by ..... under the items of the agenda by the following way, namely:

I. ANNOUNCED AGENDA OF THE SESSION OF THE GENERAL MEETING OF SHAREHOLDERS pursuant to the published invitation to the shareholders and as the case may be, announced under the procedure of Art. 223 of the CA in relation to Art. 115, par. 4 of the POSA or Art. 223a of the CA relating to Art. 115, par. 7 of the POSA

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II. DRAFT RESOLUTIONS ON THE SEPARATE ITEMS FROM THE AGENDA OF THE SESSION OF THE GENERAL MEETING OF SHAREHOLDERS pursuant to the published invitation to the shareholders and as the case may be, announced under the procedure of Art. 223 of the CA or Art. 223a of the CA.

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III. MANNER OF VOTING BY THE PROXY ON THE SEPARATE ITEMS OF THE AGENDA OF THE GENERAL MEETING OF SHAREHOLDERS:

The proxy shall be entitled to consider whether and how **to vote at his own discretion**, to decide whether to vote FOR, AGAINST or ABSTAIN FROM voting under any and all draft resolutions during the session of the General Meeting of shareholders of EUROHOLD BULGARIA AD.

The authorization includes the questions added into the agenda under the conditions of Art. 231, par. 1 of the CA and not announced or published in accordance with Art. 223 of the CA, as well as the manner of voting by the proxy in the cases under Art. 231, par. 1 of the CA.

*In case that the manner of voting by the proxy is not specified under each item of the agenda, it shall be pointed out that the proxy may vote at his/her own discretion (at his own discretion to vote "FOR", "AGAINST" or "ABSTAINED") under each draft resolutions during the session of the General meeting of the shareholders of EUROHOLD BULGARIA AD*

*It should be pointed out whether the authorization covers items which are included in the agenda under the conditions of Art. 231, paragraph 1 of the Commerce Act and are not notified to or announced pursuant to Art. 223 of the CA, as well as with respect to the way of voting by the proxy in the cases of Art. 231, paragraph 1 of the CA.*

Date: ..... FOR AND ON BEHALF OF: (.....)

**\*This power- of- attorney should be with notarized signature.**