

MINUTES

EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS “SOPHARMA” AD

SOFIA, 2 April 2021, 11:00 a.m. (UTC 8:00 a.m.)

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Event identification code: SFAEGM02042021

I. CONSTITUTING THE GENERAL MEETING OF SHAREHOLDERS

Today, **2 April 2021 at 11:00 a.m. (UTC 8:00 a.m.)**, at the headquarters of the Company in Sofia, at 5 Lachezar Stanchev Str., Ground floor, Sopharma Business Towers Shopping Center, Sopharma Event Center, an Extraordinary General Meeting of the shareholders of “Sopharma” AD was held, which was attended by shareholders and their proxies, according to the attached list. Under the conditions of art. 115 “b”, para 5 and 6 of LPOS and art. 16 “a”, para 2 of the Articles of Association of the Company, shareholders have also exercised their right to vote at the Extraordinary General Meeting according to the lists and minutes prepared by the Commission for verification of the quorum and the submitted capital. The total number of shareholders / proxies present at the meeting and of the shareholders who voted by correspondence and the number of shares held or represented by them is specified in the attached protocol for verification of the quorum and the represented capital.

The Executive Director of “Sopharma” AD, Mr. Ognian Donev, welcomed the shareholders and suggested that the General Meeting elect a Commission for Verification of the Quorum and Represented Capital, which will also disclose the data of the completed registration of the shareholders and their proxies for participation in the General Meeting as well as from the statements for voting by correspondence received in the company within the term under art. 115 “b”, para 6 declarations for voting by correspondence in the present General Meeting.

Mrs. Pelagia Viatcheva was proposed for Chairperson of the Commission and for Secretary: Kristiana Buhcheva.

Other suggestions were not made, which is why Mr. Donev invited the attending shareholders and proxies to vote for the election of Quorum and Presented 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: Chairperson - Pelagia Viatcheva and Secretary –Kristiana Buhcheva.*

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.

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Number of treasury shares of “Sopharma” AD – **9 011 467** Pursuant to art. 187a, para. 3 of the Commercial Law, the rights for 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 2 April 2021 – **125 786 432**.

Results of the registration:

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

Personally, are represented **3 098 098 shares or 2.30%** of the registered capital.

Through a proxy are represented **75 536 173 shares or 56.04%** of the registered capital.

Through correspondence before the date of the General Meeting, shareholders holding a total number of **6 206 058 shares** representing **4.60%** of the registered capital. According to art. 115 "b", para 6 of the LPOS, the shares of the persons who voted by correspondence shall be taken into account in determining the quorum, and the voting shall be noted in the minutes of the General meeting.

Total represented shares at the General Meeting, including shares, the voting right of which is exercised by correspondence – 84 840 329 representing **62.94%** of the registered capital of the Company.

For the registration of the shareholders and proxies present at the General Meeting, a list of the shareholders registered for participation in the General Meeting and their proxies has been drawn up, on which each person has personally signed after certifying his/her identity/representative authority before the person of registration. The list shall be certified by the Chairperson and the Secretary of the Extraordinary General Meeting on 2 April 2021 at 11:00 a.m. (UTC 8:00 a.m.).

For the statements for voting by correspondence received within the term under art. 115 "b", para 6 the Chairperson and Secretary of the Commission for verification of the quorum and represented capital created a list, which certifies the date of receipt of the statements and their compliance with the rules for voting by correspondence, specified in the invitation for the General Meeting. The list is signed by the Chairperson and the Secretaries of the Commission for verification of the quorum and the represented capital and should be certified by the Chairperson and Secretary of the Extraordinary General Meeting on 2 April 2021 at 11:00 a.m. (UTC 8:00 a.m.).

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

- All represented shares are entitled to one vote at the General Meeting;
- The number of the shares represented in person, by proxy and by correspondence does not exceed the number of shares for the respective shareholder according to the Book of shareholders of the Company as at 19 March 2021 for the number of shares with voting rights at the Extraordinary General Meeting of Shareholders of “Sopharma” AD convened on 2 April 2021 at 11:00 a.m. (UTC 8:00 a.m.);

- The statements for exercising the right to vote in the General meeting by correspondence received within the term under art. 115 "b", para 6 meet the requirements of the company for voting by correspondence specified in the invitation.

Mrs. Viatcheva provided a Protocol signed by the members of the Commission for Verification of the Quorum and the Represented Capital as well as an original List of Shareholders, proxies and List of shareholders who voted by correspondence for the Extraordinary General Meeting of Shareholders of "Sopharma" AD, held on 2 April 2021 at 11:00 a.m. (UTC 8:00 a.m.).

Mr. Donev proposed to the General Meeting to vote for the adoption of the Commission's protocol on the verification of the quorum and the represented capital.

Results from the voting:

	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	84 840 329	100.00%	62.94%	84 840 329	100.00%	0	0.00%	0	0.00%
- from them through a correspondence	6 206 058	7.31%	4.60%	6 206 058	7.31%	0	0.00%	0	0.00%
- from them through a representative	75 536 173	89.03%	56.04%	75 536 173	89.03%	0	0.00%	0	0.00%

The report of the Commission for verification of the quorum and the represented capital was adopted unanimously by the represented shares.

There are no objections to the way of voting and the announced results.

ELECTION OF MANAGEMENT OF THE GENERAL MEETING:

1. Proposals made for the management of the General Meeting:

For Chairperson - Pelagia Viacheva

For Secretary - Nikolay Georgiev

For Tellers - Teodora Poplazarova, Yanita Mincheva and Kristiana Buhcheva.

Results from the voting:

	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	84 840 329	100.00%	62.94%	84 840 329	100.00%	0	0.00%	0	0.00%

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- from them through a correspondence	6 206 058	7.31%	4.60%	6 206 058	7.31%	0	0.00%	0	0.00%
- from them through a representative	75 536 173	89.03%	56.04%	75 536 173	89.03%	0	0.00%	0	0.00%

The General Meeting elected the proposed persons for Chairperson, Secretary and Tellers of the Extraordinary General Meeting, which takes place in Sofia on 2 April 2021.

There are no objections to the way of voting and the announced results.

FINDINGS OF THE CHAIRPERSON AND THE SECRETARY OF THE MEETING:

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

1. The invitation was announced in the Commercial Register with registration from February 24, 2021, as well as on the web site of the Company. The announcement was within the statutory period under art. 223, para 5 of the Commercial Law and in compliance with the requirements of the Law on Public Offering of Securities 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 Chairperson and the Secretary received an original List of Shareholders and their proxyholders and List of shareholders who voted by correspondence for the Extraordinary General Meeting of Shareholders of “Sopharma” AD, held on 2 April 2021, which they certified with their signatures.
3. For representation of shareholders in front of the General Meeting are presented 12 proxies, which correspond to the form and content of the requirements of the Law on Public Offering of Securities and of the Rules for Voting through proxy adopted by the Company 12 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 General meeting.
4. By the order and under the conditions of art. 16a of the Articles of Association of the Company and art. 115 “b”, para 6 of LPOS, their right to vote by correspondence have been exercised by 7 shareholders with a total of 6 206 058 shares.
5. For participation in the General Meeting are presented 84 840 329 shares, which represents 62.94% of the capital of the Company, of which 3 098 098 - presented in person, 75 536 173 - presented through a proxy and 6 206 058 - by correspondence. There is a quorum provided for in the Law and the Articles of Association of the company and the General Meeting may be held regularly and adopt valid decisions on the announced agenda.
6. The following members of the Board of Directors are present at the General Meeting:
 - Ognian Ivanov Donev – Chairperson of the Board of Directors and Executive Director;
7. The following persons have expressed a desire to attend the meeting as guests:

Mr. Iliyan Skarlatov, Mr. Svetoslav Tasev, Mr. Ivaylo Momchilov, Jivko Kostov

The chairman put to the vote the presence of the guests.

Results from the voting:

	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	84 840 329	100.00%	62.94%	76 500 335	90.17%	2 133 936	2.52%	0	0.00%
- from them through a correspondence*	6 206 058	7.31%	4.60%	0	0.00%	0	0.00%	6 206 058	7.31%
- from them through a representative	75 536 173	89.03%	56.04%	73 402 237	86.52%	2 133 936	2.52%	0	0.00%

The General Meeting accepts the listed persons to attend the General Meeting of Shareholders as guests.

There are no objections to the way of voting and the announced results.

* The shareholders exercised their right to vote by correspondence in connection with Art. 115 "b", para. 6 of the LPOS were marked as abstaining from voting regarding the presence of the guests of EGM.

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 a decision for amendments to the Articles of Association of the Company: Draft decision: *The General meeting of the shareholders (GMS) approves the amendments proposed by the Board of Directors of the Articles of Association of the Company, namely:*

Article 7 is amended as follows:

Para. 1, letter "B" shall be repealed;

In para. 1, letter C/ the following text is added: ". . . when the bonds are issued as convertible", the text acquires the following version: conversion of bonds into shares when the bonds are issued as convertible;

In para. 1, letter E/ shall be added with the following text: "conversion of part of profit into capital;"

In para. 1, letter F/ shall be added with the following text: "*other ways permitted by law;*"

The old text of para. /2/ is replaced by the text: "The decision for capital increase has a normatively defined content, as the procedure for capital increase follows the requirements and rules provided in the law, the present Articles of Association and the decisions of the management bodies of the company."

In Article 8, a new paragraph 5 is adopted as follows:

/5/ The capital of the Company may be increased by decision of the Board of Directors under the terms of this article and in connection with Art. 25 and Art. 26a, para. 1, item 13.

In Article 16a, para. 2 the text ... “in the Rules for Voting by Electronic Means and Correspondence, adopted by the Company.” **shall be replaced by the text** “*by the Board of Directors in specific rules or for each individual meeting of the General Meeting, the relevant information shall be provided to the shareholders in the invitation to convene the General Meeting.*”

In Article 16a, para. 4 shall be amended as follows: “The rules for voting by proxy, the models used for voting by proxy and the ways in which the company will be notified of performed authorizations electronically shall be determined by the Board of Directors - in special rules or for each separate meeting of the General Meeting of Shareholders, such as the requirements for the content of the voting form, the methods for its receipt by the shareholders and the conditions for identification of the shareholders shall be provided to the shareholders in the invitation to convene the General Meeting.”

In Article 25, a new paragraph 9 is added with the following text:

“Increase of the capital of the company under the following conditions:

A/ The capital of the company can be increased by a decision of the Board of Directors up to BGN 750 million;

B/ The Board of Directors has the right to take decisions for capital increase until reaching the amount under letter /A/ within 5 years after the entry of this amendment in the Articles of Association and in the Commercial Register;

C/ Within the term under letter /B/, the Board of Directors has the right to make decisions for issuance of ordinary shares, preference shares, convertible bonds (bonds that can be converted into shares) and warrants, giving the right to subscribe for shares of future increase in the capital of the company. In case of exercising warrants, respectively convertible bonds in fulfillment of the authorization under the previous sentence, the Board of Directors has the right to take a decision for capital increase under on condition, according to art. 113, para 2, item 2 of LPOS, in order to ensure the rights of the holders of warrants and / or convertible bonds. The amount of the increase under the previous sentence may not exceed the amount specified in letter /A/, taking into account the possibility for the rights under all warrants / respectively convertible bonds to be exercised.

D/ In exercising the powers under the previous points, the Board of Directors is considered to be explicitly authorized to adopt the relevant amendments to the Articles of Association of the company, if necessary, as a result of the implementation of the decisions taken to increase the capital;

E/ The threshold of BGN 750 million provided for in letter /A/ shall be applied in total to the sum of the values of all capital increases, including the value of the shares for which warrants or convertible bonds have been issued.

In Article 26a, para. 1, a new point 13 shall be added with the following text:

13. Decisions under Art. 25, para. 9 of the Articles of Association.”

2. 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 Commercial Law 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 Law 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 LPOS.

Shareholders registered for participation in the Extraordinary General Meeting on 2 April 2021 at 11:00 a.m. (UTC 8:00 a.m.) are entitled, in compliance with the law, to make substantive proposals for decisions on any matter on the agenda to terminate the debate on this issue before voting of a decision on it by the General Meeting.

During the General Meeting, the shareholders of the Company have the right to ask questions on all items of the agenda, as well as questions about the economic and financial status and the commercial activity of the Company, whether these are related to the agenda.

The materials related to the items of the announced agenda of the General Meeting are at disposal of the shareholders from the moment of announcing the invitation for the General Meeting in the Commercial Register at the Registry Agency. The same are available and 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 the Extraordinary General Meeting of Shareholders.

II. DEBATES AND DECISIONS ON THE AGENDA

On item 1 of the agenda:

Approval of a decision for amendments to the Articles of Association of the Company.

The Chairperson read the proposal of the Board of Directors for a decision on this item on the agenda, namely: *The GMS approves the amendments proposed by the Board of Directors of the Articles of Association of the Company.*

The chairman opened the debate on the proposal of the Board of Directors.

The following questions were submitted to the management by Mr. Hristo Filev, a proxy of UPF CCB-Sila and VPF CCB-Sila:

1. What is the necessity for an authorization of the Board of Directors for changes in the capital up to such a significant amount without sanctions by the general meeting of shareholders?

2. Since Art. 14 of the Articles of Association is not amended, do we correctly interpret that the exclusive competence of the AGM to make changes in the capital remains?

3. Are there specific intentions to issue financial instruments or for now the proposal is only to give carte blanche for the Board of Directors for future possible actions?

The questions were answered by Mr. Ognian Donev, Executive Director and Chairman of the Board of Directors of "Sopharma" AD:

Question 1: Our practice shows that some investment opportunities require a quick response in making decisions for their implementation and for providing the appropriate resources. Also, in the past the AGM, almost without exception, supports the Board of Directors for important decisions regarding the company's activities. Based on these facts, we believe that such empowerment will provide the management with the necessary flexibility. The financial framework is defined, taking into account all possible tools that would be available to us during

these 5 years of empowerment and also having in mind that after 8 years of struggle, we are now able to focus on intensively developing our business rather than just protecting it.

Question 2: Yes, the current proposal is for the authorization of the Board of Directors for a period of 5 years.

Question 3: At the moment, the proposal is only to provide the Board of Directors with such possibility.

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 6 of the Law on Public Offering of Securities.

The Chairperson announced the end of the deliberations and initiated the voting 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.

Results from the voting:

	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	84 840 329	100.00%	62.94%	72 905 492	85.93%	312 090	0.37%	11 622 747	13.70%
- from them through a correspondence	6 206 058	7.31%	4.60%	5 426 689	6.40%	252 890	0.30%	526 479	0.62%
- from them through a representative	75 536 173	89.03%	56.04%	64 380 705	75.88%	59 200	0.07%	11 096 268	13.08%

Under these results the General Meeting took the following DECISION:

The General Meeting approves the amendments proposed by the Board of Directors of the Articles of Association of the Company.

The decision was taken with a majority as per the Commercial Law 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:

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 is: The Commission's Quorum Verification Protocol and the represented

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capital, the list of the shareholders and shareholder representatives with the number of shares owned and represented by them, List of shareholders who voted by correspondence for the Extraordinary General Meeting of Shareholders of “Sopharma” AD, held on 2 April 2021 at 11:00 a.m. (UTC 8:00 a.m.). Written powers of attorney to represent shareholders at the General Meeting; Certificates for current status of the shareholders and proxies - legal entities, Declarations for voting by correspondence as well as Materials on the convening of the Extraordinary General Meeting, held on 2 April 2021 at 11:00 a.m. (UTC 8:00 a.m.) in Sofia.

CHAIRPERSON OF THE GM:

SECRETARY OF THE GM:

/Signature/
/ Pelagia Viatcheva/

/Signature/
/Nikolay Georgiev/

TELLERS:

/Signature/
/Teodora Poplazarova/

/Signature/
/Yanita Mincheva/

/Signature/
/ Kristiana Buhcheva /