

MINUTES OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF SOPHARMA AD – SOFIA, 17 JUNE 2016

I. Constituting the General Meeting of Shareholders

The General Meeting of Shareholders of Sopharma AD was held on 17 June 2016, at 11.00 in the headquarters of the Company in Sofia, 5 Lachezar Stanchev Str., Sopharma Business Towers, building B. It was attended by shareholders and their representatives, as per the annex to the Minutes listing the present shareholders and representatives of shareholders, as well as the number of shares present and represented.

The AGM was opened by the Executive Director of Sopharma AD Mr. Ognian Donev.

After the shareholders and their representatives were registered for attendance at the General Meeting of Shareholders and due verification was conducted, the AGM established that:

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

According to the Book of Shareholders of the Company, as at 3 June 2016 - the date, as of which the persons, registered in the Book of Shareholders, are entitled to vote at the present General Meeting, Sopharma AD has bought back 5 220 996 shares, representing 3.87% of the capital of the Company. Pursuant to art. 187a, par. 3 of the Commercial Act, the Company suspends the exercising of rights on these shares until their transfer. Shares with voting rights at the AGM on 17 June 2016 amount to 129 576 903.

Fifty-eight shareholders were registered for participation at the General Meeting. 67 617 138 shares are represented personally at the General Meeting and 22 786 386 shares - by proxy. The total number of the represented shares with voting rights is 90 403 524, which is 67.07% or more than ½ of the capital.

Under the provisions of the Articles of Association of the Company there is a quorum for holding the General Meeting and it may be conducted and take valid decisions.

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

1. Proposals for the management body of the session:

For Chairperson - Galina Ivanova Angelova

For Secretary - Ivanka Atanassova Panova

For Tellers: Alexander Popov - chairperson,

Maria Nedkova,

Kristina Atanasova,

Jeni Asenova,

Zvezdelina Dimitrova,

Voting results:

Total valid votes cast: 90 403 524 or 100 % of the represented capital and 67,07% of the registered capital

VOTED "FOR": 90 403 524 shares or 100 % of the represented capital and 67,07% of the registered capital

VOTED "AGAINST": none

VOTED "ABSTAINED": none

AGM elected the proposed persons for Chairperson, Secretary and Tellers on the regular session of the GMS, which takes place in Sofia on 17 June 2016.

FINDINGS OF THE CHAIRPERSON AND THE SECRETARY OF THE MEETING:

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

1. The invitation to the AGM was announced in the Commercial Register on April 27, 2016 and on the electronic site of the Company. The announcement was within the statutory period under art. 223, par. 5 of the Commercial Act and in compliance with the requirements of the Public Offering of Securities Act for notifications to the Financial Supervision Commission, the Bulgarian Stock Exchange and the Central Depository regarding the convening of the Annual General Meeting of Shareholders, the agenda and the draft decisions.

2. According to a list of the present and represented shareholders, certified by the Chairperson and the Secretary, **58 shareholders attended the Annual General Meeting, with 67 617 138 shares are represented personally at the General Meeting and 22 786 386 shares - by proxy. The total number of the represented shares with voting rights is 90 403 524, which is 67.07% or more than ½ of the capital.**

All represented and registered shares for the work of the GMS are entitled to one vote in the General Meeting.

3. Nineteen shareholders are represented by a power of attorney. The powers of attorney are meeting in form and content all the requirements of the POSA and the rules for proxy voting, adopted by the Company. Powers of attorney have been provided electronically and within the period determined in the Invitation to the AGM by eight shareholders, holding a total of 22 786 386 shares.

4. The following **members of the Board of Directors are present** at the AGM:
Ognian Ivanov Donev – Chairperson of the Board of Directors and Executive Director;
Andrey Liudmilov Breshkov – Member of the Board of Directors;
Ognian Kirilov Palaveev – Member of the Board of Directors.

5. There was no correspondence voting by mail or by electronic means, subject to the conditions of art. 16 of the Articles of Association of the Company.

6. The following persons **attended as guests the General Meeting:**

Vasil Naidenov, Valia Iordanova, Reni Iordanova, Zoya Asenova, Milen Markov – representing a shareholder but not registered for participation and Vladimir Kaishev – shareholder not registered for participation

The Chairperson requested the agreement or disagreement by voting of the shareholders regarding the presence of the guests.

After voting with results:

Total valid votes cast: 90 403 524 or 100 % of the represented capital and 67,07% of the registered capital

VOTED “FOR”: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED “AGAINST”: none

VOTED “ABSTAINED”: none,

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

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

- 1. Approval of the Annual report of the Board of Directors of the Company for 2015; Draft decision:** AGM approves the Annual report of the Board of Directors of the Company for 2015;
- 2. Approval of the Annual report of the Investor Relations Director for 2015; Draft decision:** AGM approves the Annual report of the Investor Relations Director for 2015;
- 3. Approval of the Audit report on the audit of the annual financial statements of the Company for 2015; Draft decision:** AGM approves the Audit report on the audit of the annual financial statements of the Company for 2015;
- 4. Approval of the audited annual financial statements of the Company for 2015; Draft decision:** AGM approves the audited annual financial statements of the Company for 2015;
- 5. Approval of the audited annual consolidated financial statements of the Company for 2015; Draft decision:** AGM approves the audited annual consolidated financial statements of the Company for 2015;
- 6. Approval of the report of the Audit Committee for 2015; Draft decision:** AGM approves the report of the Audit Committee for 2015;
- 7. Approval of a decision on the distribution of the Company’s net profit for 2015 and undistributed profit from past periods; Draft decision:** AGM approves the proposal by the Board of Directors for the distribution of the profit generated in 2015 and the undistributed profit from past periods as follows: the total amount of the profit, subject to distribution, is 25 846 056.41 BGN /twenty-five million, eight hundred and forty-six thousand, fifty-six leva and forty-one stotinki/, of which the profit for 2015 amounts to 25 353 856.99 BGN /twenty-five million, three hundred and fifty-three thousand, eight hundred and fifty-six leva and ninety-nine stotinki/ and undistributed profit from past periods amounts to 492 199.42 BGN /four hundred and ninety-two thousand, one hundred and ninety-nine leva and forty-two stotinki/. After the allocation of 10% to the statutory

reserve, a dividend shall be distributed to shareholders at the amount of 0.07 BGN /seven stotinki/ per share with dividend right. The remaining sum after the allocation of the dividend shall be allocated to the additional reserves of the Company.

8. **Approval of decision to discharge from liability the members of the Board of Directors for their activities in 2015; Draft decision:** AGM discharges from liability the members of the Board of Directors for their activities in 2015;
9. **Election of a registered auditor of the Company for 2016; Draft decision:** AGM elects a registered auditor to audit and certify the annual financial statements of the Company for 2016 according to the proposal of the Audit Committee, included in the agenda materials.
10. **Approval of the Report of the Board of Directors about the application of the Remuneration policy for the members of the Board of Directors of the Company in 2015; Draft decision:** AGM approves the Report of the Board of Directors about the application of the Remuneration policy for the members of the Board of Directors of the Company in 2015.
11. **Determining the remuneration of the members of the Board of Directors for 2016; Draft decision:** On the basis of art. 24, par. 3, letter A of the Company's Articles of Association AGM decided: the regular monthly remuneration of the members of the Board of Directors, as well as the regular monthly remuneration of the Executive Director in 2016 shall remain the same.
12. **Approval of decision under art. 24, par. 3, letter B of the Company's Articles of Association; Draft decision:** Pursuant to art. 24, par. 3, letter B of the Articles of Association an additional fee of 1% /one percent/ of the net profit for 2015 according to the approved annual financial statements, shall be paid to the Executive Director of the Company;
13. **Approval of decision determining the percent of the net profit for 2015 to be distributed among the members of the senior management of the Company in compliance with the requirements of art. 26a, item 12 of the Articles of Association of the Company; Draft decision:** AGM approves the decision for the distribution of 2% /two percent/ of the net profit for 2015 among the members of the senior management of the Company in compliance with the requirements of art. 26a, item 12 of the Articles of Association of the Company.
14. **Approval of decision for continuation of the mandate of the Board of Directors; Draft decision:** AGM approves the continuation of the mandate of the Board of Directors in its current composition for a new five-year term from the date of expiration of the current mandate until 29 June 2021.
15. **Changes in the Articles of Association of the Company; Draft decision:** AGM approves the changes in the Articles of Association of the Company according to the proposal of the Board of Directors.
16. **Approval of Substantiated report by the Board of Directors for transactions under art. 114, par. 1 of POSA; Draft decision:** AGM approves the Substantiated report, prepared by the Board of Directors, for transactions under art. 114, par. 1 of POSA.

- 17. Authorization of the Board of Directors of the Company to conclude a contract for manufacturing – a transaction within the scope of art.114, par.1 of POSA, according to Chapter 1 of the Substantiated report; Draft decision: AGM authorizes the Board of Directors of the Company to conclude a contract for manufacturing according to the terms and conditions, listed in Chapter 1 of the Substantiated report.**
- 18. Authorization of the Board of Directors of the Company to conclude a contract for provisioning of collateral in the form of a corporate guarantee on a contract for loan to a related party – a transaction within the scope of art. 114, par. 1 of POSA, according to Chapter 2 of the Substantiated report; Draft decision: AGM authorizes the Board of Directors of the Company to conclude a contract for provisioning of collateral in the form of a corporate guarantee according to the terms and conditions, listed in Chapter 2 of the Substantiated report.**
- 19. Authorization of the Board of Directors of the Company to conclude a contract for provisioning of collateral in the form of a corporate guarantee on a contract for factoring to a related party – a transaction within the scope of art. 114, par. 1 of POSA, according to Chapter 3 of the Substantiated report; Draft decision: AGM authorizes the Board of Directors of the Company to conclude a contract for provisioning of collateral in the form of a corporate guarantee according to the terms and conditions, listed in Chapter 3 of the Substantiated report.**
- 20. Authorization of the Board of Directors of the Company to conclude a contract for marketing services – a transaction within the scope of art.114, par.1 of POSA, according to Chapter 4 of the Substantiated report; Draft decision: AGM authorizes the Board of Directors of the Company to conclude a contract for manufacturing according to the terms and conditions, listed in Chapter 4 of the Substantiated report.**

21. Miscellaneous.

Not all shares with voting rights issued by the Company were represented at the AGM and therefore under art. 231, par. 1 of the Commercial Act reviewing issued not covered by the agenda is not possible.

After publishing of the invitation in the Commercial Register, no additional items under art.223a of the Commercial Act or additional draft decisions on the announced items of the agenda under art.118, par.2, item 4 of POSA have been added to the announced agenda of the AGM, so that only the draft decisions submitted by the Board of Directors shall be voted on.

The announced agenda includes items requiring a qualified majority according to the provisions of art. 19, paragraph 1 from the Articles of incorporation of the company. These decisions are: in item 15 of the agenda – amendments in the Articles of incorporation of the company , which needs to be taken with a majority of 2/3 of the represented capital; the decisions on items 18 and 19 of the agenda - Authorization of the Board of Directors of the Company to conclude a contract for provisioning of collateral in the form of a corporate guarantee on a contract for loan to a related party and item 19 Authorization of the Board of Directors of the Company to conclude a contract for provisioning of collateral in the form of a corporate guarantee on a contract for factoring to a related party – a transaction within the scope of art. 114, par. 1 of POSA, according to Chapters two and three of the Substantiated report – these decisions need to be taken with majority of $\frac{3}{4}$ of the shares with voting rights represented on the AGM.

The materials related to the agenda items of the General Meeting are available to shareholders at the time of the announcement of the invitation in the Commercial Register of the Registry Agency, and in the room where the General Meeting takes place. The materials of the General Meeting are also available in digital form on the official website of the company.

II. DEBATES AND DECISIONS ON THE ITEMS

On item 1 of the agenda:

Approval of the annual report of the Board of Directors of the Company for 2015

No questions or statements on this agenda item were received, therefore the Chairperson read the draft decision of the Board of Directors on item 1 of the agenda, namely: AGM approves the Annual Report of the Board of Directors of the Company for 2015.

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

Voting results:

Total valid votes cast: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "FOR": 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the AGM took the following **DECISION**: AGM approves the Annual Report of the Board of Directors of the Company for 2015.

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

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

On item 2 of the agenda:

Approval of the annual report of the Investor Relations Director for 2015

The Chairperson presented the annual report of the Investor Relations Director for the reporting period, which is part of the materials of the agenda, to the shareholders and read the draft decision of the Board of Directors on this item of the agenda, namely: *AGM approves the Report of the Investor Relations Director for 2015.*

No questions or statements on this agenda item were received, therefore the Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Total valid votes cast: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "FOR": 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the AGM took the following **DECISION**: *AGM approves the Report of the Investor Relations Director for 2015.*

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

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

On item 3 of the agenda:

Approval of the Auditor's report on the audit of the annual financial statements of the Company for 2015

The Chairperson presented to the shareholders the Auditor's report on the audit of the annual financial statements of the Company for 2015, which is part of the materials of the agenda.

The Chairperson read the draft decision of the Board of Directors on item 3 of the agenda, namely: *AGM approves the Auditor's report on the audit of the annual financial statements of the company for 2015;*

No questions or statements on this agenda item were received, therefore the Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Total valid votes cast: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "FOR": 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the AGM took the following **DECISION**: *AGM approves the Auditor's report on the audit of the annual financial statements of the company for 2015.*

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

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

On item 4 of the agenda:

Approval of the audited annual financial statements for 2015

The annual financial statements have been presented to the shareholders in their entirety as part of the materials of the agenda.

The Chairperson read the draft decision of the Board of Directors on this item of the agenda, namely: *AGM approves the audited annual financial statements of the Company for 2015.*

No questions or statements on the audited annual financial statements were received, therefore the Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Total valid votes cast: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED “FOR”: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED “AGAINST”: none

VOTED “ABSTAINED”: none

Under these results the AGM took the following **DECISION**: AGM approves the audited annual financial statements of the Company for 2015.

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

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

On item 5 of the agenda:

Approval of the audited annual consolidated financial statements of the Company for 2015

The audited consolidated annual financial statements of the Company for 2015 have been presented to the shareholders in their entirety as part of the materials of the agenda.

The Chairperson read the draft decision of the Board of Directors on this item of the agenda, namely: AGM approves the audited annual consolidated financial statements of the Company for 2015.

No questions or statements on the audited consolidated annual financial statements were received, therefore the Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Total valid votes cast: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED “FOR”: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED “AGAINST”: none

VOTED “ABSTAINED”: none

Under these results the AGM took the following **DECISION**: AGM approves the audited annual consolidated financial statements of the Company for 2015.

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

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

On item 6 of the agenda:

Approval of the report of the Audit Committee on its work in 2015

The report of the Audit Committee on its work in 2015 has been presented to the shareholders in its entirety as part of the materials of the agenda.

The Chairperson read the draft decision of the Board of Directors on this item of the agenda, namely: *AGM approves the report of the Audit Committee on its work in 2015.*

No questions or statements on this item were received, therefore the Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Total valid votes cast: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "FOR": 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the AGM took the following **DECISION:** AGM approves the report of the Audit Committee on its work in 2015.

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

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

On item 7 of the agenda:

Approval of a decision on the distribution of the Company's net profit for 2015 and undistributed profit from past periods

The Chairperson read the draft decision of the Board of Directors on this item of the agenda, namely: *AGM approves the proposal by the Board of Directors for the distribution of the profit generated in 2015 and the undistributed profit from past periods as follows: the total amount of the profit, subject to distribution, is 25 846 056.41 BGN /twenty-five million, eight hundred and forty-six thousand, fifty-six leva and forty-one stotinki/, of which the profit for 2015 amounts to 25 353 856.99 BGN /twenty-five million, three hundred and fifty-three thousand, eight hundred and fifty-six leva and ninety-nine stotinki/ and undistributed profit from past periods amounts to 492 199.42 BGN /four hundred and ninety-two thousand, one hundred and ninety-nine leva and forty-two stotinki/. After the allocation of 10% to the statutory reserve, a dividend shall be distributed to shareholders at the amount of 0.07 BGN /seven stotinki/ per share with dividend right. The remaining sum after the allocation of the divided shall be allocated to the additional reserves of the Company.*

No questions or statements on this item of the agenda were received, therefore the draft decision of the Board of Directors was put to the vote

Voting results:

Total valid votes cast: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "FOR": 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the AGM took the following **DECISION:** AGM approves the proposal by the Board of Directors for the distribution of the profit generated in 2015 and the

undistributed profit from past periods as follows: the total amount of the profit, subject to distribution, is 25 846 056.41 BGN /twenty-five million, eight hundred and forty-six thousand, fifty-six leva and forty-one stotinki/, of which the profit for 2015 amounts to 25 353 856.99 BGN /twenty-five million, three hundred and fifty-three thousand, eight hundred and fifty-six leva and ninety-nine stotinki/ and undistributed profit from past periods amounts to 492 199.42 BGN /four hundred and ninety-two thousand, one hundred and ninety-nine leva and forty-two stotinki/. After the allocation of 10% to the statutory reserve, a dividend shall be distributed to shareholders at the amount of 0.07 BGN /seven stotinki/ per share with dividend right. The remaining sum after the allocation of the dividend shall be allocated to the additional reserves of the Company.

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

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

On item 8 of the agenda

Adoption of a resolution to discharge from responsibility/liability the Board of Directors for their work in 2015

The Chairperson read the draft decision of the Board of Directors on this item of the agenda, namely: *AGM discharges from liability the Board of Directors for their work in 2015.*

No questions or statements on this agenda item were received, therefore the Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Total valid votes cast: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "FOR": 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the AGM took the following **DECISION**: AGM discharges from liability the Board of Directors for their work in 2015.

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

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

On item 9 of the agenda

Election of a registered auditor of the Company for 2016.

The Chairperson read the draft decision by the Board of Directors on this agenda item, namely: *AGM elects a register auditor to audit and certify the Annual financial statements of the Company for 2016 according to the proposal of the Audit Committee, included in the agenda materials..*

The proposal of the Audit Committee of the Company is that the Board of Directors should propose to the AGM as registered auditor for the audit and certification of the annual

financial statements of the Company in 2016 the audit company AFA OOD, with address of management Sofia, 38 Oborishte Str..

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

Voting results:

Total valid votes cast: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "FOR": 90 403 523 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "AGAINST": 1 share (the percentile representation in the total and the represented capital is not possible)

VOTED "ABSTAINED": none

Under these results the AGM took the following **DECISION**: AGM elects the audit company AFA OOD, with address of management Sofia, 38 Oborishte Str. for the audit and certification of the annual financial statements of the Company in 2016 in compliance with the proposal by the Audit Committee, included in the materials of the agenda.

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

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

On item 10 of the agenda

Approval of the Report of the Board of Directors about the application of the Remuneration policy for the members of the Board of Directors of the Company in 2015.

The Chairperson read the draft decision of the Board of Directors on this item of the agenda, namely: AGM approves the Report of the Board of Directors about the application of the Remuneration policy for the members of the Board of Directors of the Company in 2015.

No questions or statements this item were received, therefore the Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Total valid votes cast: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "FOR": 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the AGM took the following **DECISION**: AGM approves the Report of the Board of Directors about the application of the Remuneration policy for the members of the Board of Directors of the Company in 2015.

On item 11 of the agenda

Determining the remuneration of the members of the Board of Directors for 2016.

The Chairperson read the draft decision of the Board of Directors on this item of the agenda, namely: On the basis of art. 24, par. 3, letter A of the Company's Articles of Association AGM decided: the regular monthly remuneration of the members of the Board of Directors, as well as the regular monthly remuneration of the Executive Director in 2016 shall remain the same.

No questions or statements on this agenda item were received, therefore the Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Total valid votes cast: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "FOR": 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the AGM took the following **DECISION**: On the basis of art. 24, par. 3, letter A of the Company's Articles of Association AGM decided: the regular monthly remuneration of the members of the Board of Directors, as well as the regular monthly remuneration of the Executive Director in 2016 shall remain the same.

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

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

On item 12 of the agenda

Approval of decision under art. 24, par. 3, letter B of the Company's Articles of Association

The Chairperson read the draft decision of the Board of Directors on this item of the agenda, namely: Pursuant to art. 24, par. 3, letter B of the Articles of Association an additional fee of 1% /one percent/ of the net profit for 2015 according to the approved annual financial statements, shall be paid to the Executive Director of the Company;

No questions or statements on the audited annual financial statements were received, therefore the Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Total valid votes cast: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "FOR": 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the AGM took the following **DECISION**: Pursuant to art. 24, par. 3, letter B of the Articles of Association an additional fee of 1% /one percent/ of the net

profit for 2015 according to the approved annual financial statements, shall be paid to the Executive Director of the Company;

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

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

On item 13 of the agenda

Approval of decision determining the percent of the net profit for 2015 to be distributed among the members of the senior management of the Company in compliance with the requirements of art. 26a, item 12 of the Articles of Association of the Company

The Chairperson read the draft decision of the Board of Directors on this item of the agenda, namely: *AGM approves the decision for the distribution of 2% /two percent/ of the net profit for 2015 among the members of the senior management of the Company in compliance with the requirements of art. 26a, item 12 of the Articles of Association of the Company.*

No questions or statements on the proposal for the inclusion of a new article 11a in the Articles of Association were received, therefore the Chairperson put the draft decision of the Board of Directors to the vote:

Voting results:

Total valid votes cast: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "FOR": 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the AGM took the following **DECISION**: AGM approves the decision for the distribution of 2% /two percent/ of the net profit for 2015 among the members of the senior management of the Company in compliance with the requirements of art. 26a, item 12 of the Articles of Association of the Company.

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

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

On item 14 of the agenda

Approval of decision for continuation of the mandate of the Board of Directors of the company

The Chairperson read the draft decision of the Board of Directors on this item of the agenda, namely: **Draft decision:** AGM approves the continuation of the mandate of the Board of Directors in its current composition for a new five-year term from the date of expiration of the current mandate until 29 June 2021.

No questions or statements on this agenda item were received, therefore the Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Total valid votes cast: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "FOR": 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the AGM took the following **DECISION**: AGM approves the continuation of the mandate of the Board of Directors in its current composition for a new five-year term from the date of expiration of the current mandate until 29 June 2021

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

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

On item 15 of the agenda

The Chairperson read the draft decision of the Board of Directors on this item of the agenda, namely: **Draft decision**: AGM approves the amendments in the Articles of Association of the Company according to the proposal of the Board of Directors.

The Chairperson read the proposed amendments and explained that the amendments are only necessary due to amendments in the respective legislation. The proposed amended Articles of incorporation are part of the materials of the AGM.

No questions or statements on this agenda item were received, therefore the Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Total valid votes cast: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "FOR": 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the AGM took the following **DECISION**: AGM approves the amendments in the Articles of Association of the Company according to the proposal of the Board of Directors.

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

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

On item 16 of the agenda

The Chairperson read the draft decision of the Board of Directors on this item of the agenda, namely: **Draft decision:** AGM approves the Substantiated report, prepared by the Board of Directors, for transactions under art. 114, par. 1 of POSA.

The Substantiated report is available as part of the materials available to the shareholders before the AGM.

No questions or statements on this agenda item were received, therefore the Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Total valid votes cast: 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "FOR": 90 403 524 shares or 100% of the represented capital and 67,07% of the registered capital

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the AGM took the following **DECISION:** AGM approves the Substantiated report, prepared by the Board of Directors, for transactions under art. 114, par. 1 of POSA.

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

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

On item 17 of the agenda

The Chairperson briefly explained the enlisted the main parameters of the proposed transaction and read the draft decision of the Board of Directors on this item of the agenda, namely: **Draft decision:** AGM authorizes the Board of Directors of the Company to conclude a contract for manufacturing according to the terms and conditions, listed in Chapter 1 of the Substantiated report.

No questions or statements on this agenda item were received, therefore the Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Total valid votes cast: 56 701 137 shares or 62,72% of the represented capital and 42,06% of the registered capital

VOTED "FOR": 56 701 137 shares or 62,72% of the represented capital and 42,06% of the registered capital

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the AGM took the following **DECISION:** AGM authorizes the Board of Directors of the Company to conclude a contract for manufacturing according to the terms and conditions, listed in Chapter 1 of the Substantiated report.

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

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

On item 18 of the agenda

The Chairperson read the draft decision of the Board of Directors on this item of the agenda, namely: **Draft decision:** AGM authorizes the Board of Directors of the Company to conclude a contract for provisioning of collateral in the form of a corporate guarantee according to the terms and conditions, listed in Chapter 2 of the Substantiated report.

No questions or statements on this agenda item were received, therefore the Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Total valid votes cast: 56 698 895 shares or 62,72% of the represented capital and 42,06% of the registered capital

VOTED "FOR": 56 698 895 shares or 62,72% of the represented capital and 42,06% of the registered capital

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the AGM took the following **DECISION:** AGM authorizes the Board of Directors of the Company to conclude a contract for provisioning of collateral in the form of a corporate guarantee according to the terms and conditions, listed in Chapter 2 of the Substantiated report.

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

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

On item 19 of the agenda

The Chairperson read the draft decision of the Board of Directors on this item of the agenda, namely: **Draft decision:** AGM authorizes the Board of Directors of the Company to conclude a contract for provisioning of collateral in the form of a corporate guarantee according to the terms and conditions, listed in Chapter 3 of the Substantiated report.

No questions or statements on this agenda item were received, therefore the Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Total valid votes cast: 56 698 895 shares or 62,72% of the represented capital and 42,06% of the registered capital

VOTED "FOR": 56 698 895 shares or 62,72% of the represented capital and 42,06% of the registered capital

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the AGM took the following **DECISION:** AGM authorizes the Board of Directors of the Company to conclude a contract for provisioning of collateral in the form of a corporate guarantee according to the terms and conditions, listed in Chapter 3 of the Substantiated report.

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

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

On item 20 of the agenda

The Chairperson read the draft decision of the Board of Directors on this item of the agenda, namely: **Draft decision:** AGM authorizes the Board of Directors of the Company to conclude a contract for manufacturing according to the terms and conditions, listed in Chapter 4 of the Substantiated report.

No questions or statements on this agenda item were received, therefore the Chairperson put the draft decision of the Board of Directors to the vote.

Voting results:

Total valid votes cast: 56 872 833 shares or 62,91% of the represented capital and 42,19% of the registered capital

VOTED "FOR": 56 872 833 shares or 62,91% of the represented capital and 42,19% of the registered capital

VOTED "AGAINST": none

VOTED "ABSTAINED": none

Under these results the AGM took the following **DECISION:** AGM authorizes the Board of Directors of the Company to conclude a contract for manufacturing according to the terms and conditions, listed in Chapter 4 of the Substantiated report.

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

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

On item twenty one of the agenda

Miscellaneous.

No questions were raised by shareholders.

The agenda of the Annual 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 list of the present shareholders and shareholder representatives with the number of shares owned and represented by them, 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 of the General Meeting, conducted on 17 June 2016, Sofia.

CHAIRPERSON OF THE AGM

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SECRETARY OF THE AGM

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TELLERS:

1. 2.

3. 4.

5. 6.

7.

Sofia
17 June 2016