

STATUTES

of

"GRADUS" AD

*(Approved by a decision of the Constituent Assembly of the shareholders – founders dated 20.11.2017,
amended by a decision of the General Meeting of 26.03.2018)*

Section I: GENERAL PROVISIONS

The Company as a legal entity

Art. 1. (1) Joint-stock company "**Gradus**" **AD** (hereinafter referred to as the "**Company**") is a legal entity, separate from its shareholders. The Company shall be liable for its liabilities up to the amount of its property. The Company shall not be liable for any of the shareholders' liabilities, and the shareholders shall not be liable for any of the Company's liabilities, except up to the amount of the shares of the Company's capital as registered by each of them.

(2) The Company is established for an unlimited period of time.

(3) The Company shall carry out its activity in compliance with the applicable legislation of the Republic of Bulgaria, the present Statutes and the decisions of the General Meeting.

(4) *(new, supplemented by a decision of the General Meeting dated 26.03.2018)* The Company shall be public by virtue of the Public Offering of Securities Act (hereinafter referred to as the "**POSA**"). In addition to the Trade Register, it has been also entered into the Register of Public Companies and other issuers of securities kept by the Financial Supervision Commission (hereinafter referred to as the "**FSC**") pursuant to Art. 30, para 1, item 3 of the Financial Supervision Commission Act.

Name

Art. 2. (1) The Company's name shall be "**Gradus**" **AD**, as it may be also additional written out in the Roman alphabet as follows: **Gradus AD**.

(2) The Company specifies the following in its commercial correspondence and on its website: its head office and registered office address, its Unified Identification Code (UIC), and its bank account.

Head office and registered office address

Art. 3. The head office of the Company shall be in the town of Stara Zagora, the Republic of Bulgaria, and the registered office address: the Republic of Bulgaria, 6000 Stara Zagora, "Industrialen" Residential District, "Gradus" Poultry Slaughterhouse.

Subject of activity

Art. 4. The Company shall have the following subject of activity:

Investments in stocks and shares of companies, acquisition and management of shares in Bulgarian and foreign companies; implementation of activity as a holding company; acquisition, assessment and sale of patents, concession of licenses for the use of patents of companies, in which the Company has shares; financing of companies, in which the Company has shares, as well as any other activity not prohibited by the law, provided that a permit or a license is required, or registration for the purpose of carrying out any activity,

then such activity shall take place following the obtaining of such permit or license, respectively following the completion of such registration.

Section II: CAPITAL AND SHARES

Capital

Art. 5. (1) *(Reflecting a capital increase approved by a decision of the General Meeting dated 26.03.2018)* The Company's capital amounts to **BGN 243 608 710**. The Company's capital is allocated into **243 608 710** ordinary, registered, dematerialized, voting shares with a nominal value of BGN 1 (one) each

(2) *(amended by a decision of the General Meeting dated 26.03.2018)* The Company's capital is fully issued and fully paid-up.

(3) (cancelled by a decision of the General Meeting dated 26.03.2018)

(4) *(Reflecting a capital increase approved by a decision of the General Meeting dated 26.03.2018)*

The Company's capital consists of:

1. monetary instalments to the total amount of BGN 22 808 710;
2. a non-monetary instalment made by the Founder - Ivan Angelov Angelov, representing capital participation in trade companies, as follows: (1) 25 shares with a nominal value of BGN 100 each, representing 50% of the capital of "Lora-2004" LTD, Unified Identification Code (UIC): 123658624; (2) 25 shares with a nominal value of BGN 100 each, representing 50% of the capital of "Zhyuliv" LTD, UIC: 119053781; (3) 5 shares with a nominal value of BGN 500 each, representing 50% of the capital of "Millennium 2000" LTD, UIC: 119591422; (4) 50 shares with a nominal value of BGN 50 each, representing 50% of the capital of "Gradus-1" LTD, UIC: 822132592; and (5) 24 983 ordinary, materialized, registered, voting shares with a nominal value of BGN 10 each, representing 49.966% of the capital of "Gradus-98" AD, UIC: 123120561, assessed to BGN 272 085 355,80 according to a Conclusion on the assessment of a non-monetary instalment under an Act of Appointment of Experts No. 20170905115038/07.09.2017 of the Registry Agency - Trade Register, and against which there have been **110 400 000** ordinary, registered, dematerialized, voting shares issued with a nominal value of BGN 1 (one) each; and
3. a non-monetary instalment made by the Founder – Luka Angelov Angelov, representing capital participation in trade companies, as follows: (1) 25 shares with a nominal value of BGN 100 each, representing 50% of the capital of "Lora-2004" LTD, UIC: 123658624; (2) 25 shares with a nominal value of BGN 100 each, representing 50% of the capital of "Zhyuliv" LTD, UIC: 119053781; (3) 5 shares with a nominal value of BGN 500 each, representing 50% of the capital of "Millennium 2000" LTD, UIC: 119591422; (4) 50 shares with a nominal value of BGN 50 each, representing 50% of the capital of "Gradus-1" LTD, UIC: 822132592; and (5) 24 984 ordinary, materialized, registered, voting shares with a nominal value of BGN 10 each, representing 49.968% of the capital of "Gradus-98" AD, UIC: 123120561, which has been assessed to BGN 272 087 818,96 according to a Conclusion on the assessment of a non-monetary instalment under an Act of Appointment of Experts No. 20170905115038/07.09.2017 of the Registry Agency - Trade Register, against which there have been **110 400 000** ordinary, registered, dematerialized, voting shares issued with a nominal value of BGN 1 (one) each.

Shares and classes of shares

Art. 6. (1) *(amended by a decision of the General Meeting dated 26.03.2018)* The Company may issue ordinary, registered, dematerialized, voting shares, as well as preference shares. The preference shares may be of various classes, as they may be also issued without the right to vote. The Company may not issue any preference shares, which entitle to more than one vote or to an additional liquidation share.

(2) Each ordinary share shall entitle its holder to one vote in the General Meeting, to the right to a dividend and to a liquidation share, proportionate to the nominal value of the share. The rights under the preference shares, if any, shall be stipulated in the decision of the General Meeting, which also approves their issuance.

(3) Shares with equal rights shall form a separate class. The holders of shares of the same class shall have equal rights and obligations as regards the Company.

(4) The Company may issue only registered, dematerialized shares. It shall be forbidden to issue shares of any class whatsoever or other securities convertible into shares, which are owned by a bearer.

Obligation for instalments

Art. 7. (1) Each Shareholder shall be obliged to pay in the amount of the full emission value of the shares issued by it.

(2) Against the instalments made for the issued shares, the shareholders shall be entitled to receive a depository receipt from "Central Depository" AD.

(3) Depository receipts shall having the contents stipulated by the applicable legislation.

Shareholders Book

Art. 8. (1) A Shareholders Book shall be kept for the shares issued by the Company.

(2) The Company's Shareholders Book shall be kept and held by "Central Depository" AD in the city of Sofia, in compliance with the rules and requirements of the applicable legislation and the Regulation on the activity of "Central Depository" AD.

Capital increase

Art. 9. (1) *(amended by a decision of the General Meeting dated 26.03.2018)* The Company's capital may be increased by a decision of the General Meeting of the Company, approved by a majority determined according to Art. 22. The increase of the Company's capital shall take place by virtue of Chapter Six of the POSA.

(2) The Company's capital may be increased only via:

1. issuance of new shares;
2. conversion of bonds issued as convertible into shares;
3. conversion of a part of the profit into capital.

(3) The Company's capital may not be increased by increasing the nominal value of already issued shares, by converting bonds, which have not been issued as convertible, into shares as well as via non-monetary instalments.

(4) *(new, supplemented by a decision of the General Meeting dated 26.03.2018)* Upon increase of the Company's capital, each shareholder shall have the right to acquire shares, which correspond to its

share in the capital before the increase, as any such right may not be limited or dropped off, except for the cases under para (5) of 0 of the present Statutes. If the Company has issued shares of different classes, then the right under the preceding sentence shall be for the shareholders of the respective class, to which those issued shares belong upon the capital increase.

(5) *(new, supplemented by a decision of the General Meeting dated 26.03.2018)* The Company's capital may not be increased provided that the shares are bought by specific persons at a specific price or against bonds of the Company, except for the cases when such an increase is necessary for the purpose of implementation of merger, trade offering for exchange of shares or for othe ensurance of the rights of the holders of warrants or convertible bonds.

Procedure for capital increase via issuance of rights

Art. 9a *(new, supplemented by a decision of the General Meeting dated 26.03.2018)* (1) Upon increase of the Company's capital via issuance of new shares, rights shall be issued under § 1, item 3 of the POSA. One right shall be issued against each existing share. This requirement shall not be applicable for capital increase, where only members of the Board of Directors and/or workers or employees of the Company shall have the right to participate upon observation of the statutory limitations.

(2) The right to participation in the capital increase shall be for persons with acquisition of shares 14 days the latest after the date of the decision for capital increase by the General Meeting.

(3) The term for transfer of the rights and for the issuance of shares shall be determined by the decision of the General Meeting for the Company's capital increase. The term for issuance of shares shall be at least 30 days. The term for transfer of the rights may not be shorter than 14 days and longer than 30 days. The beginning of the term for issuance of shares shall coincide with the beginning of the term for transfer of the rights. The term for issuance of shares shall expire at least 15 working days following the expiry of the term for transfer of rights.

(4) The transfer of rights shall take place on a regulated market. On the fifty working day after the expiry of the term for transfer of rights the Company shall offer those rights on the regulated market for sale under the conditions of an open auction, against which there are no shares issued from the new emission up until the expiry of the term for transfer of the rights. The Company shall allocate the amount received from the sale of unexercised rights as reduced by the expenses for the sale, proportionately between their holders.

(5) The amounts received from the sale of rights shall be received at a special account opened by the Central Depository and may not be used until the entry of the capital increase.

(6) The present Article 9a shall be respectively applicable upon the issuance of warrants and convertible bonds.

Reduction of capital

Art. 10. *(amended by a decision of the General Meeting dated 26.03.2018)* The Company's capital may be reduced up to the statutory minimum amount by a decision of the General Meeting approved by a majority determined according to Art. 22 and upon observation of the order stipulated by the law. The Company's capital may not be decreased via forced invalidation of the shares.

Redemption of own shares

Art. 11. The Company may redeem its own shares based on a decision of the General Meeting of the shareholders approved by a majority determined according to Art. 22 and in compliance with the requirements of the law and the statutory order.

Section III: TRANSFER OF SHARES

Disposal of shares

Art. 12. (1) Shares issued by the Company shall be freely transferable and shall be transferred by virtue of the order for transfer of dematerialized shares.

(2) The disposal of Company's shares shall be applicable for the Company as of its registration at "Central Depository" AD.

Section IV: MANAGEMENT

Company's Bodies

Art. 13. The Company shall have the following bodies:

1. General Meeting of the shareholders;
2. Board of Directors.

General Meeting, participation in the General Meeting

Art. 14. (1) *(amended by a decision of the General Meeting dated 26.03.2018)* The General Meeting shall include all shareholders entitled to vote. The right to vote in the General Meeting shall occur upon the payment in full of the emission value of the respective share and following the entry of the capital increase for the respective emission of shares into the Trade Register.

(2) *(new, supplemented by a decision of the General Meeting dated 26.03.2018)* The right to vote shall be exercised by the persons entered as the persons entitled to vote into the registers of the Central Depository 14 days before the date of the General Meeting.

(3) *(previous, para (2), amended by a decision of the General Meeting dated 26.03.2018)* The shareholders shall take part in the General Meeting personally or through a representative. The authorization of the respective representative shall be in writing. Several shareholders may authorize one common representative. Such authorization may also take place by using electronic devices. The conditions and order for authorization via use of electronic devices shall be approved by the Board of Directors and published on the Company's website. The proxy shall have the same rights to make a statement and to ask questions at the General Meeting as the shareholder he/she represents. The proxy shall be obliged to exercise the right to vote in compliance with the shareholder's instructions contained in the Power of Attorney (POA).

(3) The written Power of Attorney for the representation of a shareholder at the General Meeting should be for a specific General Meeting, should be explicit and should specify the following as a minimum:

1. the data about the shareholder and the proxy;
2. the number of the shares covered by the Power of Attorney;
3. the Agenda of the issues proposed for discussion;
4. the proposals for decisions on each issue on the Agenda;

5. the way of voting on each issue, if applicable;
6. date and signature.

(4) *(new, supplemented by a decision of the General Meeting dated 26.03.2018)* In the cases when the Power of Attorney does not specify the way of voting on the separate items of the Agenda, then it should specify that the proxy shall be entitled to a judgement on whether and how to vote. The Power of Attorney may not contain any right to re-authorization with the rights under it.

(5) *(previous, para (4), amended by a decision of the General Meeting dated 26.03.2018)* The document, which incorporates the above authorization, should be presented to the Company two working days the latest before the date of the General Meeting and should be kept by it. The Power of Attorney may be withdrawn with a written notice to the Company until the beginning of the General Meeting the latest.

(6) *(previous, para (5), amended by a decision of the General Meeting dated 26.03.2018)* The members of the Board of Directors shall have the right to attend the General Meeting without the right to vote, unless they are shareholders.

Competence of the General Meeting

Art. 15. The General Meeting of the shareholders shall have the exclusive competence:

1. to amend and supplement the Statutes of the Company;
2. to increase and reduce the Company's capital;
3. to transform and suspend the Company;
4. to appoint and release the members of the Board of Directors;
5. to determine the remuneration of the members of the Board of Directors, who will not be assigned with the management, including their right to receive a part of the Company's profit, as well as to acquire shares and bonds of the Company;
6. to appoint and release registered auditors, whenever the implementation of an audit is mandatory in the statutory cases or whenever a decision has been taken for carrying out an independent financial audit;
7. to approve the Annual Financial Statement following its certification by the appointed registered auditor, whenever an independent financial audit has been performed, to take a decision for the allocation of the profit, for filling the "Reserve" Fund, and for the payment of a dividend;
8. to take a decision on the issuance of bonds;
9. to appoint the liquidators upon termination of the Company, except in case of insolvency;
10. to release of responsibility the members of the Board of Directors;
11. *(new, supplemented by a decision of the General Meeting dated 26.03.2018)* to take decisions for the redemption of the Company's own shares;
12. *(new, supplemented by a decision of the General Meeting dated 26.03.2018)* to appoint an Audit Committee, to determine the number and mandate of its members, and to approve the Regulation on its activity in compliance with the provisions of the Independent Financial Audit Act.

13. *(new, supplemented by a decision of the General Meeting dated 26.03.2018)* to empower the persons that manage and represent the Company for the purpose of a conclusion of transactions within the scope of Art. 114, para 1 of the POSA.
14. to resolve all other issues stipulated by the law and/or the present Statutes as such within its competence.

Holding the General Meeting.

Art. 16. (1) The General Meeting shall be held at least once per year until the end of the first six months, following the closing of the fiscal year. The General Meeting may take place at the Company's head office.

(2) The General Meeting shall be chaired by the Chairman of the Board of Directors.

(3) The General Meeting may appoint a Secretary for a term determined by the General Meeting, with or without payment of remuneration, in order to keep the Minutes of the sessions of the General Meeting, including all other related documents.

(4) *(new, supplemented by a decision of the General Meeting dated 26.03.2018)* The General Meeting may be also held by using electronic devices in one or more of the following forms:

1. real-time broadcasting of the General Meeting;
2. two-sided, real-time messages that allow the shareholders to take remote part in the discussion and decision making in the General Meeting;
3. mechanism for voting before or during the General Meeting without the necessity of any authorization of a person to take personal part in the General Meeting.

(5) *(new, supplemented by a decision of the General Meeting dated 26.03.2018)* The right to vote in the General Meeting may be also exercised by the shareholders before the date of the General Meeting through correspondence by sending an explicit written application to the Company regarding the way of voting on each item of the Agenda of the General Meeting, by post, including via email, by courier or in any other way possible from a technical point of view. Voting through correspondence shall be valid if the respective vote is received by the Company not later than on the day preceding the date of the General Meeting.

(6) *(new, supplemented by a decision of the General Meeting dated 26.03.2018)* The Board of Directors shall approved rules for voting via proxy, through correspondence and by using electronic devices, as well as rules for the provision of information to the shareholders by using electronic devices, which are necessary for ensuring the identification of the shareholders and of the persons that represent them, respectively the persons that shall have the right to determine the exercise of the right to vote. The rules adopted by the Board of Directors shall be specified in the invitation for the respective General Meeting and on the Company's website.

(7) *(new, supplemented by a decision of the General Meeting dated 26.03.2018)* The Board of Directors shall determine the way of holding a General Meeting and exercising the right to vote for each separate General Meeting, as the respective information in that respect shall be provided to the shareholders in the invitation for calling a General Meeting.

Calling the General Meeting.

Art. 17. (1) The General Meeting shall be called by the Board of Directors. It may be also called at the request of those shareholders holding shares for more than three months, which represent at least five percents of the Company's capital in compliance with the applicable legislation.

(2) *(amended by a decision of the General Meeting dated 26.03.2018)* The General Meeting of the shareholders shall be called via written invitation, which shall be announced in the Trade Register under the conditions and order of Art. 100s, para 1 and para 3 of the POSA, at least 30 (thirty) calendar days before the date of its holding.

(3) *(amended by a decision of the General Meeting dated 26.03.2018)* The invitation to the shareholders for calling the General Meeting shall contain the following data as a minimum:

1. the Company's name and head office;
2. the place, date and time of holding the General Meeting;
3. the type of General Meeting;
4. the Agenda with the issues proposed for discussion, as well as specific proposals for decisions;
5. the total number of shares and the rights to vote in the General Meeting as at the date of the decision for calling the General Meeting, including the total number for each class of shares, if the capital is divided into classes of shares, as well as the shareholders' right to take part in the General Meeting;
6. the right of the shareholders to add issues to the Agenda of the General Meeting and to make proposals for decisions on issues on the Agenda, and the deadline for the exercise of such right;
7. the right of the shareholders to make essential proposals for decisions on each issue on the Agenda and upon observation of the requirements of the law, except in case of taking a decision by virtue of Art. 114, para 1 of the POSA;
8. the right of the shareholders to table questions during the General Meeting;
9. the rules for voting via proxy, the samples to be used for voting via proxy, and the ways, in which the Company shall be notified of any electronic authorizations made;
10. the rules for voting via correspondence or electronic devices;
11. the date under Art. 14, para 1 with the instruction that only the persons entered as shareholders on or before that date are entitled to take part in and to vote on the General Meeting;
12. the place and way of receiving the written materials connected with the Agenda of the General Meeting;
13. the website, on which the Company publishes the information under the present paragraph 3.

Right to information

Art. 18. (1) *(new, amended by a decision of the General Meeting dated 26.03.2018)* The invitation, written materials connected with the Agenda of the General Meeting and the samples for voting via proxy and through correspondence shall be published on the Company's website and shall be available to the shareholders on paper at the registered office address of the Company for the time from the announcement of the invitation until the closing of the General Meeting.

(2) *(new, amended by a decision of the General Meeting dated 26.03.2018)* The Company may use electronic devices for the purpose of providing information to the shareholders, including with respect to the Agenda of the General Meeting.

List of attendees

Art. 19. *(amended by a decision of the General Meeting dated 26.03.2018)* A list of the attending shareholders or their representatives and of the number of held or represented shares shall be prepared for the session of the General Meeting. The shareholders and representatives shall certify their presence with their signatures. The written POAs shall be enclosed to this List as regards those shareholders that have taken part in the General Meeting via representative. The List shall be certified by the Chairman and the Secretary of the General Meeting. Furthermore, a List shall be drawn up for the session of the General Meeting, which shall include the persons who have exercised their right to vote in the General Meeting via electronic devices and through correspondence, and the number of shares owned by them, as this List shall be then certified by the Chairman and the Secretary of the General Meeting.

Quorum

Art. 20. (1) The session of the General Meeting shall be deemed legally held if attended by shareholders, which represent 50% plus one share of all issued voting shares of the Company's capital (personally or via proxy).

(2) In case of no quorum, a new session may be called not earlier than 14 days as of the date of the first session, as it shall be legal regardless of the capital represented at it. The date of the new session may be also specified in the invitation for the first session.

Revealing a conflict of interest

Art. 21. A shareholder or his/her representative shall not have the right to take part in the voting if it is about:

1. setting up claims against the respective shareholder by the Company; or
2. undertaking actions or refusal of actions for realization of the responsibility of the respective shareholder towards the Company, or
3. *(amended by a decision of the General Meeting dated 26.03.2018)* approval of transactions, under which the said shareholder is a party or a person related to him/her is a party, or with respect to which the shareholder in question is an interested party by virtue of Art. 114, para 7 of the POSA.

Majoring for decision making

Art. 22. (1) The decisions of the General Meeting shall be approved by a majority of 50% plus one share of all issued voting shares of the capital, unless a higher majority stipulated by the law or by the present Statutes.

(2) (amended by a decision of the General Meeting dated 26.03.2018) As regards the decisions under Art. 15, items 1, 2, 3 (only as regards termination) and 11, a majority $\frac{2}{3}$ of all issued voting shares of the capital shall be required. As regards the decisions under Art. 15, item 13, a majority $\frac{3}{4}$ of the presented capital shall be required in the cases of acquisition or disposal of assets, and in the other cases under Art. 15, item 11 - 50% plus one share of the presented capital.

Entry into force of decisions

Art. 23. (1) The decisions of the General Meeting shall enter into force immediately, unless their validity is postponed by the General Meeting itself or by virtue of the law.

(2) The decisions regarding amendment and supplement of the Statutes and termination of the Company shall enter into force following their entry into the Trade Register.

(3) Increase and reduction of capital, transformation of the Company, appointment and release of members of the Board of Directors, as well as appointment of liquidators shall be valid as of their entry into the Trade Register.

Minutes

Art. 24. (1) (amended by a decision of the General Meeting dated 26.03.2018) Minutes shall be kept for the session of the General Meeting, which shall contain the data by virtue of Art. 232, para 1 of the Commercial Act and the applicable provisions of the POSA. The results from the voting in the Minutes of the session of the General Meeting shall include information regarding the number of the shares, under which actual votes have been made, the part of the capital they represent, the total number of the actually submitted votes, the number of votes given "for" and "against" and, if necessary – the number of abstained votes, for each decision on the issues on the Agenda. The Minutes of the General Meeting shall be signed by the Chairman and the Secretary of the meeting and by the tellers of the votes.

(2) (amended by a decision of the General Meeting dated 26.03.2018) The Minutes and documents connected with the General Meeting shall be arranged in a special book and kept for a period of at least 5 (five) years. The Company shall publish the Minutes of the General Meeting on its website within a term of 3 working days as of its holding for a term of not less than 5 years.

Board of Directors. Functions

Art. 25. (1) The Board of Directors shall manage and represent the Company.

(2) The Board of Directors shall exercise its powers in compliance with the decisions of the General Meeting, the present Statutes and the applicable legislation.

Members of the Board of Directors

Art. 26. (1) The Board of Directors consists of three persons appointed by the General Meeting.

(2) Members of the Board of Directors may be only natural persons.

(3) A person as mentioned below cannot be member of the Board of Directors:

1. a person that has been a member of a management or supervisory body of a company suspended due to insolvency in the last couple of years preceding the date of the decision for declaring insolvency, in case of any remaining unsatisfied creditors;
2. a person that has been a Manager, s member of a management or supervisory body of a company, for which a valid penal ruling has found default on its obligations for establishing

and keeping the levels of reserves as stipulated by the Petroleum and Petroleum Products Act;

3. a person that does not meet any other requirements stipulated in the present Statutes.

(4) No persons may be elected members of the Board of Directors that have been convicted with a valid sentence of crimes against property, against economy or against the financial, tax and social security system committed in the Republic of Bulgaria or abroad, unless exculpated.

(5) At least one third of the members of the Company's Board of Directors should be independent persons. The independent member of the Board cannot be:

1. an employee of the Company;
2. a shareholder that holds directly or via related parties at least 25 percents of the votes in the General Meeting or is a person related to the Company;
3. a person having permanent trade relations with the Company;
4. a member of a management or supervisory body, a procurator or an employee of a trade company, or other legal entity under items 2 and 3;
5. a person related to other member of a management or supervisory body of the Company.

(6) Persons appointed as members of the Board of Directors, in connection with whom any circumstances under para 3 – 5 occur after the date of their appointment or any other circumstances stipulated by an enactment, shall be obliged to promptly notify the Company's Board of Directors. In such case those persons shall no longer implement their functions and shall not be entitled to any remuneration.

(7) The General Meeting shall have the right to release from responsibility any member of the Board of Directors in case of an Annual Financial Statement for the preceding year, certified by a registered auditor, in case of an independent financial audit performed and approved by the General Meeting.

Obligations of the members of the Board of Directors

Art. 27. (1) The members of the Board of Directors shall be obliged:

1. to fulfill their obligations with the due care of a good dealer in a way they reasonably believe as one in interest of all shareholders of the Company and by using only information they reasonably consider reliable and complete;
2. to show their loyalty towards the Company by:
 1. by putting the interests of the Company before their own interests;
 2. avoiding any direct or indirect conflict of interest between their own interests and the interests of the Company, and in case of any such conflict of interest present – by duly and fully presenting it in writing to the Board of Directors and not taking part, including not exerting any influence on the other members of the Board of Directors upon taking decisions in those cases;
3. not disclosing any nonpublic information about the Company even after no longer being members of the Board of Directors, until the public announcement of the respective circumstances by the Company.

3. *(new, supplemented by a decision of the General Meeting dated 26.03.2018)* to exert current control on the observation of the requirements for preliminary empowerment by the Company's Board of Directors for the realization of the transactions under Art. 114, para 3 of the POSA on the part of its subsidiary companies and for the provision of the information necessary for assessing the expedience of those transactions by virtue of Art. 114a, para 3 of the POSA.

(2) *(cancelled by a decision of the General Meeting dated 26.03.2018)*

Mandate of the members of the Board of Directors

Art. 28. (1) The mandate of the members the Board of Directors shall be five years, without any limitation as regards their re-election. The mandate of the first elected members of the Board of Directors shall be three years.

(2) Upon termination of the mandate of a member of the Board of Directors, regardless of the grounds for this, the same shall continue to fulfill its functions and obligations as a member of the Board of Directors up until the election of a new member by the General Meeting.

Chairman of the Board of Directors

Art. 29. (1) The Board of Directors shall elect a Chairman among its members, who shall preside the sessions of the Board of Directors. Upon the absence of the Chairman, his/her functions shall be implemented by a Deputy Chairman of the Board of Directors.

(2) The Chairman of the Board of Directors shall conclude on behalf of the Company the contracts for the assignment of management and representation.

(3) Each member of the Board of Directors shall have the right to request the Chairman to call a session of the Board of Directors for the purpose of discussion of separate issues.

Executive Directors/representatives

Art. 30. (1) The Board of Directors shall assign the Company's management to one or several executive members appointed among its members and shall determine their remuneration. The executive members shall be less than the other members of the Board of Directors.

(2) The Board of Directors may empower one or several of its members to represent the Company. Such empowerment may be withdrawn at any moment.

(3) Each Executive Director/representative shall be obliged to promptly and independently notify the Chairman of the Board of Directors of any circumstances occurred that are of material significance for the activity of the Company.

Sessions of the Board of Directors

Art. 31. (1) The Board of Directors shall approve procedural rules for its sessions.

(2) The Board of Directors shall sit on a regular basis, but not less than once every three months in order to discuss the condition of the company shares and plans for future development.

(3) The Board of Directors shall be called at any time by its Chairman, on his/her initiative or at the request of another member of the Board of Directors.

(4) The sessions of the Board of Directors shall be called via written invitation sent to each member of the Board of Directors, which shall contain as follows:

1. the place, date and time of holding the session;
2. the Agenda with the issues to be discussed, as well as the respective draft decisions.

(5) The invitation shall be sent at least 3 (three) days before the date of the session to the address specified by each member of the Board of Directors

(6) In case of a date, place, time and Agenda of the session of the Board of Directors specified at a preceding session of the Board of Directors, the attending members shall be deemed duly notified of the called session.

(7) The sessions may be held personally or over the telephone, or via other means of communication that allow the participants to hear each other and communicate with one another. The official language of the sessions of the Board of Directors shall be the Bulgarian language.

(8) The Minutes of the sessions of the Board of Directors shall be kept in a special Book for a term of 5 (five) years. The Chairman of the Board of Directors shall keep a book. The Minutes shall be confidential and shall be certified by the Chairman and by the Executive Director/s.

Competence of the Board of Directors

Art. 32. The Board of Directors shall:

1. organize the implementation of the decisions of the General Meeting and exert control on such execution;
2. appoint an Executive Director / representative/s, determine the borders of its / their competence and supervise its / their activity;
3. take decisions for long-term cooperation of material significance for the Company or for the termination of any such cooperation;
4. take decisions for the establishment and/or closing of a branch;
5. take decisions for the increase of the Company's capital in cases when explicitly empowered for this by the General Meeting;
6. approve the disposal (including but not limited to the transfer, closure, burden, etc.) of the trade enterprise of the Company or of parts of it;
7. approve the conclusion of transactions with shareholders, members of the Board of Directors or employees of the Company (or members of their families);
8. approve the taking of a loan or the formation in any other way of a financial debt of the Company towards a third party for an amount of over BGN 50 000 as a result of a single transaction or a series of transactions;
9. *(cancelled by a decision of the General Meeting dated 26.03.2018)*
10. take a decision for the Company's participation and/or termination of its participation in other companies in the Republic of Bulgaria and abroad;
11. take a decision for the exercise of Company's rights as a shareholder/associate in subsidiary companies;
12. take a decision for the granting of a loan or of another form of financing to companies, in which the Company holds capital participation and/or on which it exerts control;

13. take a decision for the disposal of intellectual property of the Company, as well as for the granting of rights on objects of intellectual property of the Company;
14. prepare, approve and sign a prospectus for the public offering of securities issued by the Company;
15. appoint and release investment intermediaries to undertake and/or administer emission securities issued by the Company, which shall be subject to public offering;
16. *(new, supplemented by a decision of the General Meeting dated 26.03.2018)* approve the conclusion of transactions beyond those specified in Art. 114, para 1 of the POSA with the participation of interested persons by virtue of Art. 114, para 7 of the POSA,
17. *(new, supplemented by a decision of the General Meeting dated 26.03.2018)* approve the conclusion of transactions by virtue of Art. 114, para 3 of the POSA on the part of the subsidiary companies of the Company, and
18. *(previous, item 16., amended by a decision of the General Meeting dated 26.03.2018)* resolve all issues beyond the exclusive competence of the General Meeting.

Quorum and majority

Art. 33. (1) The Board of Directors shall hold discussions and approve decisions, if the session is attended by at least half of the members (personally or through the authorization of another member of the Board).

(2) None of the attending members shall have the right to represent more than one attendee.

(3) The members of the Board of Directors shall be also entitled to in absentia decisions, if all members have expressed their written consent for the respective decision.

(4) Unless stipulated otherwise by the law or by the present Statutes, the decisions of the Board of Directors shall be taken with an ordinary majority of the members of the Board of Directors.

(5) *(new, supplemented by a decision of the General Meeting dated 26.03.2018)* The members of the Board of Directors shall not have the right to participate in the voting in case of approval of transactions under Art. 32, item 16 and item 17 of the present Statutes, with respect to which the same are an interested party by virtue of Art. 114, para 7 of the POSA.

Termination of the mandate of a member of the Board of Directors

Art. 34. (1) The mandate of each member of the Board of Directors may be terminated upon:

1. expiry of the mandate, unless renewed;
2. his/her release by a decision of the General Meeting;
3. submission of written application by the respective member of the Board of Directors for its release from position as such.

(2) Upon termination of the mandate of a member of the Board of Directors, the Board of Directors, except for the cases under item 2 of the preceding paragraph, shall call a General Meeting for the appointment of a new member.

(3) The members of the Board of Directors, whose mandate has been terminated pursuant to paragraph 1 above, shall be obliged to reasonably cooperate in any way as required by the Board of Directors.

Remuneration and guarantee of management

Art. 35. (1) The members of the Board of Directors shall be entitled to remuneration for their activity. The General Meeting shall determine the amount of the remuneration and the rules for its payment.

(2) Each member of the Board of Directors shall give a guarantee for his/her management to an amount determined by the General Meeting, but not less than the three-month gross remuneration of the respective member. Such guarantee shall be deposited in Bulgarian leva (BGN) and blocked in favor of the Company at the bank on the territory of the country.

Representation of the Company

Art. 36. (1) As regards third persons, the Company shall be represented by the Board of Directors or by a representative(s) appointed by the Board of Directors by virtue of Art. 235, para 2 of the Commercial Act. The execution of separate actions on behalf of the Company may be assigned to a separate member of the Board of Directors and/or to third parties by the Board of Directors or by the representative(s).

(2) The representative power of the legal representatives shall be subject to entry into the Trade Register, for which the legal representatives shall enclose their specimen signature.

Audit Committee

Art. 36a (new, supplemented by a decision of the General Meeting dated 26.03.2018) (1) The Audit Committee is a specialized body of the Company having the following powers:

1. to notify the Board of Directors of the results from the mandatory audit and to explain the way, in which that mandatory audit has contributed to the authenticity of the financial reporting, as well as the role of the Audit Committee in this process;
2. to observe the processes of financial reporting and audit, internal control and risk management of the Company and to present recommendations and proposals for the purpose of ensuring their efficiency,
3. to observe the mandatory audit of the Annual Financial Statements of the Company;
4. to verify and observe the independence of the registered auditors of the Company;
5. to be responsible for the procedure for selection of a registered auditor and to recommend his/her appointment;
6. to fulfill other functions as well, as stipulated by the law.

(2) The Audit Committee shall consist of 3 (three) persons appointed by the General Meeting for a term of up to 4 (four) years. The members of the Audit Committee may be re-appointed without limitations.

(3) Members of the Audit Committee may be appointed persons that have the educational-qualification degree of Master's and knowledge in the field of work of the Company. At least one of the members of the Audit Committee should have completed higher education with a major in Accounting or Finances and at least 5 years of professional experience in accounting or audit.

(4) Two of the members of the Audit Committee, including its Chairman, should be independent. An independent member of the Audit Committee may not be:

1. a member of the Board of Directors or an employee of the Company;
2. a person who is in permanent trade relations with the Company;

3. a member of a management or supervisory body, a procurator or an employee of a person who is in permanent trade relations with the Company;
4. a person related to a member of the Board of Directors or the Audit Committee of the Company.

(5) The Audit Committee shall approve a Regulation on its activity, which shall determine its functions, rights and responsibilities with respect to the financial audit, the internal control and the internal audit, as well as its relations with the management bodies. The Regulation of the Audit Committee shall be subject to approval by the General Meeting.

(6) The Audit Committee shall report its activity before the General Meeting once per year, together with the approval of the Annual Financial Statement.

Investor Relations Director

Art. 36b (*new, supplemented by a decision of the General Meeting dated 26.03.2018*) (1) The Board of Directors shall appoint under an employment agreement an Investor Relations Director, who should possess suitable qualification and experience and and who cannot be a member of the Board of Directors or a procurator of the Company.

(2) The Investor Relations Director shall:

1. establish effective relations between the Board of Directors and the shareholders and persons who have shown interest in investing in securities of the Company by providing them with information about the current financial and economic condition of the Company, as well as any other information, to which the same are entitled by virtue of the law in their capacity as shareholders or investors;
2. be responsible for sending within the statutory term of the materials about a called General Meeting to all shareholders who have requested to get acquainted with those materials;
3. keep and store reliable and complete Minutes of the sessions of the Board of Directors, as well as a Register of held sessions with the contents by virtue of the law and in a way that does not allow the making of any further amendments or supplements to it;
4. be responsible for the due sending of all necessary reports and notifications of the Company to the FSC, the regulated market, on which the Company's securities are admitted to trade, and the Central Depository;
5. keep a Register of all sent materials under item 2 and item 4, as well as of all requests received and the information provided under item 1.

(3) The Investor Relations Director shall report its activity to the shareholders at the Annual General Meeting.

(4) Art. 26, para (4) and Art. 27 of the present Statutes shall be applicable as regards the Investor Relations Director.

Section V: ANNUAL CLOSING. PROFIT ALLOCATION (*title amended by a decision of the General Meeting dated 26.03.2018*)

Annual Financial Statement. Annual Report

Art. 37. (1) The Board of Directors shall prepare a Annual Financial Statement and an Annual Activity Report on an annual basis and shall present them to the auditors appointed by the General Meeting.

(2) The Annual Financial Statement and the Annual Activity Report shall be executed and presented to the auditors appointed by the General Meeting by March 31 of the year following the year they refer to.

Legal reserves

Art. 38. The Company shall keep and use reserve funds in compliance with the requirements of the applicable legislation.

PROFIT ALLOCATION

Art. 39. (1) (*amended by a decision of the General Meeting dated 26.03.2018*) The General Meeting shall have the right to approve a decision for profit allocation in the form of a 6-month or annual dividend by a majority determined according to Art. 22 and upon observation of the conditions of Art. 247a of the Commercial Act.

(2) (*new, supplemented by a decision of the General Meeting dated 26.03.2018*) A decision for the allocation of an annual dividend may be taken after the approval of the Annual Financial Statement for the respective year, and for the allocation of a 6-month dividend – of a Financial Statement for the respective period of six months upon the presence of the statutory conditions in that respect.

(3) (*new, supplemented by a decision of the General Meeting dated 26.03.2018*) The right to receive dividend shall be granted to the persons entered into the registers of the Central Depository as holders of shares entitled to a dividend on the 14th day following the day of the General Meeting, at which the Annual, respectively the 6-month Financial Statement has been approved and a decision for profit allocation has been taken.

(4) (*new, supplemented by a decision of the General Meeting dated 26.03.2018*) The Company shall be obliged to ensure the payment to the shareholders of the dividend approved by the General Meeting within a term of 60 days as of the date of holding the respective General Meeting.

Section VI: VARIOUS

Company's Books

Art. 40. The Company shall keep the following books:

1. Book of Minutes of the sessions of the General Meeting;
2. Book of Minutes of the sessions of the Board of Directors;
3. Shareholders Book;
4. Book of Debenture Holders, in case of any bonds issued;
5. Accounting Books;
6. Other books determined by a decision of the Board of Directors or necessary according to the applicable legislation.

Definitions

Art. 41. For the purposes of the present Statutes, unless stipulated otherwise by the context, the terms below shall have the following meaning:

1. **"Share"** shall mean each ordinary, voting share with a nominal value of BGN 1 (one) of the Company's capital issued and existing as at the respective moment;
2. **"Shareholder"** shall mean each person who as at the respective moment holds shares of the Company's capital;
3. **"Company"** shall have the meaning given in Art. 1, para 1 of the present Statutes;
4. **"Executive Director"** shall mean each member of the Board of Directors appointed with the management of the Company according to Section IV Art. 30 of the present Statutes;
5. **"Conflict of interest"** by virtue of Art. 27 shall mean any conflict between the obligations of member of the Board of Directors in that capacity of his/hers, on the one hand, and his/her private interests, on the other hand. Private shall be deemed any interest resulting in profit of material or non-material nature for the person or for its related persons, including income in cash or in property, acquisition of stocks or shares, granting of, transfer of or renunciation from rights, receiving of goods or services for free or at prices lower than the market prices, receiving of support or influence, advantage, receiving of or a promise for work, a position, a gift, an award or a promise for the avoidance of any loss, responsibility, sanction or another unfavorable event.
6. **"General Meeting"** shall mean the General Meeting of the Company's shareholders;
7. **"Chairman"** shall mean the Chairman of the Board of Directors of the Company appointed on the grounds of and by virtue of Art. 29, para 1 of the present Statutes;
8. **"Board of Directors"** shall mean the Board of Directors of the Company;
9. **"Statutes"** shall mean the present Statutes of the Company approved by a decision of the Constituent Assembly of the shareholders-founders of the Company, together with all its subsequent amendments and/or supplements.

Rules of interpretation

Art. 42. (1) If any provision of the present Statutes is in contradiction with the imperative norms of the applicable legislation, the latter shall be applicable.

(2) The titled contained in the present Statutes shall not be binding for the interpretation of the texts they refer to and have been included only for the purpose of facilitation on reading.

Application of the law

Art. 43. As regards issues not settled by the present Statutes, the provisions of the Commercial Act and any other applicable enactment shall be applicable.

Art. 44. Upon amendment or supplement of the present Statutes, a copy of the Statutes should be entered into the Trade Register together with all amendments as at the respective date, certified by the person or by the persons representing the Company.

Certified by:

Luka Angelov Angelov, legal representative

Ivan Angelov Angelov, legal representative