

Translation from Bulgarian

MANAGEMENT REPORT ON THE ACTIVITY OF GRADUS AD
IN 2020




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I. Introduction. General information about Gradus AD

Gradus AD closed the financial year 2020 reporting a positive result of BGN 11,695 thousand, which was formed primarily from dividends paid by the subsidiaries and interest on loans granted. In the past year 2020, a six-month dividend from the current result of BGN 5,359 thousand was paid.

1.1. Registration and object of activity

GRADUS AD (the „Company”) is a company registered in Bulgaria with the Commercial Register of the Registry Agency under UIC: 204882907 on 28 November 2017.

The Company is a **parent entity**.

Its existence is not limited by time.

Management address:

Stara Zagora 6000, Industrialen quarter, Gradus Poultry Slaughterhouse

On **30 July 2018**, by decision N 770 – ПД of 30 July 2018, the Financial Supervision Commission registered GRADUS AD as a public company with the Public Companies and Other Issuers of Securities Register, kept by the Financial Supervision Commission, pursuant to Article 30, paragraph 1, item 3 of the Financial Supervision Commission Act.

The company shares are admitted to trading on the BSE Main Market, Standard Segment. Stock Exchange Code **GR6**.

OBJECT OF ACTIVITY OF THE COMPANY

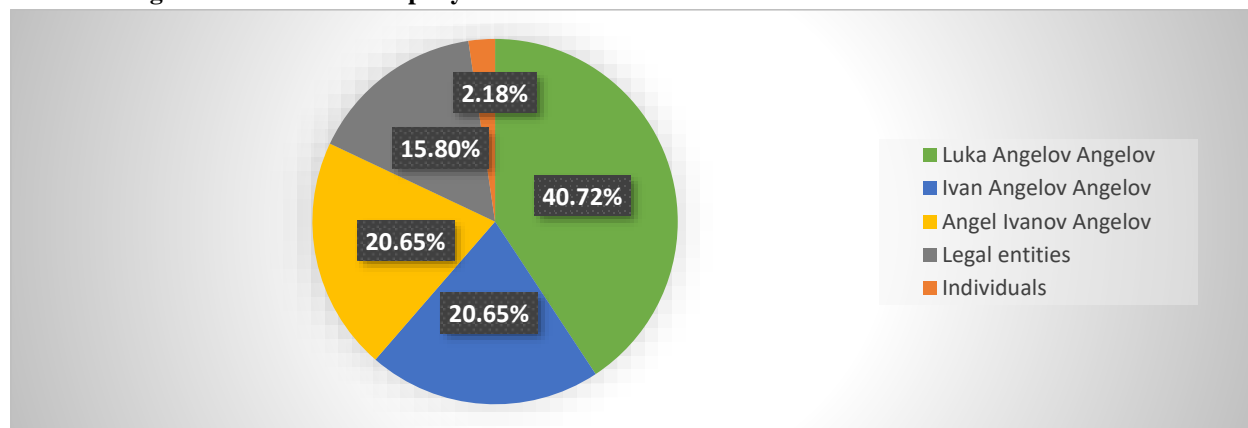
The object of activity of the Company is: Investments in stocks and shares of companies, acquisition and management of shares in Bulgarian and foreign companies; activity as a holding company; acquisition, assessment and sale of patents, concession of licenses for the use of patents of companies, in which the Company has shares; financing of companies, in which the Company has shares, as well as any other activity not prohibited by law, provided that if 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.

1.2. Share capital

The registered capital of the company as at 31 December 2020 amounts to BGN 243,609 thousand, split into 243,608,710 shares with nominal amount of BGN 1 (one) each.

The shares of GRADUS AD are ordinary, registered, dematerialized voting shares.

Shareholding structure of the Company as at 31 December 2020



1.3. Board of Directors

Gradus AD has a one-tier management system - Board of Directors.

The Board of Directors consists of three (3) members who are as follows as at 31 December 2020:

- Luka Angelov Angelov – Chairman of the Board of Directors of Gradus AD
- Ivan Angelov Angelov – Member of the Board of Directors and Executive Director of Gradus AD
- Georgi Aleksandrov Babev - Member of the Board of Directors of Gradus AD

Participation of the members of the Board of Directors in commercial companies as general partners, holding of more than 25 percent of the capital of another entity, as well as participation in governing bodies of other companies or cooperatives as procurators, general managers or board members:

Luka Angelov

1.1. As a general partner - No

1.2. Owns directly more than 25% of the capital of:

"Equity Invest-1" AD (UIC 204750154), "Equity Invest-2" OOD (UIC 204746138), "Energy-2" OOD (UIC 123655788), "Agro Invest-7" OOD (UIC 123654743) "Mirena" OOD (UIC 123655806), "Gold Agro-2005" OOD (UIC 119642703), "Wolf" OOD (UIC 123760892), "Marieta" EOOD (UIC 123655770), „Biser Distribution“ OOD (UIC 200090633), Auto Spa Center" OOD (UIC 204959983), "Gradus" AD (UIC 204882907)

and indirectly through "Gradus" AD:

"Zhyuliv" EOOD (UIC 119053781), "Millennium 2000" EOOD (UIC 119591422), "Gradus-98" EAD (UIC 123120561), "Gradus-1" EOOD (UIC 822132592), "Lora-2004" EOOD (UIC 123658624), "Gradus-3" AD (UIC 123152751), „Gold Farm 91“ EOOD (UIC 205933500), „Gradus Logistics“ EOOD (UIC 206290911).

and indirectly through "Marieta" EOOD in "Trade Home" EOOD (UIC 123644254)

1.3. Participates in the governing bodies of:

"Equity Invest-1" AD (UIC 204750154), "Equity Invest-2" OOD (UIC 204746138), "Zhyuliv" EOOD (UIC 119053781), "Millennium 2000" EOOD (UIC 119591422), "Gradus-98" AD (UIC 123120561), "Energy-2" OOD (UIC 123655788), "Agro Invest-7" OOD (UIC 123654743), "Gradus-1" EOOD (UIC 822132592), "Mirena" OOD (UIC 123655806), "Lora-2004" EOOD (UIC 123658624), "Gold Agro-2005" OOD (UIC 119642703), "Gradus-3" AD (UIC 123152751), "Wolf" OOD (UIC 123760892), "Marieta" EOOD (UIC 123655770), "Auto Spa Center" OOD (UIC 204959983), „Gradus“ AD (UIC 204882907), „Gradus Logistics“ EOOD (UIC 206290911), "Biser Oliva" AD (UIC 123036597).

Ivan Angelov

1.1. As a general partner - None

1.2. Owns directly more than 25% of the capital of:

"Equity Invest-1" AD (UIC 204750154), "Ayazmo" AD (UIC 201974859), "Mirena" OOD (UIC 123655806), "Gold Agro-2005" OOD (UIC 119642703), "Wolf" OOD (UIC 123760892), „Ralitsa 2004“ OOD (UIC 123658631), FarmPro OOD (UIC 123761581).

1.3. Participates in the governing bodies of:

"Equity Invest-2" Ltd. (UIC 204746138), "Ayazmo" AD (UIC 201974859), "Zhyuliv" EOOD (UIC 119053781), "Millennium 2000" EOOD (UIC 119591422), "Energy-2" OOD (UIC 123655788), "Agro Invest-7" OOD (UIC 123654743), "Gradus-1" EOOD (UIC 822132592), "Mirena" OOD (UIC 123655806), "Lora-2004" OOD (UIC 123658624), "Gold Agro-2005" OOD (UIC 119642703), "Wolf" OOD (UIC 123760892), „Ralitsa 2004“ OOD (UIC 123658631), „Gold Farm 91“ EOOD (UIC 205933500), „Gradus“ AD (UIC 204882907), „Gradus Logistics“ EOOD (UIC 206290911), „Product board for eggs, poultry and rabbit meat“ Partnership (UIC 175066976), Partnership „Association of Biogas Producers“ (BULSTAT 176638405), „Association of Poultry Breeders“ Partnership (UIC 000682444).

Georgi Aleksandrov Babev

1.1. As a general partner - No

1.2. Owns directly more than 25% of the capital of: LG Auto OOD (UIC 205395076)

1.3. Participates in the governing bodies of:

LG Auto OOD (UIC 205395076)

1.4. Audit Committee

Members of the Audit Committee are:

- Dobri Svetlozarov Simeonov - Chair of the Audit Committee;
- Petya Radoslavova Panova – Member of the Audit Committee;
- Georgi Aleksandrov Babev – Member of the Audit Committee.

II. An objective review of the development and operating performance of the Company, as well as its status, together with a description of the main risks faced by it

2.1. Indicators characterizing the operating performance

Being a holding company, Gradus AD carries out no independent commercial activity. The Company's activity is focused on management of subsidiaries and allocating financial resources among them.

Group subsidiaries as at 31 December 2020:

		% share
Lora-2004 EOOD	effective shareholding	100.00
Zhyuliv EOOD	effective shareholding	100.00
Millennium 2000 EOOD	effective shareholding	100.00
Gradus-1 EOOD	effective shareholding	100.00
Gradus-3 AD	effective shareholding through Gradus-1 EOOD	96.00
Gradus-98 AD	effective shareholding	99.94
Gold Farm 91 EOOD	effective shareholding	100.00
Gradus Logistics EOOD	effective shareholding	100.00

The main object of activity of the group of Gradus AD is concentrated in Poultry-farming Sector, except for the companies with object of activity „manufacture of and trading in compound feeding stuff“.

At present, there are no trends and events that have a significant impact on the company's future activity and operating performance.

2.2. Operating results

The net profit of the Company for the period 01 January 2020 – 31 December 2020 amounts to **BGN 11,695 thousand** (for the period 01 January 2019 – 31 December 2019 - a net profit of **BGN 11,911 thousand**).

The results of the Company reported in its financial statements depend directly on the performance of its subsidiaries.

2.2.1. Revenue of the Company:

REVENUE	2020 <i>BGN'000</i>	2019 <i>BGN'000</i>	Relative share for 2020, %
Operating income			
Revenue from services	-	60	-
Dividend income	11 997	11 997	97%
Other income	2	7	-
Finance income			
Interest income	378	494	3%
Total	12 377	12 558	100%

The main income, which has the greatest impact on the current financial result of the Company, originates from distribution of dividends by the subsidiaries, which are as a result of their commercial activity.

Dividend income by companies:

Subsidiary	2020 BGN'000	2019 BGN'000	Relative share, %
Millennium 2000 EOOD	6 500	4 000	54%
Gradus-98 АД	4 897	4 497	40%
Zhyuliv EOOD	100	3 000	1%
Gradus-1 EOOD	300	-	3%
Lora-2004 EOOD	200	500	2%
Total	11 997	11 997	100%

- Interest income relate to loans granted to subsidiaries.

Terms and conditions of loans to subsidiaries:

Subsidiary	Currency	Agreed principal BGN'000	Maturity	Interest %	Balance as at 31 December 2020	Incl. interest	Balance as at 31 December 2019	Incl. interest
„Gradus-3“ AD	BGN	12 000	17.7.2021	1.15%	-	-	8 188	-
	BGN	900	30.12.2020	1.15%	-	-	900	-
	BGN	2 600	16.6.2021	1.15%	1 001	1	-	-
	BGN	470	3.7.2021	1.15%	470	-	-	-
	BGN	500	14.7.2021	1.15%	501	1	-	-
„Gradus-1“ EOOD	BGN	12 000	17.7.2020	0.86%	-	-	1 008	6
	BGN	1 000	14.8.2021	1.15%	-	-	-	1
	BGN	5 400	28.8.2021	1.15%	-	-	354	5
	BGN	3 400	20.12.2021	1.15%	3	3	3 400	1
	BGN	2 500	23.12.2021	1.15%	3	3	2 500	-
	BGN	2 800	27.12.2021	1.15%	4	4	2 800	-
	BGN	3 200	30.12.2021	1.15%	4	4	3 199	-
	BGN	3 400	31.12.2021	1.15%	2 406	6	3 399	-
	BGN	4 300	16.3.2021	1.15%	4 307	8	-	-
	BGN	1 500	24.3.2021	1.15%	1 503	3	-	-
	BGN	1 000	6.4.2021	1.15%	1 002	2	-	-
	BGN	3 400	10.12.2021	1.15%	3 401	2	-	-
	BGN	4 300	13.12.2021	1.15%	4 302	3	-	-
	BGN	4 200	14.12.2021	1.15%	4 201	2	-	-
„Lora-2004“ EOOD	BGN	11 000	17.7.2021	1.15%	9	9	10 599	-
	BGN	6 600	28.10.2021	1.15%	6 613	14	-	-
	BGN	5 000	2.11.2021	1.15%	5 008	9	-	-
„Gradus-98“ AD	BGN	2 500	23.12.2020	1.15%	-	-	2 500	1
	BGN	2 000	16.6.2021	1.15%	2 011	12	-	-
	BGN	1 000	30.10.2021	1.15%	1 002	2	-	-
	BGN	1 000	16.12.2021	1.15%	1 001	1	-	-
Total amount		97 970			38 752	89	38 847	14

The loans granted to subsidiaries are current. The purpose of the loans is to support the development of existing and new business lines, and to finance their operational activity.

2.2.2. Expenses on the company:

EXPENSES	2020 BGN'000	2019 BGN'000	Relative share, for 2020, %
Operating expenses			
<i>Expenses by nature</i>			
Expenses on materials	13	9	2%
Hired service expenses	154	122	23%
Depreciation / amortization expenses	6	2	1%
Expenses on wages and social security payments	494	449	73%
Other expenses	12	69	1%
Total:	679	651	
Finance costs			
Bank charges	3	3	-
Total:	3	3	-
Total operating expenses	682	654	100%

During the reporting period, the remuneration expenses held the highest share of costs.

A detailed breakdown of expenditure can be found in the Notes to the separate financial statement.

2.3. Risk factors for the activity

At present, management of Gradus AD is not aware of any specific trends and events, which would directly influence the Company's future activity.

The Company's risk management identifies and analyses potential risks, to which the Company might be exposed. Different levels of control have been implemented with the aim to ensure effective monitoring of those risks.

Credit risk

Credit risk exists if a loss is generated when a counterparty to a financial instrument is not able to meet its obligations under a contractual term.

The exposure to a credit risk depends on the individual characteristics of each customer. The Company measure the credit risk of loans to related parties using internal valuations that reflect the probability of default. In 2020, the Company granted loans only to related parties – subsidiaries, which reduces the credit risk to a minimum.

Liquidity risk

Liquidity risk is the risk that the Company will have difficulties in fulfilling its obligations related to financial liabilities. The liquidity management approach of the Company aims at ensuring, as far as possible, that there will always be sufficient liquidity to meet its obligations, both under normal and stressful conditions, and without incurring unacceptable losses or harming the reputation of the Company.

Market risk

Market risk is the risk that in case of changes in market prices, such as foreign exchange rates, interest rates or prices of equity instruments, the Company's income or the value of its investments may be affected. At present, this risk is immaterial.

Financial risk management

The overall capital management goal of the Company is to ensure its ability to continue as a going concern and to ensure adequate return to its shareholders.

There were no changes in the capital management goals, policies or processes in the year ending 31 December 2020.

The COVID 19 pandemic –impact, actions taken and effects

On 11 March 2020, the World Health Organization declared a COVID-19 coronavirus pandemic. On 13 March 2020, the National Assembly voted on a state of emergency in Bulgaria, as a result of which measures were introduced to reduce the infection, including work from a home office, temporary closure of schools, universities, restaurants, cinemas, theatres, museums and sports facilities, retailers, with the exception of food retailers, grocery stores and pharmacies.

As a result of the restrictions imposed, the normal functioning of businesses in a number of business sectors was disrupted. The supply of raw materials and materials, forwarding activities to customers and labour supply experienced difficulties. Almost all companies, although to a varying degree, were forced to take certain actions and to implement various measures to readjust the organization of their businesses, work schedules, business communication and other aspects of relationships with contractors, partners and government institutions. The company operates in a sector the normal operation of which was not affected significantly by the restrictive measures being imposed.

The company has sufficient funding to meet its liquidity needs.

The Company's management has not identified areas in the separate financial statements on which the pandemic has had a direct and significant impact and effects, including the valuation of individual assets and liabilities.

III. Analysis of financial and non-financial key performance indicators related to business activity, including information on environmental and personnel-related matters

3.1. Key financial indicators

Aiming at achieving greater efficiency and control on the Company's performance, management monitors certain key performance indicators. These indicators are mainly directed towards the amount of profit, the debt level and efficiency.

Main indicators related to profit, which the Company monitors, are as follows:

- **EBITDA margin (EBITDA/sales)**

	31.12.2020	31.12.2019
EBITDA (earnings before interest, taxes, depreciation and amortisation)	11 326	11 415
Revenue	11 999	12 064
EBITDA margin	94.39%	94.62%

EFFECTIVENESS

- **Cost effectiveness ratio (total expenses /total income)**

	31.12.2020	31.12.2019
Total expenses	682	654
Total income	12 377	12 558
Cost effectiveness	0.06	0.05

- **Revenue effectiveness ratio** (total income /total expenses)

	31.12.2020	31.12.2019
Total income	12 377	12 558
Total expenses	682	654
Revenue effectiveness	18.15	19.20

The analysis of the revenue and costs effectiveness for 2020 reveals that revenue covers fully the company's expenses and thus, the company is able to meet the dividend commitments undertaken and to finance the companies included in the Group's portfolio.

The Company had no financial liabilities as at 31 December 2020. The Company timely pays its current liabilities.

3.2. Non-financial Statement

Gradus AD is a holding company and does not carry out its own production and trading activity, nor it produces or markets its own goods or services. The company's activities are focused on management of subsidiaries and distribution of finance resources among them.

Being a parent entity in a large Group, the Company will draw up and include also a consolidated Non-financial Statement in its consolidated management report.

3.3. Personnel

The average number of staff of Gradus AD at 2020 year-end is 4 employees hired under employment agreements (2019: 4 employees).

All employees of the Company have a higher education degree and qualification that is in conformity with the post occupied.

During the reporting period, the company did not hire temporary workers.

Posts within the Company as at 31 December 2020:

- Investors Relations Director
- Finance Manager
- Risk Manager
- Chief Accountant

The Company provides additional qualification possibilities to improve the professional qualification of its employees.

IV. Important events, which have occurred after the date of preparation of the annual separate financial statements

The Company's management is not aware of any important and significant events, which have occurred after 31 December 2020 that would have an impact on the separate financial statements for the year ended 31 December 2020.

V. Future perspectives of the company

Gradus AD intends to continue to finance its subsidiaries aiming at extending their production capacity and optimising activities. Investments are planned in all segments in which the entities operate. Business software to manage activities is to be implemented.

The company would benefit from each opportunity to invest, if favourable financial conditions exist.

VI. Research and development activities

The Company was not involved in research and development activities in 2020.

VII. Information on the acquisition of treasury shares required by Article 187e of the Commercial Act

Treasury shares were not acquired during the reporting period.

VIII. Branches of the Company

The Company has no branches.

IX. Financial instruments used by the Company

Financial instruments used by the Company as at 31 December 2020:

Financial assets at amortised cost	31.12.2020	31.12.2019
<i>In BGN'000</i>		
Related party receivables	6 127	6 017
Receivables on loans to related parties	38 752	38 847
Cash and cash equivalents	1 473	899
Total:	46 352	45 763

Management of the company assesses the estimated credit risk on financial instruments at each period-end. Parameters affecting the amount of expected credit losses are defined collectively or individually depending on the type and nature of the financial instruments concerned. For further details on the write down of receivables on loans granted and financial instruments, see the accounting policies and notes to the separate financial statements.

X. Additional information pursuant to Appendix 10 of Ordinance 2 of FSC

1. Information given in value or quantitative terms about the main categories of commodities, products and/or provided services, with indication of their share in the revenues from sales of the Company as a whole and the changes that occurred during the reporting fiscal year.

In 2020, the company realized no sales revenue. Revenue information is provided in Section II, item 2.2.1. of this report.

2. Information about the revenue allocated by separate categories of activities, domestic and external markets as well as information about the sources for supply of materials required for the manufacture of commodities or the provision of services with indication of the degree of dependence in relation to any individual seller or buyer/user, where if the share of any of them exceeds 10 per cent of the expenses or revenue from sales, information shall be provided about every person separately about such person's share in the sales or purchases and his relations with the Company.

Information on revenue is disclosed in Section II, point 2.2.1. hereof.

3. Information about concluded large transactions and such of significant importance to the issuer's activity

Large transactions and such of significant importance to the activity of Gradus AD were not concluded in 2020.

4. Information about the transactions concluded between the Company and related parties during the reporting period, proposals for conclusion of such transactions as well as transactions which are outside its usual activity or substantially deviate from the market conditions, to which the Company or its subsidiary is a party, indicating the amount of the transactions, the nature of relatedness and any information necessary for an estimate of the influence over the issuer's financial status;

In 2020 no major transactions of significant importance for the activity of Gradus AD were concluded, with the exception of the loans provided to the subsidiaries, specified in the disclosure notes to the individual annual financial statements. There are no transactions that are outside the normal activity of the issuer or those that significantly deviate from market conditions

5. Information about events and indicators of unusual for the Company nature, having substantial influence over its operation and the realized by its revenue and expenses made; assessment of their influence over the results during the current year;

There were no events and indicators of unusual nature, having substantial influence over the issuer's operations.

6. Information about off-balance sheet transactions – nature and business objective, indication of the financial impact of the transactions on the operation, if the risk and benefits of these transactions are substantial for the assessment of the Company's financial status;

There were no such transactions.

7. Information about holdings of the Company, about its main investments in the country and abroad (in securities, financial instruments, intangible assets and real estate), as well as the investments in equity securities outside its economic group and the sources/ways of financing;

Investments of Gradus AD are in shares of subsidiaries.

The Company owns no real estate.

Information on share participation of Gradus AD is disclosed in Section II, point 2.1. hereof.

8. Information about the concluded by the Company, by its subsidiary or parent undertaking, in their capacity of borrowers, loan contracts with indication of the terms and conditions thereof, including the deadlines for repayment as well as information on the provided guarantees and assuming of liabilities

At 31 December 2020, Gradus AD had no loan payables and was not a party to guarantees provided and liabilities assumed.

9. Information about the concluded by the Company, by its subsidiary or the parent undertaking, in their capacity of lenders, loan contracts, including the provision of guarantees of any type, including to related persons, with indication of the concrete conditions there under, including the deadlines for repayment and the purpose for which they have been granted

Information on the loans provided by the issuer is disclosed in detail in Section II, item 2.2.1. hereof. The purpose of loans provided to subsidiaries is to support the development of existing and new business lines, and to finance the operations of subsidiaries

10. Information on the use of the funds accumulated through a new issue of securities over the reporting period

The Company has not issued a new securities issue over the reporting financial year.

11. Analysis of the ratio between the achieved financial results reflected in the financial statement for the fiscal year, and previously published forecasts for these results

There are no forecasts published by the Company for the respective period.

12. Analysis and assessment of the financial resource management policy with indication of the possibilities for servicing of the liabilities, eventual risks and measures which the issuer has undertaken or is to undertake with a view to their removal

The policy of Gradus AD is directed primarily to management of the subsidiaries included in its portfolio. Free cash is used to finance the companies' operations. At 31 December 2020, the company used no loan funds.

13. Assessment of the possibilities for realization of investment intentions with indication of the amount of available funds, as also of any changes in the financing structure of this activity

The activity of Gradus AD is directed primarily to developing the entities included in its portfolio.

14. Information about occurred during the reporting period changes in the base principles for management of the issuer and its economic group.

In November, Gradus AD incorporated a commercial company with capital of BGN 400,000. The company is in the business of acquiring and renting vehicles. The aim is to ensure the necessary motor vehicles to facilitate the activities of the other subsidiaries. By differentiating this type of activity in a separate company, a higher degree of profiling of the subsidiaries and better conditions for servicing the activity have been achieved.

Gradus AD manages its investments by setting high but achievable objectives in terms of quality, productivity and profitability. Particular attention is paid to environmental protection, human resources development and corporate social responsibility. There were no changes over the reporting period to the basic principles of management of Gradus AD.

15. Information about the main characteristics of the applied by the issuer in the course of preparation of the financial statements internal controls system and risk management system.

The Company has an established internal control and risk management system. Regarding the financial reporting process, financial statements are drawn up in accordance with International Financial Reporting Standards.

The current financial and accounting activity of the company is subject to periodic control and analysis by the management body. The company has implemented a well-established practice for periodic discussion of the current financial performance of the companies included in its strategic investment portfolio with a view to ensuring the implementation of their business programmes and a precise analysis of the possibilities for the implementation of future investment projects.

16. Information on changes in the management and supervisory bodies during the reporting fiscal year.

- There were no changes in the management bodies.
- Changes in the supervisory bodies (Audit Committee):

On 5 June 2020, a regular General Meeting of Shareholders was held, at which the General Meeting voted to dismiss Ms. Radka Dimcheva Peneva as the Acting Chairperson of the Audit Committee. Mr. Dobri Svetlozarov Simeonov was elected as the new Chairman of the Audit Committee.

17. Information on the amount of the remuneration, rewards and/or the benefits of each member of the management and control bodies for the fiscal year under review, paid by the Company and its subsidiaries, irrespective of whether they have been included in the Company's expenses or arise from profit distribution, including:

- a) amounts received and in-kind benefits;
- b) conditional or postponed remuneration over the year, even if the remuneration is due at a later point in time;
- c) amount due by the issuer or its subsidiaries for payment of pensions, retirement benefits or other similar compensation

Information is provided in a separate Report on the Implementation of the Members of the Board of Directors Remuneration Policy.

18. Information about shares of the Company owned by the members of the management and of the control bodies, procurators and the senior management, including shares held by anyone of them separately or as a percent from the shares of each class, as well as provided to them options on securities of the Company by the latter – type and amount of the securities over which the options have been set up, price of exercising of the options, purchase price, if any, and term of the options.

Shares held at 31 December 2020 by the members of the Board of Directors:

Name, father's name, family name	Number of shares	%
Luka Angelov	99 195 645	40.72%
Ivan Angelov	50 312 465	20.65%
Georgi Aleksandrov Babev	0	0%

19. Information about agreements known to the Company (including also after the fiscal year closing) as a result of which changes may occur at a future time in the owned percent of shares or bonds by current shareholders and bondholder.

No such agreements are known.

20. Information about pending court, administrative or arbitration proceedings relating to issuer's liabilities or receivables of an amount of at least 10 percent of its equity

Gradus AD is not a party to pending court, administrative or arbitration proceedings, nor there are any decisions taken or claims to terminate the activity of the company and announce it in liquidation.

21. Contact information of the Investor Relations Director, including telephone number and correspondence address

Commencing 1 January 2020, Marieta Babeva was appointed on the position of Investors Relation Director, 0883 773 993

ir@gradusbg.com

Sofia, 110B Simeonovsko Shosse Boulevard, floor 4, office 22

19 March 2021

EXECUTIVE DIRECTOR:

/Ivan Angelov/

CHAIRMAN OF BD:

/Luka Angelov/