

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 annual session of the General meeting of the shareholders of Eurohold Bulgaria AD with universal identification code of the event: EUBG20210630AGMS which will be held on 30 June 2021 from 10.30 a.m. (07.30 am UTC) 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 2020. *(draft decision: The General meeting of the shareholders adopts the annual financial statements of the company for the year 2020.);*

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 2020. *(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 2020.);*

3. Adoption of the report of the Management Board for the company's activity during the year 2020. *(draft decision: The General meeting of the shareholders adopts the report of the Management Board for the company's activity during the year 2020.);*

4. Adoption of the consolidated annual financial statements of the company for the year 2020. *(draft decision: The General meeting of the shareholders adopts the consolidated annual financial statements of the company for the year 2020.);*

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 2020. *(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 2020.);*

6. Adoption of the consolidated report of the Management Board for the company's activity during the year 2020. *(draft decision: The General meeting of the shareholders adopts the consolidated report of the Management Board for the company's activity during the year 2020.);*

7. Approval of the proposal of the Management board for allocation of the profit from company's operation during the year 2020. *(draft decision: The General meeting of the shareholders approves the Management Board's proposal on profit distribution from company's operation during the year 2020, namely: profit shall not be allocated.);*

8. Election of a specialized auditors' company of the company for the year 2021. *(draft decision: The General meeting of the shareholders elects the specialized auditors' company for 2021 according to a recommendation of the Audit Committee of the company.);*

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 2020. *(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 2020.);*

10. Adoption of the report of the Investor Relations Director's activity during the year 2020. *(draft decision: The General meeting of the shareholders adopts the report of the Investor Relations Director's activity during the year 2020.);*

11. Adoption of the report of company's Audit Committee for the year 2020. *(draft decision: The General meeting of the shareholders adopts the report of company's Audit Committee for the year 2020.);*

12. Adoption of the report for application of the remuneration policy during 2020 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 2020 pursuant to Art. 12, paragraph 1 of Ordinance No. 48 on the Remuneration Requirements dated 20 March 2013.);*

13. Adoption of an annual report of the Supervisory board in its capacity of Remuneration committee. (draft decision: The General meeting of the shareholders adopts an annual report of the Supervisory board in its capacity of Remuneration committee.)

The registration of the participants at the session will start at 09.30 a.m. (06.30 a.m. UTC) on 30 June 2021 at 43 Christopher Columbus Blvd., floor 1, Sofia, Bulgaria.

On grounds of Art. 115, paragraph 2 of POSA the Company notifies the shareholders that the total number of its shares as of the date of the resolution for convening the general meeting of the shareholders 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, ISIN code of the issue – BG1100114062. Only the persons registered as shareholders in Central Depository's registers, as well as in the Polish Central Depository (*KDPW*) 14 days before the date of the General meeting (namely 16 June 2021) 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 of the general meeting and to propose draft decisions of items, already included in the agenda of the general meeting. The shareholders who possess jointly and severally shares representing at least 5 per cent of the share capital of the Company may include additional items in the agenda of the general meeting or propose different draft decisions under items already included in the agenda of the general meeting 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 (15 June 2021), the shareholders who possess shares representing at least 5 per cent of the share capital of the company 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 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 AD 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 regardless of the fact that they may not be related to 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 the 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 an original certificate of good standing of their registration, containing clear and unambiguous information regarding the persons entitled to represent the company and the way of representation, issued not more than 3 months before the date of the general meeting by a competent state body in the state of their registration, translated, certified and legalized according to the Bulgarian legislation.

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. Eurohold Bulgaria AD will receive and accept electronically as valid, powers of attorney to the following e-mail: investors@eurohold.bg, whereas the electronic messages should be signed with a universal electronic signature (UES) or a qualified electronic signature (QES) by the principal and should be accompanied by an electronic document (electronic image) of the power of attorney with a notarized signature, which should also be signed with a universal electronic signature (UES) or a qualified electronic signature (QES) by the principal.

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 each working day between 09.00 a.m. (06.00 a.m. UTC) and 5.00 p.m. (2.00 p.m. UTC) and on the web page of the public company – www.eurohold.bg.

In case of lack of quorum on grounds of Art. 227 of Commerce Act in liaison with Art. 115, paragraph 14 POSA the session of the General meeting of the shareholders will be held on 16 July 2021 at 10.00 a.m. (07.00 a.m. UTC) 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 09.30 a.m. (06.30 a.m. UTC) on 16 July 2021 at 43 Christopher Columbus Blvd., floor 1, Sofia, Bulgaria. Items under art. 223a of the CA may not be included in the agenda of the new session.

For and on behalf EUROHOLD BULGARIA AD:



Assen Minchev Minchev,
Executive director



Milena Mitcheva Guentcheva,
Procurator

MATERIALS AND PROPOSALS FOR RESOLUTIONS
UNDER THE AGENDA OF THE ANNUAL MEETING OF THE SHAREHOLDERS OF
EUROHOLD BULGARIA AD
CONVENED FOR 30.06.2021

I. DRAFT RESOLUTIONS:

1. Adoption of the annual financial statements of the company for the year 2020. *(draft decision: The General meeting of the shareholders adopts the annual financial statements of the company for the year 2020.);*

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 2020. *(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 2020.);*

3. Adoption of the report of the Management Board for the company's activity during the year 2020. *(draft decision: The General meeting of the shareholders adopts the report of the Management Board for the company's activity during the year 2020.);*

4. Adoption of the consolidated annual financial statements of the company for the year 2020. *(draft decision: The General meeting of the shareholders adopts the consolidated annual financial statements of the company for the year 2020.);*

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 2020. *(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 2020.);*

6. Adoption of the consolidated report of the Management Board for the company's activity during the year 2020. *(draft decision: The General meeting of the shareholders adopts the consolidated report of the Management Board for the company's activity during the year 2020.);*

7. Approval of the proposal of the Management board for allocation of the profit from company's operation during the year 2020. *(draft decision: The General meeting of the shareholders approves the Management Board's proposal on profit distribution from company's operation during the year 2020, namely: profit shall not be allocated.);*

8. Election of a specialized auditors' company of the company for the year 2021. *(draft decision: The General meeting of the shareholders elects the specialized auditors' company for 2021 according to a recommendation of the Audit Committee of the company.);*

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 2020. *(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 2020.);*

10. Adoption of the report of the Investor Relations Director's activity during the year 2020. *(draft decision: The General meeting of the shareholders adopts the report of the Investor Relations Director's activity during the year 2020.);*

11. Adoption of the report of company's Audit Committee for the year 2020. *(draft decision: The General meeting of the shareholders adopts the report of company's Audit Committee for the year 2020.);*

12. Adoption of the report for application of the remuneration policy during 2020 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 2020 pursuant to Art. 12, paragraph 1 of Ordinance No. 48 on the Remuneration Requirements dated 20 March 2013.);*

13. Adoption of an annual report of the Supervisory board in its capacity of Remuneration committee. *(draft decision: The General meeting of the shareholders adopts an annual report of the Supervisory board in its capacity of Remuneration committee.)*

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 2020 with auditor's report-
<https://www.eurohold.bg/files/documents/articles/488c266021c6c3c02d466e5293948fa6.pdf>;
5. Report of the Management Board of EUROHOLD BULGARIA AD for the operations of the company in 2020- <https://www.eurohold.bg/files/documents/articles/488c266021c6c3c02d466e5293948fa6.pdf>;
6. Consolidated audited financial statements of EUROHOLD BULGARIA AD for 2020 with auditor's report-
<https://www.eurohold.bg/files/documents/articles/153e053c8fc3dbd616107a32bdbbd6c2.pdf> ;
7. Consolidated report of the Management Board of EUROHOLD BULGARIA AD for the operations of the company in 2020 –
<https://www.eurohold.bg/files/documents/articles/153e053c8fc3dbd616107a32bdbbd6c2.pdf>;
8. Report of the Investor Relations Director's activity during the year 2020;
9. Report of EUROHOLD BULGARIA AD's Audit Committee for the year 2020;
10. Report for application of the Remuneration policy during 2020 –
<https://www.eurohold.bg/files/documents/articles/f0143d9648586dcbe8889e3ac3e96d14.pdf>;
11. Annual report of the supervisory board of EUROHOLD BULGARIA AD in its function as a remuneration committee for 2020.

28.05.2021

MANAGING DIRECTOR:


ASSEN MINCHEV MINCHEV

PROCURATOR:


MILENA MILTCHOVA GUENTCHEVA

MINUTES
OF MEETING OF THE MANAGEMENT BOARD OF
EUROHOLD BULGARIA AD

On this 21st day of May 2021, a meeting of the Management Board of Eurohold Bulgaria AD, UIC 175187337, was held. The meeting was attended by all the members of the Management Board, namely:

1. KIRIL IVANOV BOSHOV – Chairman;
2. ASSEN MINCHEV MINCHEV – Executive director;
3. VELISLAV MILKOV CHRISTOV – Member;
4. ASSEN EMANOUILOV ASSENOV – Member;
5. 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 2020.

Item two: Adoption of resolution for convening of an annual meeting of shareholders of Eurohold Bulgaria AD for the year 2021.

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 2020, namely: Profit from the company's operation during the year 2020 shall not be distributed.

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 annual session of the General meeting of the shareholders of Eurohold Bulgaria AD with universal identification code of the event: EUBG20210630AGMS which will be held on 30 June 2021 from 10.30 a.m. (07.30 am UTC) 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 2020. *(draft decision: The General meeting of the shareholders adopts the annual financial statements of the company for the year 2020.);*
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 2020. *(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 2020.);*
3. Adoption of the report of the Management Board for the company's activity during the year 2020. *(draft decision: The General meeting of the shareholders adopts the report of the Management Board for the company's activity during the year 2020.);*
4. Adoption of the consolidated annual financial statements of the company for the year 2020. *(draft decision: The General meeting of the shareholders adopts the consolidated annual financial statements of the company for the year 2020.);*
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 2020. *(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 2020.);*
6. Adoption of the consolidated report of the Management Board for the company's activity during the year 2020. *(draft decision: The General meeting of the shareholders adopts the consolidated report of the Management Board for the company's activity during the year 2020.);*
7. Approval of the proposal of the Management board for allocation of the profit from company's operation during the year 2020. *(draft decision: The General meeting of the shareholders approves the Management Board's proposal on profit distribution from company's operation during the year 2020, namely: profit shall not be allocated.);*
8. Election of a specialized auditors' company of the company for the year 2021. *(draft decision: The General meeting of the shareholders elects the specialized auditors' company for 2021 according to a recommendation of the Audit Committee of the company.);*
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 2020. *(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 2020.);*
10. Adoption of the report of the Investor Relations Director's activity during the year 2020. *(draft decision: The General meeting of the shareholders adopts the report of the Investor Relations Director's activity during the year 2020.);*
11. Adoption of the report of company's Audit Committee for the year 2020. *(draft decision: The General meeting of the shareholders adopts the report of company's Audit Committee for the year 2020.);*
12. Adoption of the report for application of the remuneration policy during 2020 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 2020 pursuant to Art. 12, paragraph 1 of Ordinance No. 48 on the Remuneration Requirements dated 20 March 2013.);*
13. Adoption of an annual report of the Supervisory board in its capacity of Remuneration committee. *(draft decision: The General meeting of the shareholders adopts an annual report of the Supervisory board in its capacity of Remuneration committee.)*

The registration of the participants at the session will start at 09.30 a.m. (06.30 a.m. UTC) on 30 June 2021 at 43 Christopher Columbus Blvd., floor 1, Sofia, Bulgaria.

On grounds of Art. 115, paragraph 2 of POSA the Company notifies the shareholders that the total number of its shares as of the date of the resolution for convening the general meeting of the shareholders 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, ISIN code of the issue – BG1100114062. Only the persons registered as shareholders in Central Depository's registers, as well as in the Polish Central Depository (KDPW) 14 days before the date of the General meeting (namely 16 June 2021) 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 of the general meeting and to propose draft decisions of items, already included in the agenda of the general meeting. The shareholders who possess jointly and severally shares representing at least 5 per cent of the share capital of the Company may include additional items in the agenda of the general meeting or propose different draft decisions under items already included in the agenda of the general meeting 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 (15 June 2021), the shareholders who possess shares representing at least 5 per cent of the share capital of the company 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 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 AD 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 regardless of the fact that they may not be related to 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 the 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 an original certificate of good standing of their registration, containing clear and unambiguous information regarding the persons entitled to represent the company and the way of representation, issued not more than 3 months before the date of the general meeting by a competent state body in the state of their registration, translated, certified and legalized according to the Bulgarian legislation.

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. Eurohold Bulgaria AD will receive and accept electronically as valid, powers of attorney to the following e-mail: investors@eurohold.bg, whereas the electronic messages should be signed with a universal electronic signature (UES) or a qualified electronic signature (QES) by the principal and should be accompanied by an electronic document (electronic image) of the power of attorney with a notarized signature, which should also be signed with a universal electronic signature (UES) or a qualified electronic signature (QES) by the principal.

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 each working day between 09.00 a.m. (06.00 a.m. UTC) and 5.00 p.m. (2.00 p.m. UTC) and on the web page of the public company – www.eurohold.bg.

In case of lack of quorum on grounds of Art. 227 of Commerce Act in liaison with Art. 115, paragraph 14 POSA the session of the General meeting of the shareholders will be held on 16 July 2021 at 10.00 a.m. (07.00 a.m. UTC) 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 09.30 a.m. (06.30 a.m. UTC) on 16 July 2021 at 43 Christopher Columbus Blvd., floor 1, Sofia, Bulgaria. Items under art. 223a of the CA may not be included in the agenda of the new session.

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. 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 2020**

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 15 dated 16.02.2018, issue 17 dated 26.02.2019, amended and supplemented in State Gazette issue 18 dated 28.02.2020, amended in State Gazette issue 28 dated 24.03.2020 and amended and supplemented in State Gazette issue 105 sated 11.12.2020) and provides you with a comprehensive report of the Audit Committee for the year ended 31 December 2020.

I. General information

1. Composition of the Audit Committee

In 2020 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 June 2017. At the GMS held on 30 September 2020 the mandate of the Audit Committee was renewed for a term of 5 years. The activity of the Audit Committee was carried out in accordance with the Statute of the Audit Committee approved by the GMS on 30 June 2017 and the adopted new Statute of the Audit Committee at the GMS on 30 September 2020..

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:

| Name | Educational qualification degree and professional experience | Function |
|----------------------------------|---|-------------------------------|
| <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 | Member of the Audit Committee |

| | | |
|-----------------------------------|---|---|
| | EUROHOLD BULGARIA AD. He was member of the previous Audit Committee. He participates in the management of the Company since its establishment in 2006. | |
| <i>Ivan Georgiev Munkov</i> | Graduated Sofia University "Kliment Ohridski", Sofia with Master`s degree in Law. He has 25 years of professional experience in law, including in holding structures. | Chair and independent 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 26 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 and provide recommendations and proposals;
- Monitor the effectiveness of the internal control systems, the risk management system and the activity of internal audit regarding the financial reporting;
- 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, unless a Selection Committee is established;
- 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, which conducted the 2019 audit - independence, monitoring of its work during the final stage of the audit, key audit issues and other findings for the company and the group;
- Issues related to the audit firm, which was appointed for the 2020 audit - selection, independence, monitoring of its work, planning of the audit, key audit issues and other findings for the company and the group;
- Issues related to ongoing monitoring of financial reporting in 2020, as well as other matters of importance to the company and the group – presentation of the financial statements and disclosures, accounting for investments in subsidiaries, associated and other enterprises, impairment of receivables for granted loans, trade and other receivables, accounting for bond loans, accounting for insurance reserves, reputation from business combinations and other;
- Issues related to internal control, information security and information technologies, the processes of financial closing and consolidation 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 2019

The activity of the Audit Committee for the year ended 31 December 2019 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 2020, 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 2020.

2. Monitored the financial reporting processes in the company

In 2020, 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. 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 2020.

The financial statements of EUROHOLD BULGARIA AD are prepared on a going concern basis and under the historical cost principle modified as appropriate in accordance with the accounting policy. 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 2020 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 2020 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 2020 with the exception of accounting for the investment in one of the subsidiaries in the individual financial statements and the reporting of insurance reserves and goodwill in the consolidated financial statements. In this respect there is a modified opinion issued in the auditor's reports on the individual and consolidated financial statements with respect to the result of the impairment test for the investment in a subsidiary in the individual financial statements and the goodwill in the consolidated financial statements as well as with regard of the applied methods and approach for calculation of the insurance reserves in the consolidated financial statements.

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 2019 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 2020 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 2020, 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 2020, 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 ZAHARINOVA NEXIA OOD be selected. It is entered under Reg. No 138 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 30 September 2020 the General Meeting of Shareholders of EUROHOLD BULGARIA AD elected the audit company ZAHARINOVA NEXIA OOD to perform the statutory audit of the annual individual and consolidated financial statements of EUROHOLD BULGARIA AD for 2020.

The responsibilities of the audit firm ZAHARINOVA NEXIA 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 26 October 2020. 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 ZAHARINOVA NEXIA OOD with leading auditor for the individual financial statements Grigor Petrov, CPA, Registered Auditor No 816 and leading auditor for the consolidated financial statements Dimitrina Zaharinoва, CPA Registered Auditor No 415, respectively. The Audit Committee reviewed the independence of the audit firm at the initial undertaking of the audit engagement, according to IFAA and Regulation 537/2014, as well as at the completion of the audit. Independence declarations were submitted to the Audit Committee. The audit of the individual and consolidated financial statements of the Company for the year, ending on 31 December 2020, was the first full uninterrupted statutory audit engagement carried out by the audit firm ZAHARINOVA NEXIA OOD. The responsible registered auditors are the leading auditors for the first 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 2020 was carried out lawfully and prepared in strict compliance with the requirements for independent financial audit. 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 2020, no approval by the Audit Committee for the provision of services other than statutory audit by the audit firm was sought.

In 2020, ZAHARINOVA NEXIA 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:

- Insurance company Euroins AD
- Insurance company EIG RE EAD
- Insurance company Euroins Life EAD
- Euroins Insurance Group AD

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. 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 accepting and planning of the engagement and planning stage and the completing to discuss the key matters. the management letter, the adjusted and non-adjusted errors.

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 time schedule was kept in the period October – November 2020 and February to May 2021.

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 2020, the audit firm was included in the plan for planned inspections of CPOSA for quality review. The inspection was completed with a Report of 17 March 2021 with the opinion that the activity of the enterprise is in compliance with all material aspects of the quality requirements of the audit services performed by applying the procedures set out in the professional standards. The assessment given by the Commission of the quality of the registered auditor's professional activity is an 'A' assessment.

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 2021

In connection with Art. 108, para. 1, item 6 of the Independent Financial Audit Act, as of the date of this report the Audit Committee of EUROHOLD BULGARIA AD is conducting an assessment process of audit companies regarding the audit of the individual and consolidated financial statements for the year ending on 31 December 2021. In this regard the recommendation for the appointment of the auditor will be made at a next General Meeting of Shareholders after completion of the selection process.

The Report is approved by a Decision of the Audit Committee dated 25 May 2021.

Chair of the Audit Committee:


Ivan Munkov

Member of the Audit Committee:


Dimitar Dimitrov

Member of the Audit Committee:


Rositsa Pencheva



**REPORT OF THE INVESTOR RELATIONS DIRECTOR
TO THE ANNUAL GENERAL MEETING OF SHAREHOLDERS
OF EUROHOLD BULGARIA AD
June 2021**

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.

Eurohold Bulgaria AD complies with the National Corporate Governance Code (NCGC) approved by the Financial Supervision Commission and carries out its activities in full compliance with the principles and provisions of the Code.

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.

• Disclosing information by Eurohold Bulgaria AD as a public company

The management of Eurohold Bulgaria AD has approved a policy for disclosure of information in accordance with the legal requirements and bylaws.

In accordance with the adopted policy for disclosure of information, the management of Eurohold Bulgaria AD has created and maintains a system for disclosure of information, which guarantees equality of the addressees of information (shareholders, stakeholders, investment community) and prevents abuse of inside information.

The management of Eurohold Bulgaria AD guarantees that the disclosure system provides complete, timely, accurate and understandable information, which allows for objective and informed decisions and assessments.

The management of Eurohold Bulgaria AD promptly discloses the capital structure of the company in accordance with the approved rules for disclosure of information.

Within the current legislation and in accordance with the provisions of the company's bylaws, the management of Eurohold Bulgaria AD guarantees that the rules and procedures under which the acquisition of control and extraordinary transactions such as mergers and sale of significant parts of assets are carried out are clear and promptly announced.

The governing body of Eurohold Bulgaria has approved and monitor compliance with internal rules for the preparation of annual and interim reports and the procedure for disclosure of information.

The management of Eurohold Bulgaria AD has adopted internal rules that ensure the timely disclosure of any material periodic and ad-hoc information about the company, its management, its operating activities, its shareholder structure.

The management of Eurohold Bulgaria AD guarantees the disclosure of any significant periodic and incidental information about the company through channels that provide equal and timely access to the relevant information by users.

As part of the information disclosure system, the management of Eurohold Bulgaria AD maintains a bilingual website of the company www.eurohold.bg - in Bulgarian and English, with approved content, scope and periodicity of the information disclosed through it. The content of the web page fully covers the requirements of the National Corporate Governance Code.

Eurohold Bulgaria AD uses a single point for disclosure of information electronically and thus the information reaches the public, the FSC and the regulated market in an unadjusted form. (<http://www.x3news.com/>).

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.

- **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 2020

- In 2020, in the context of the Covid-19 pandemic, the efforts of the management were in the direction of maintaining the normal rhythm of work. However, we experienced some difficulties and took advantage of the extended deadlines for submission of financial statements for the first and second quarters in connection with the state of emergency declared on March 13, 2020. The regular meeting of the General Meeting of Shareholders was also held within the extended deadline;
- The pandemic situation in 2020 did not affect the timely disclosure of other regulated information. Eurohold Bulgaria AD has always provided the necessary inside information to the regulatory authorities, the public and the regulated securities market in a timely manner;
- Disclosed information is always complete and correct, provided in an investor-friendly manner;
- The use of a single disclosure point ensures equality between users of this information;
- The Investor Relations Director can be easily reached through the publicly available e-mail and phone number.

In performing my duties as Investor Relations Director, I observe ethical and professional standards and strive for my entire activity to be subject to the responsibility to investors of Eurohold Bulgaria AD and to the investment society as a whole.

Milena Stoyanova,
Investor Relations Director



**ANNUAL REPORT OF THE
SUPERVISORY BOARD OF EUROHOLD
BULGARIA AD IN ITS FUNCTION AS A
REMUNERATION COMMITTEE FOR 2020**

**Prepared on the provision of Art. 22, para. 5 of
Ordinance № 48 of the Financial Supervision
Commission of 20 March 2013 on the requirements
for remuneration**

This annual report is presented to the General Meeting of Shareholders of the company and contains information on the manner in which the Supervisory Board of Eurohold Bulgaria AD exercises its functions as a Remuneration Committee, according to Art. 21, para. 3 of Ordinance № 48 on the requirements for remuneration. In preparing the annual report, the information and data according to the Report on the Implementation of the Remuneration Policy of Eurohold Bulgaria AD for 2020 were taken into account.

ANNUAL REPORT OF THE REMUNERATION COMMITTEE FOR 2020

1. Information on the Remuneration Policy and the functions of the Remuneration Committee of Eurohold Bulgaria AD

The policy in force as of the date of preparation of this report was developed by the Supervisory Board of the company and approved by the General Meeting on 30.09.2020 by repealing the Remuneration Policy of the members of the Management and Supervisory Boards, adopted by the General Meeting on 02.10.2013.

With this policy the General Meeting of Shareholders determines that the function of the Remuneration Committee will be performed by the Supervisory Board of Eurohold Bulgaria AD within the meaning of Art. 21, para. 3 of Ordinance №48 of the FSC.

The Supervisory Board consists of the following members: Assen Milkov Christov, Dimitar Stoyanov Dimitrov, Louise Gabrielle Roman, Radi Georgiev Georgiev, Lubomir Stoev and Kustaa Lauri Aima. The expiration date of the term of office of the Supervisory Board is 09.05.2022.

The services of external consultants were not used in determining the Remuneration Policy.

2. Report on the implementation of the function of the Remuneration Committee for 2020

The tasks of the Remuneration Committee are normatively defined in Art. 21 and 22 of Ordinance № 48 of the Financial Supervision Commission of 20 March 2013 on the requirements for remuneration and shall be exercised in accordance with the procedure specified in Art. 13 and Art. 14 of the Remuneration Policy of the members of the Supervisory Board and the Management Board of Eurohold Bulgaria AD.

| A task | Performance report |
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| 1. To prepare and propose to the GMS a Remuneration Policy, in case of considered necessity | In accordance an amendment to the Ordinance amending and supplementing Ordinance № 48 of 20.03.2013 on the requirements for the remuneration of the FSC, published in a state newspaper, no. 61 of 10.07.2020 and in accordance with § 20 of the the transitional and final provisions of the same, the Supervisory Board of Eurohold Bulgaria AD prepared a draft of a new Remuneration Policy for the members of the Supervisory Board and the Management Board of Eurohold Bulgaria AD (Remuneration Policy), which proposed for approval by the GMS. |

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| | <p>Remuneration policy has been developed in accordance with Art. 116c, para. 1 of the Public Offering of Securities Act (last amended and supplemented Amended by the Public Offering of Securities Act, state newspaper No. 64 of 18.07.2020 in force since 21.8.2020) in accordance with Ordinance № 48 of the Financial Supervision Commission of 20 March 2013 on the requirements for remuneration (last amended and supplemented by Ordinance amending and supplementing Ordinance № 48, state newspaper No. 61 of 10.07.2020) and was adopted on 30.09.2020 by the General Meeting of Shareholders of the public company according to the procedure established by law. The Policy enters into force on 30.09.2020 and repeals the Remuneration Policy of the members of the Supervisory Board and the Management Board of Eurohold Bulgaria AD, adopted by the General Meeting of Shareholders on 02.10.2013.</p> |
| <p>2. To review the Remuneration policy approved by the GMS at least once a year, including:</p> | <p>The Supervisory Board reviewed the Remuneration Policy of Eurohold Bulgaria AD in 2020, presenting to the GMS a new draft Policy in line with the changes in the legal environment concerning the activities of public companies, as reported in point 1. The new Remuneration Policy of Eurohold Bulgaria AD was approved on 30.09.2020 and published on the Company's website. Subsequent amendments to the legislation - amendments and supplements to the POSA have no relation to the matter affected in Art. 116c and do not necessitate changes in the Remuneration Policy. For 2021 and as of the date of preparation of this report, a regular review was performed by the Supervisory Board, and no circumstances have been established, a prerequisite for its amendment. Remuneration policy is subject to review by the GMS in 2024.</p> |
| <p>2.1. Regulatory compliance</p> | <p>The Remuneration policy of Eurohold Bulgaria AD includes: a description of the decision-making process used for its determination, review and implementation, including measures for prevention or management of conflicts of interest, the role of the Supervisory Board as a Remuneration Committee within the meaning of Art. . 21, para. 3 of</p> |

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| | <p>Ordinance № 48 of the FSC. The format of the Remuneration Policy of Eurohold Bulgaria AD, approved in 2020, achieves more transparency by allowing effective protection of interests and encourages the exercise of the right to vote by all shareholders, including:</p> <ul style="list-style-type: none"> - the previous revoked version of the Policy is also published on the website; - The policy includes a description of the significant changes and the reasons for their introduction; - The policy announces the results of the voting of the GMS, as well as the opinions of the shareholders, if any |
| <p>2.2. The remuneration policy of Eurohold Bulgaria AD covers all forms of indemnities, including fixed remuneration, remuneration schemes and payments related to the termination of the contracts of the persons falling within its scope.</p> | <p>The Supervisory Board reports that the Remuneration Policy of Eurohold Bulgaria AD covers all forms of indemnities, fixed remunerations and payments related to the termination of the contracts of the persons within its scope.</p> |
| <p>2.3. Occurrence of essential necessity</p> | <p>The Supervisory Board does not report the occurrence of circumstances creating a need to amend, supplement or revoke the approved Remuneration Policy of Eurohold Bulgaria AD</p> |
| <p>2.4. Significant risk for achieving the objectives under Art. 1 of the Policy</p> | <p>The Supervisory Board does not identify a significant risk for achieving the objectives set out in the Policy, leading to the need to amend, supplement or revoke the approved Remuneration Policy of Eurohold Bulgaria AD</p> |
| <p>3. Follows the practice of applying the Remuneration Policy of Eurohold Bulgaria AD, including:</p> | <p>The Supervisory Board of Eurohold Bulgaria AD reports that the implementation practice complies with the Remuneration Policy approved by the GMS. During the review, the Supervisory Board began with a review of the Report on the Implementation of the Remuneration Policy of EUROHOLD BULGARIA AD for 2020, attached to the Annual Financial Statements for 2020.</p> |
| <p>3.1. To make changes in the individual remuneration of the members of the Management Board,</p> | <p>In connection with the declared state of emergency due to the worsened epidemic situation regarding COVID 19, a decision was made by the Supervisory Board of Eurohold Bulgaria AD to reduce the</p> |

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| <p>respectively of the executive directors, in accordance with the approved Remuneration Policy and the evaluation of the work of the executive director</p> | <p>remuneration of the company's employees, as well as some of the members of the Supervisory Board and the Management Board, for the period from 01.04.2020. until 31.05.2020, namely:</p> <ul style="list-style-type: none"> • Asen Minchev Minchev, member of the Management Board - reduction for the period from 01.04.2020 to 31.05.2020 - BGN 5040.00. • Lubomir Stoev, member of the Supervisory Board - reduction for the period from 01.04.2020 to 31.05.2020 - BGN 6258.00. <p>The remuneration of all other members of the Supervisory Board and the Management Board remains unchanged throughout 2020.</p> |
| <p>3.2. To give recommendations to the Management Board in determining the remuneration of the employees of other managerial positions in the administration of the public company</p> | <p>In connection with the declared state of emergency due to the worsened epidemic situation regarding COVID 19, a decision was made by the Supervisory Board of Eurohold Bulgaria AD to reduce the remuneration of the company's employees, as well as some of the members of the Supervisory Board and the Management Board, for the period from 01.04.2020. until 31.05.2020, namely:</p> <ul style="list-style-type: none"> • Asen Minchev Minchev, member of the Management Board - reduction for the period from 01.04.2020 to 31.05.2020 - BGN 5040.00. • Lubomir Stoev, member of the Supervisory Board - reduction for the period from 01.04.2020 to 31.05.2020 - BGN 6258.00. |
| <p>3.3. To monitor the level and structure of the remuneration of the employees of other managerial positions in the administration of the public company on the basis of information provided by the Management Board</p> | <p>The Supervisory Board monitored the level of remuneration on the basis of full-time employees of the company who are not directors, reported in Appendix № 1 to the Report on Implementation of the Remuneration Policy of EUROHOLD BULGARIA AD for 2020 and reflecting an annual change in the average amount of remuneration during the previous five financial years, presented together in a way that allows for comparison. The cited report was prepared in accordance with the recommendations of the Supervisory Board.</p> <p>In 2020, the structure of the remuneration of the employees of the company who are not directors and receive their remuneration on a full-time basis is only a fixed remuneration.</p> |
| <p>3.4. To review the</p> | <p>The Supervisory Board, in its</p> |

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| <p>Remuneration policy of the members of the Management Board, respectively the executive directors, including the policy regarding remuneration based on shares and its implementation</p> | <p>capacity as the Remuneration Committee, based on the review, takes into account the following recommendations:</p> <ul style="list-style-type: none"> - it is not necessary to amend the Remuneration Policy in order to implement it effectively; - proposes for the next financial year 2021 the remuneration of the members of the Management Board, the Supervisory Board and the procurators to remain unchanged compared to 2020 by paying them only fixed annual remuneration |
| <p>3.5. To ensure that the remuneration of each member of the Management Board is fairly determined in relation to the remuneration of the other members of the Management Board and other employees in managerial positions in the administration of the public company</p> | <p>The Supervisory Board does not take into account preconditions for violation of the right to fair remuneration. Remuneration changes in 2020 in connection with the declared state of emergency due to the deteriorating epidemic situation regarding COVID 19 are a temporary measure implemented in accordance with the law, with bilaterally signed annexes to the contracts.</p> <p>The data on the remunerations are formed and reported in the Report for implementation of the Remuneration Policy of EUROHOLD BULGARIA AD for 2020, which was publicly announced.</p> |
| <p>4. Independent supervision of remuneration practices</p> | <p>The Supervisory Board does not take into account preconditions for interference or attempts to violate the independence of the body in the performance of its duties as a Remuneration Committee.</p> |
| <p>5. Protection of shareholders' rights - disclosure practices and equal access to information</p> | <p>The Supervisory Board reports that in accordance with the Remuneration Policy, the following have been announced by publishing in a visible and easily accessible place on the official website of Eurohold Bulgaria AD:</p> <ul style="list-style-type: none"> - The Remuneration policy of the members of the Supervisory Board and the Management Board of Eurohold Bulgaria AD, 30.09.2020; - The previous version: Remuneration policy, 02.10.2013 (annulled); - Report on the implementation of the Remuneration Policy of EUROHOLD BULGARIA AD for 2020 to the Annual Financial Statements for 2020. |
| <p>6. Report on used external consultants</p> | <p>During the reporting period the services of external consultants were not used</p> |

This annual report was approved at a meeting of the Supervisory Board on 26.05.2021 and will be publicly available as part of the materials on the agenda for convening the regular annual meeting of the General Meeting of Shareholders. Every person, shareholder of Eurohold Bulgaria AD, as well as all other interested parties have the right to access this report.

In connection with this annual report, the members of the Supervisory Board, after a decision of the GMS, should be allowed to attend the meeting.

ASSEN CHRISTOV,

Chairperson of the Supervisory Board of
Eurohold Bulgaria AD

A handwritten signature in blue ink, consisting of several fluid, overlapping strokes that form a stylized representation of the name 'Assen Christov'.

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

A U T H O R I Z E :

..... (*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.**