

MINUTES

OF THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF “SOPHARMA” AD

SOFIA, 13 December 2019

I. Constituting the General Meeting of Shareholders

The Extraordinary General Meeting of Shareholders of “Sopharma” AD was held on December 13, 2019 at 11.00 at the Company's registered office in Sofia, with place of holding: 5, “Lachezar Stanchev” Str., Sopharma Business Towers, Ground Floor, Sopharma Event Center. It was attended by shareholders and their representatives, according to the attached protocol for verification of the quorum and the represented capital of the present shareholders and their representatives and the number of owned and represented shares.

The Executive Director of “Sopharma” AD, Mr. Ognian Donev, welcomed the shareholders and suggested that the General Meeting elect a Quorum and Represented Capital Verification Commission, which will also disclose the data of the completed registration of the shareholders and their proxies for participation in the General Meeting.

Mrs. Pelagia Viatcheva was proposed for Chairman of the Commission and for Members: Yanita Mincheva and Teodora Poplazarova.

Other suggestions were not made and Mr. Donev invited the attending shareholders and proxies to vote for the election of the Quorum and Represented Capital Verification Commission in its proposed composition.

Results of the vote: *The General Meeting unanimously voted for a Quorum and Presented Capital Verification Commission with the following members: Chairman - Pelagia Viatcheva and Members - Yanita Mincheva and Teodora Poplazarova.*

Mrs. Viatcheva presented to the shareholders a protocol with the Commission's findings of the verification after the registration of the shareholders and their proxies was completed, namely:

Registered capital - 134 797 899 dematerialized registered shares, each with a nominal value of BGN 1 (one) and with the right to 1 (one) vote at the General Meeting of Shareholders.

Number of treasury shares of “Sopharma” AD - 8 881 832. Pursuant to Art. 187a, para 3 of the Commerce Act, the rights of the treasury shares are not exercised until their transfer.

Total number of shares with voting rights that can participate in the Extraordinary General Meeting of Shareholders convened on December 13, 2019 - 125 916 067.

Results of completed registration:

At the time of registration completion, to participate in the Extraordinary General Meeting of Shareholders are registered shareholders and proxies of shareholders, as follows:

The personally present shareholders hold 71 235 045 shares, representing 52,846% of the registered capital.

Through a proxy are represented 4 618 298 shares, representing 3,426% of the registered capital.

Total represented shares – 75 853 343, representing 56,272% of the registered capital of the Company.

A list of the shareholders and their proxies registered for the General Meeting with their signatures was prepared after the Quorum and Represented Capital Verification Commission has verified their identity/ representative authority. The list is signed and verified by the elected Chairman and Secretary of the General Meeting held on December 13, 2019.

On behalf of the Quorum and Represented Capital Verification Commission, Mrs. Viatcheva confirmed to the General Meeting that:

- All registered shares are entitled to one vote at the General Meeting;
- The number of the shares represented in person and by proxy does not exceed the number of shares for the respective shareholder according to the Shareholders' Book of the Company as at November 29, 2019 for the number of voting shares at the Extraordinary General Meeting of Shareholders of “Sopharma” AD convened on December 13, 2019.

Mrs. Viatcheva submitted to the Executive Director a Protocol signed by the members of the Quorum and the Represented Capital Verification Commission as well as an original List of Shareholders and Proxies registered for participation in the General Meeting.

Mr. Donev proposed to the General Meeting, by vote, to adopt the Capital Verification report on the verification of the quorum and the represented capital.

Following a vote with the result:

	Actual votes			Voted “FOR”		Voted “AGAINST”		Voted “ABSTAINED”	
	Number	% of the represented capital	% of the registered capital	Number	% of the represented capital	Number	% of the represented capital	Number	% of the represented capital
Total	75 853 343	100%	56,272%	75853 343	100%	0	0,00%	0	0,00%
- from them through a representative	4 618 298	6,088%	3,426%	4 618 298	6,088%	0	0,00%	0	0,00%

The Capital Verification report was adopted unanimously with the represented shares.

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

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

1. Proposals for the management body of the session:

- For Chairperson – Pelagia Viatcheva
- For Secretary – Nikolay Georgiev
- For Tellers – Teodora Poplazarova and Yanita Mincheva

Since no other proposals had been received, the proposal was put to the vote.

Following a vote with the result:

	Actual votes			Voted “FOR”		Voted “AGAINST”		Voted “ABSTAINED”	
	Number	% of the represent ed capital	% of the registere d capital	Number	% of the represe nted capital	Number	% of the represent ed capital	Number	% of the represent ed capital
Total	75 853 343	100%	56,272%	75 853 343	100%	0	0,00%	0	0,00%
- from them through a representative	4 618 298	6,088%	3,426%	4 618 298	6,088%	0	0,00%	0	0,00%

The EGM elected the proposed persons for Chairperson, Secretary and Tellers of the Extraordinary General Meeting, which took place in Sofia on December 13, 2019.

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

FINDINGS OF THE CHAIRPERSON AND THE SECRETARY OF THE MEETING:

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

1. The invitation was announced in the Commercial Register with registration from November 7, 2019, as well as on the web site of the Company. The announcement was within the statutory terms under Art. 223, para 5 of the Commerce Act and in compliance with the requirements of the Public Offering of Securities Act for notifications to the Financial Supervision Commission, the Bulgarian Stock Exchange and the Public regarding the convening of the General Meeting of Shareholders, the agenda and the draft decisions.

2. The Chairman and the Secretary received an original List of Shareholders and their proxy holders and verified it with their signatures.

3. To participate in the General Meeting are registered total represented shares **75 853 343** representing **56,272%** of the registered capital of the Company, personally - **71 235 045** shares and through a proxy - **4 618 298**.

4. For representation of shareholders at the General Meeting are presented eight proxies, which correspond to the form and the content of the requirements of the Public Offering of Securities Act and of the Rules for Voting through a proxy adopted by the Company. Five proxies were submitted electronically within the time limit specified in the invitation, namely by the end of the business day preceding the day of the EGM.

There is a quorum provided for by the Law and the Articles of Association of the company and the General Meeting may be held regularly and take decisions on the announced agenda.

5. The following **members of the Board of Directors are present** at the EGM:

- Ognian Ivanov Donev - Chairman of the Board of Directors and Executive Director;
- Vessela Lyubenova Stoeva - Deputy-chairperson of the Board of Directors;
- Ognian Kirilov Palaveev - Member of the Board of Directors;
- Ivan Venetskov Badinski - Member of the Board of Directors.

6. By the order and under the terms of Art. 16a of the Statutes of the Company, no voting rights shall be exercised by correspondence and by electronic means.

7. The General Meeting was attended by the following *guests*:

Teodor Dimitrov Anadoliev
Yordan Veselinov Srebkov
Dimityr Ivanov Parov
Bojidar Dimitrov Genchev

The chairman invited the shareholders to vote in favor of their consent or disagreement as to the presence of the guests.

Following a vote with the result:

	Actual votes			Voted “FOR”		Voted “AGAINST”		Voted “ABSTAINED”	
	Number	% of the represent ed capital	% of the registere d capital	Number	% of the represe nted capital	Number	% of the represent ed capital	Number	% of the represent ed capital
Total	75 853 343	100%	56,272%	75 853 343	100%	0	0,00%	0	0,00%
- from them through a representative	4 618 298	6,09%	3,43%	4 618 298	6,09%	0	0,00%	0	0,00%

The General meeting, with the majority of the shares represented, decided that the persons registered as guests should attend the Meeting without the right to vote.

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

The Agenda of the General Meeting announced in the Commercial Register and the proposals for decisions on the items on the agenda are as follows:

1. Approval of the individual financial statements for the first half of 2019; Draft decision: *The General Meeting of Shareholders approves the individual financial statements of the Company for the first half of 2019.*

2. Taking a decision under Art. 30, para. 5-7 of the Company's Articles of Association for the distribution of profits and the payment of an interim dividend on the basis of the approved individual financial statements for the first half of 2019; Draft decision: *The General Meeting of Shareholders approves the distribution of a 6-month gross dividend of BGN 0.05 per share from the profit realized by the Company according to the individual financial statements for the first half of 2019 and on the basis of the Report on the requirements of Art. 115c of POSA prepared by the Board of Directors.*

3. Approval of a Substantiated Report of the Board of Directors for transactions within the scope of Art. 114, para 1 of POSA; Draft decision: *The General Meeting of Shareholders approves the Substantiated Report of the Board of Directors for transactions within the scope of Art. 114, para 1 of POSA.*

4. Empowerment within the meaning of Art. 114, para 1 of POSA regarding a transaction between “SOPHARMA” AD and “Sopharma Trading” AD; Draft decision: *The General Meeting of Shareholders empowers the representative of the public company “Sopharma” AD to conclude on behalf of the Company, as a contracting entity, a transaction with “Sopharma Trading” AD as a*

contractor falling within the scope of art. 114, para 1, item 2 of POSA, under the conditions set out in Section One of the Substantiated Report.

5. Miscellaneous.

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

Following the announcement of the invitation in the Commercial Register, additional issues are not included under the terms of Art. 223a of the Commerce Act to the announced agenda for today's General Meeting of shareholders, as well as other proposals for decisions on the announced issues on the agenda in the sense of Art. 118, para 2, item 4 of POSA.

Shareholders registered for participation in the Extraordinary General Meeting on December 13, 2019, are entitled, in compliance with the law, to make proposals for decisions on any item included on the agenda before the discussion on this item is terminated and the General Meeting votes a decision on the respective item.

During the General Meeting the shareholders of the Company have the right to ask questions on all items on the agenda, as well as questions about the economic and the financial status and the commercial activity of the Company, whether these are related to the agenda or not.

The announced agenda does not include items in respect of which there are specific requirements of the law on the majority for taking decisions on them by the General Meeting.

The materials related to the items on the announced agenda of the General Meeting are at the disposal of the shareholders in the hall where the General Meeting is held. In electronic form, the materials for the General Meeting are also available on the official website of the Company, including at the time of holding of the Extraordinary General Meeting of Shareholders.

II. DEBATES AND DECISIONS ON THE AGENDA

On item 1 of the agenda:

1. Approval of the individual financial statements for the first half of 2019.

The Chairman read the proposal of the Board of Directors for a decision on this item on the agenda, namely: *The General Meeting of Shareholders approves the individual financial statements of the Company for the first half of 2019.*

Until the discussions on this item of the agenda have been concluded, no other proposals for decisions have been made in accordance with the provision of Art. 115, para 2, item 3 of the Public Offering of Securities Act.

The Chairman announced the end of the deliberations and voted on the proposal of the Board of Directors by announcing that the decision should be taken by a simple majority of the represented shares of the Company's capital.

Voting results:

	Actual votes			Voted "FOR"		Voted "AGAINST"		Voted "ABSTAINED"	
	Number	% of the represented capital	% of the registered capital	Number	% of the represented capital	Number	% of the represented capital	Number	% of the represented capital
Total	75 853 343	100,00%	56,27%	75 769 443	99,89%	0	0,00%	83 900	0,11%

- from them through a representative	4 618 298	6,09%	3,43%	4 534 398	5,98%	0	0,00%	83 900	0,11%
--------------------------------------	-----------	-------	-------	-----------	-------	---	-------	--------	-------

Under these results the EGM took the following DECISION:

The General Meeting of Shareholders approves the individual financial statements of the Company for the first half of 2019.

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

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

On item 2 of the agenda:

2. Taking a decision under Art. 30, para. 5-7 of the Company's Articles of Association for the distribution of profits and the payment of an interim dividend on the basis of the approved individual financial statements for the first half of 2019.

The Chairman read the proposal of the Board of Directors for a decision on this item on the agenda, namely: *The General Meeting of Shareholders approves the distribution of a 6-month gross dividend of BGN 0.05 per share from the profit realized by the Company according to the individual financial statements for the first half of 2019 and on the basis of the Report on the requirements of Art. 115c of POSA prepared by the Board of Directors.*

Until the discussions on this item of the agenda have been concluded, no other proposals for decisions have been made in accordance with the provision of Art. 115, para 2, item 3 of the Public Offering of Securities Act.

The Chairman announced the end of the deliberations and voted on the proposal of the Board of Directors by announcing that the decision should be taken by a simple majority of the represented shares of the Company's capital.

Voting results:

	Actual votes			Voted "FOR"		Voted "AGAINST"		Voted "ABSTAINED"	
	Number	% of the represented capital	% of the registered capital	Number	% of the represented capital	Number	% of the represented capital	Number	% of the represented capital
Total	75 853 343	100,00%	56,27%	75 853 343	100,00%	0	0,00%	0	0,00%
- from them through a representative	4 618 298	6,09%	3,43%	4 618 298	6,09%	0	0,00%	0	0,00%

Under these results the EGM took the following DECISION:

The General Meeting of Shareholders approves the distribution of a 6-month gross dividend of BGN 0.05 per share from the profit realized by the Company according to the individual

financial statements for the first half of 2019 and on the basis of the Report on the requirements of Art. 115c of POSA prepared by the Board of Directors.

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

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

On item 3 of the agenda:

3. Approval of a Substantiated Report of the Board of Directors for transactions within the scope of Art. 114, para 1 of POSA.

The Chairman read the proposal of the Board of Directors for a decision on this item on the agenda, namely: *The General Meeting of Shareholders approves the Substantiated Report of the Board of Directors for transactions within the scope of Art. 114, para 1 of POSA.*

Until the discussions on this item of the agenda have been concluded, no other proposals for decisions have been made in accordance with the provision of Art. 115, para 2, item 3 of the Public Offering of Securities Act.

The Chairman announced the end of the deliberations and voted on the proposal of the Board of Directors by announcing that the decision should be taken by a simple majority of the represented shares of the Company's capital.

Voting results:

	Actual votes			Voted "FOR"		Voted "AGAINST"		Voted "ABSTAINED"	
	Number	% of the represented capital	% of the registered capital	Number	% of the represented capital	Number	% of the represented capital	Number	% of the represented capital
Total	75 853 343	100,00%	56,27%	73 719 407	97,19%	2 133 936	2,81%	0	0,00%
- from them through a representative	4 618 298	6,09%	3,43%	2 484 362	3,28%	2 133 936	2,81%	0	0,00%

Under these results the EGM took the following DECISION:

The General Meeting of Shareholders approves the Substantiated Report of the Board of Directors for transactions within the scope of Art. 114, para 1 of POSA.

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

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

On item 4 of the agenda:

4. Empowerment within the meaning of Art. 114, para 1 of POSA regarding a transaction between "SOPHARMA" AD and "Sopharma Trading" AD

The Chairman read the proposal of the Board of Directors for a decision on this item on the agenda, namely: *The General Meeting of Shareholders empowers the representative of the public*

company “Sopharma” AD to conclude on behalf of the Company, as a contracting entity, a transaction with “Sopharma Trading” AD as a contractor falling within the scope of art. 114, para 1, item 2 of POSA, under the conditions set out in Section One of the Substantiated Report.

Until the discussions on this item of the agenda have been concluded, no other proposals for decisions have been made in accordance with the provision of Art. 115, para 2, item 3 of the Public Offering of Securities Act.

The Chairman announced the end of the discussions and reminded the interested persons in the transaction under Art. 114, para 7 of the Public Offering of Securities Act that they, whether mentioned in the Substantiated report or not, are not entitled to vote in taking a decision on this point of the agenda, and that the decision will be adopted by a simple majority of the remaining shares, and then vote on the proposal for a decision of the Board of Directors.

Voting results:

	Actual votes			Voted “FOR”		Voted “AGAINST”		Voted “ABSTAINED”	
	Number	% of the represent ed capital	% of the registere d capital	Number	% of the represe nted capital	Number	% of the represent ed capital	Number	% of the represent ed capital
Total	38 965 158	51,37%	28,91%	34 795 707	89,30%	2 133 936	5,48%	2 035 515	5,22%
- from them through a representative	4 618 298	11,85%	3,43%	452 577	1,16%	2 133 936	5,48%	2 031 785	5,21%

Under these results the EGM took the following ***DECISION:***

The General Meeting of Shareholders empowers the representative of the public company “Sopharma” AD to conclude on behalf of the Company, as a contracting entity, a transaction with “Sopharma Trading” AD as a contractor falling within the scope of art. 114, para 1, item 2 of POSA, under the conditions set out in Section One of the Substantiated Report.

The decision was taken with a majority according to the Commerce Act and the Articles of Association of the Company.

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

On item 5 of the agenda:

Miscellaneous.

There are no suggestions on this point and there is no vote.

The agenda of the Extraordinary General Meeting of Shareholders of “Sopharma” AD was exhausted, therefore the Chairperson closed the Meeting.

The present minutes were prepared and signed in three identical copies. An integral part of these minutes are: the Protocol for verification of the quorum and the represented capital; the List of the

shareholders and shareholder representatives with the number of shares owned and represented by them, who were present at the Extraordinary General Meeting of “Sopharma” AD; the powers of attorney by shareholders for representation at the General Meeting; current certificates of commercial registration for shareholders - legal entities and the materials for the convening and the agenda items on the General Meeting, conducted on December 13, 2019 in Sofia.

CHAIRPERSON OF THE EGM:

SECRETARY OF THE EGM:

.....
/Pelagia Viatcheva/

.....
/Nikolay Georgiev/

TELLERS:

.....
/Teodora Poplazarova/

.....
/Yanita Mincheva /

Sofia
December 13, 2019