

## MINUTES

### FROM THE REGULAR SESSION OF THE ANNUAL GENERAL ASSEMBLY OF THE SHAREHOLDERS OF ADVANCE TERRAFUND REIT,

held on 16<sup>th</sup> of May 2013, in the city of Sofia, 1 Zlatovruh Str., at 12.00 noon.

On this May 16<sup>th</sup> 2013, at 12.45 p.m., Borislav Vitinov – Chairman of the Board of Directors (BD) of ADVANCE TERRAFUND REIT, opened the regular session of the annual General Assembly of the Shareholders (GAS) of the Company. The same announced to the present shareholders or their proxies the number of represented shares as of 12.40 p.m. according to the List of Shareholders registered for participation in GAS. Mr. Vitinov ascertained the following findings about the regularity and legality of the convocation of GAS and about the present quorum of the Assembly:

1) This first meeting of GAS is convened legally in compliance with the requirements of the Commerce Act and the Articles of Association of the Company and as of 12.40 p.m. on 16 May 2013 at the location of convocation of the Assembly 48,323,336 /forty-eight million three hundred and twenty-three thousand three hundred and thirty-six/ voting shares out of a total of 85,110,091 /eighty-five million one hundred and ten thousand and ninety-one/ voting shares were represented, which amounts to 56.78% /fifty-six point seventy-eight per cent/ of the share capital of ADVANCE TERRAFUND REIT. Pursuant to Art. 227 of the Commerce Act as well as in compliance with Art. 39, para.1 of the Articles of Association of the Company, this meeting of GAS is legal with a quorum of over a half of the total number of shares of the company, therefore the meeting is legally convened with the present quorum and it may commence its work and make valid decisions under the items of the Agenda.

2) 13 /thirteen/ proxies, representing 24 /twenty-four/ shareholders of the Company, attend GAS.

3) Two of the three members of the Board of Directors of the Company attend the meeting- Borislav Vitinov and Radoslav Manolov. The third Board member – Mr. Nencho Penev - is absent due to personal reasons. The Investor Relations Director – Atanas Dimitrov and the Chairman of the Audit Committee of the Company – Kamen Kamenov attend GAS.

Borislav Vitinov made the following proposals regarding the organization to hold the General Assembly of Shareholders:

- **1) PROPOSAL:** A proposal was made to admit the following persons to attend the meeting:
- Anita Nikolova - with a view to better technical security of the meeting;
- the Investor Relations Director – Atanas Dimitrov, as well as the Chairman of the Audit Committee – Kamen Kamenov;
- Adel Alhamzah – an employee of the shareholder “IFC”, not authorized to represent “IFC at the meeting;

#### VOTING RESULTS:

“FOR”	- 48,323,336 shares (100% of the represented capital);
“AGAINST”	- none;
“ABSTAINED”	- none;

**- GAS DECISION: ADMITS THE FOLLOWING PERSONS TO ATTEND THE MEETING:**

- Anita Nikolova - with a view to better technical security of the meeting;
- the Investor Relations Director – Atanas Dimitrov, as well as the Chairman of the Audit Committee – Kamen Kamenov;
- Adel Alhamzah – an employee of the shareholder “IFC”, not authorized to represent “IFC at the meeting;

**No objections regarding the voting or the voting results were voiced.**

**2) PROPOSAL:** Election of Chairman, Secretary and Tellers for the session:

- Borislav Vitanov to be elected Chairman;
- The shareholder Bistra Kotseva to be elected Secretary;
- Tsvetozara Tsvetanova and Anita Nikolova to be elected Tellers;

Due to the absence of other proposals regarding the organization to hold the meeting, Borislav Vitanov made a proposal regarding the „en bloc” (joint) voting on the submitted proposals:

*Adopting the proposals for Chairman, Secretary and Tellers for the meeting.*

**VOTING RESULTS:**

“FOR”	- 48,323,336 shares (100% of the represented capital);
“AGAINST”	- none;
„ABSTAINED”	- none

**GAS DECISION:** ADOPTS the proposals for Chairman, Secretary and Tellers for the meeting.

**No objections regarding the voting or the voting results were voiced.**

The Chairman of the Assembly announced to the shareholders that the agenda of the assembly was set in accordance with a decision of Board of Directors of the Company to convene a regular annual general assembly of the shareholders, as it was indicated in the invitation for convocation of the general assembly of the shareholders, announced in the Commercial Register and there are no other draft-decision proposals in compliance with the requirements of applicable laws and the Articles of Association of the Company.

The Chairman of the Assembly initiated the voting on the Agenda in accordance with the announced invitation.

**VOTING RESULTS:**

“FOR”	- 48,323,336 shares (100% of the represented capital);
“AGAINST”	- none;
“ABSTAINED”	- none;

**GAS DECISION: THE GENERAL ASSEMBLY TO BE HELD IN ACCORDANCE WITH THE FOLLOWING AGENDA:**

1. Report on the activities of the Company for 2012;
2. Acceptance of the Report of the Certified Accountant on the certified annual financial statements for 2012;
3. Approval of the certified annual financial statements of the Company for 2012 and making a decision for payment of dividends;
4. Appointing a certified accountant (registered auditor) for certification of the annual financial statements of the Company for 2013;
5. Releasing from liability the members of Board of Directors of the Company for their activities in 2012;
6. Accepting the Report of the Audit Committee on its activities in 2012;
7. Re-electing the members and the chairperson of the Audit Committee of the Company for a mandate of three years and determining its remuneration;
8. Report of the Investor Relations Director on his/her activities;
9. Miscellaneous

**No objections regarding the voting or the voting results were voiced.**

The Chairman of the assembly initiated the discussions and the voting on the items in the announced and voted Agenda as follows:

**Under Item 1:**

The Report on the activities of the Company for 2012 was presented to all shareholders.

The Chairman of the Assembly proposed to GAS to vote on the draft-decision under Item 1 of the Agenda, proposed by the Board of Directors, namely to accept the Activity Report of the Company for 2012. No other draft-decision proposals under this Item of the Agenda were made.

***PROPOSAL:*** GAS accepts the Report on the activity of the Company for 2012.

**VOTING RESULTS:**

“FOR”	- 48,323,336 shares (100% of the represented capital);
“AGAINST”	- none;
“ABSTAINED”	- none;

**GAS DECISION:** ACCEPTS the Report on the activities of the Company for 2012.

**No objections regarding the voting or the voting results were voiced.**

**Under Item 2:**

The Report of the Registered Auditor on the certified annual financial statements of the Company for 2012 was made available to all shareholders.

The Chairman of the Assembly proposed to GAS to vote the draft-decision under Item 2 of the Agenda proposed by the Board of Directors, namely to accept the Report of the Registered Auditor on the certified annual financial statements for 2012. No other draft-decision proposals under this Item of the Agenda were made.

**PROPOSAL:** GAS accepts the Report of the Registered Auditor on the certified annual financial statements for 2012.

**VOTING RESULTS:**

“FOR” - 48,323,336 shares (100% of the represented capital)  
“AGAINST” - none;  
“ABSTAINED” - none;

**No objections regarding the voting or the voting results were voiced.**

**GAS DECISION:** ACCEPTS the Report of the Registered Auditor on the certified annual financial statements of the Company for 2012.

**Under Item 3:**

The certified annual financial statements of the Company for 2012 were made available to all shareholders. The profit realized by the Company for financial year 2012, determined pursuant to Art.10, paragraph 3 of the Law on the Special Purpose Investment Companies, amounts to BGN 41,985,391.15 /forty-one million nine hundred and eighty-five thousand three hundred and ninety-one point fifteen/.

The Chairman of the Assembly proposed to GAS to vote the draft-decision under Item 3 of the Agenda proposed by BD, namely to approve the certified annual financial statements for 2012 and 99.94% of the profit for financial year 2012, determined pursuant to Art. 10, paragraph 3 of the Law on the Special Investment Purpose Companies and in compliance with the requirements of article 247a of the Commerce Act at BGN 41,985,391.15 to be distributed as dividends and sets a gross dividend of BGN 0.493 per share of the capital of the Company.

No other draft-decision proposals under this Item of the Agenda were made.

**PROPOSAL:** GAS approves the certified annual financial statements for 2012;

**VOTING RESULTS:**

“FOR” - 48,323,336 shares (100% of the represented capital)  
“AGAINST” - none;  
“ABSTAINED” - none;

**GAS DECISION:** APPROVES the certified annual financial statements of the Company for 2012;

**No objections regarding the voting or the voting results were voiced.**

**PROPOSAL:** 99.94% of the profit for financial year 2012, determined pursuant to Art. 10, paragraph 3 of the Law on the Special Investment Purpose Companies amounting to BGN 41,985,391.15, to be distributed as dividend in compliance with the requirements of article 247a of the Commerce Act, determining gross dividend amounting to BGN 0.493 per share of the capital of the Company.

**VOTING RESULTS:**

“FOR” - 48,323,336 shares (100% of the represented capital);

“AGAINST” - none;  
“ABSTAINED” - none;

**GAS DECISION:** 99.94% of the profit for financial year 2012, determined pursuant to Art.10, paragraph 3 of the Law on the Special Investment Purpose Companies amounting to BGN 41,985,391.15, to be distributed as dividend in compliance with the requirements of article 247a of the Commerce Act, determining gross dividend amounting to BGN 0.493 per share of the capital of the Company.

The payment of dividend to the shareholders will be made within the term under Art. 10, paragraph 2 of LSPIC and through Central Depository AD in compliance with the requirements of LSPIC and the acts for its application.

**No objections regarding the voting or the voting results were voiced.**

The Chairman of Board of Directors and Chair of the meeting of GAS Mr. Borislav Vitanov informed the shareholders that in compliance with the cash flows and estimates of the Company, the Board of Directors plans to effect payment of the dividend voted by GAS till the end of June 2013.

#### **Under Item 4:**

The Chairman of the Assembly informed the shareholders about the proposal of Board of Directors recommended by the Audit Committee to appoint Deloitte Audit OOD as auditor to certify the annual financial statements of the Company for 2013. Deloitte Audit OOD Bulgaria is part of the international audit and consultancy group Deloitte Touche Tohmatsu. No other draft-decision proposals under this Item of the Agenda were made.

Before the start of the voting procedure on the proposal under this item, the shareholder Nachko Velichkov Chalmanov left the General Assembly of the Shareholders. The Chairman of the Assembly ascertained that in view of the shares held by Mr Chalmanov, the quorum of the meeting should be reduced and as of this moment, 48,222,665 /forty-eight million two hundred and twenty-two thousand six hundred and sixty five/ shares of the capital of the Company are present, amounting to 56. 659 % of the capital. The assembly still has quorum and can make valid decisions.

The Chairman of the Assembly proposed to GAS to vote the draft-decision under Item 4 of the Agenda, namely that Deloitte Audit OOD to be appointed as auditor for the annual financial statements of the Company.

**PROPOSAL:** *GAS appoints the registered auditor proposed by BD at the recommendation of the Audit Committee – Deloitte Audit OOD - to certify the annual financial statements for 2013.*

#### **VOTING RESULTS:**

“FOR” - 48,222,665 shares (100% of the represented capital);  
“AGAINST” - none;  
“ABSTAINED” - none);

**GAS DECISION:** APPOINTS Deloitte Audit OOD as auditor to make a review and to certify the annual financial statements of ADVANCE TERRAFUND REIT as of 31/12/2013.

**No objections regarding the voting or the voting results were voiced.**

### **Under Item 5:**

The Chairman of the Assembly proposed to GAS to vote the draft-decision under Item 5 of the Agenda proposed by BD, namely to release from liability for their activities in 2012 the members of Board of Directors of the Company. No other draft-decision proposals under this Item of the Agenda were made.

**PROPOSAL:** *GAS releases from liability for their activities in 2012 the members of BD of the Company.*

#### **VOTING RESULTS:**

“FOR”	- 48,222,665 shares (100% of the represented capital);
“AGAINST”	- none;
“ABSTAINED”	- none;

**GAS DECISION:** RELEASES from liability for their activities in 2012 the members of Board of Directors of the Company.

**No objections regarding the voting or the voting results were voiced.**

### **Under Item 6:**

The Report of the Audit Committee on its activities in 2012 was made available to all shareholders.

There were no questions by the shareholders on the Report of the Audit Committee. No other draft-decision proposals under this Item of the Agenda were made.

The Chairman of the Assembly proposed to GAS to vote the draft-decision under Item 6 of the Agenda proposed by the Board of Directors, namely to accept the Report of the Audit Committee on its activities in 2012.

**PROPOSAL:** *GAS accepts the Report of the Audit Committee on its activities in 2012;*

#### **VOTING RESULTS:**

“FOR”	- 48,222,665 shares (100% of the represented capital);
“AGAINST”	- none;
“ABSTAINED”	- none;

**GAS DECISION:** ACCEPTS the Report of the Audit Committee on its activity in 2012.

**No objections regarding the voting or the voting results were voiced.**

### **Under Item 7:**

The Chairman of the Assembly informed the shareholders of the proposal of the Board of Directors to re-elect/appoint an Audit Committee of the Company for a mandate of three years as follows: 1. Kamen Petrov Kamenov – Chairperson of the Audit Committee and independent member; 2. Members of the Audit Committee – the members of the Board of Directors of the Company; Determines the annual remuneration of the Chairperson of the Audit Committee to the amount of BGN 3,000 /three thousand/.

**PROPOSAL:** GAS re-elects/ appoints an Audit Committee of the Company for a mandate of three years as follows: 1. Kamen Petrov Kamenov – Chairperson of the Audit Committee and independent member; 2. Members of the Audit Committee – the members of the Board of Directors of the Company.

**VOTING RESULTS:**

“FOR” - 48,222,665 shares (100% of the represented capital);  
“AGAINST” - none;  
“ABSTAINED” - none;

**GAS DECISION:** Re-elects/appoints an Audit Committee of the Company for a mandate of three years as follows: 1. Kamen Petrov Kamenov – Chairperson of the Audit Committee and independent member; 2. Members of the Audit Committee – the members of the Board of Directors of the Company.

**No objections regarding the voting or the voting results were voiced.**

**PROPOSAL:** GAS determines the annual remuneration of the Chairperson of the Audit Committee to the amount of BGN 3,000.

**VOTING RESULTS:**

“FOR” - 48,222,665 shares (100% of the represented capital);  
“AGAINST” - none;  
“ABSTAINED” - none;

**GAS DECISION:** Determines the annual remuneration of the Chairperson of the Audit Committee to the amount of BGN 3,000 /three thousand/.

**No objections regarding the voting or the voting results were voiced.**

**Under Item 8:**

The Report of the Investor Relations Director on his/her activities for 2012 was made available to all shareholders. There were no questions by the shareholders on the Report.

The Chairman of the Assembly proposed to GAS to vote on the draft decision under Item 8 of the Agenda, namely to accept the Report of the Investor Relations Director on his/her activities for 2012. No other draft-decision proposals under this Item of the Agenda were made.

**PROPOSAL:** GAS accepts the Report of the Investor Relations Director on his/her activities for 2012.

**VOTING RESULTS:**

“FOR” - 48,222,665 shares(100% of the represented capital);  
“AGAINST” - none;  
“ABSTAINED” - none;

**GAS DECISION:** ACCEPTS the Report of the Investor Relations Director on his/her activities for 2012.

**No objections regarding the voting or the voting results were voiced.**

**Under Item 9: Miscellaneous**

The shareholders were recognized to raise questions before the Board of Directors of the Company. All raised questions regarding the economic and financial standing and business operations of the Company were given detailed and comprehensive answers by the Executive Director – Mr. Radoslav Manolov and by the Chairman of the Board of Directors – Mr. Borislav Vitanov;

**With this, the Agenda was exhausted and the Chairman of the Assembly announced its closure at 1.15 p.m.**

**CHAIRMAN:** *sgd.ill.*  
/Borislav Vitanov/

**SECRETARY:** *sgd.ill.*  
/Bistra Kotseva/

**TELLERS:**  
  
*sgd.ill.*  
/Tsvetozara Tsvetanova/

*sgd.ill.*  
/Anita Nikolova/

*I, the undersigned Iva Antonova Ganeva, hereby certify that the English text attached hereto is, to the best of my ability, knowledge and belief, true, complete and correct translation from Bulgarian of the original document: Minutes from the regular session of the annual general assembly of the shareholders of Advance Terrafund REIT dated 16 May 2013. The translation comprises 8 pages.*

*Translator:*

*Iva Antonova Ganeva*