

## MINUTES

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

held on 29<sup>th</sup> of June 2018, in the city of Sofia, 1 Zlatovruh Str., at 12.00 noon.

On this 29<sup>th</sup> of June 2018, at 12:05, Borislav Vitanov – 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 at 12:05. according to the List of Shareholders – persons with voting rights listed as such in the Central Depository AD registers or their representatives, registered for participation in GAS. Mr. Vitanov 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, the Law on Public Offering of Securities and the Articles of Association of the Company and as of 12:05 on 29 June 2018 at the location of convocation of the Assembly 48,565,724 voting shares out of a total of 85,110,091 voting shares were represented, which amounts to 57.06 % 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) 8 proxies, representing 16 shareholders of the Company, attend GAS.

3) All three members of the Board of Directors of the Company attend the meeting- Borislav Vitanov, Radoslav Manolov and Nencho Penev. The Investor Relations Director – Atanas Dimitrov as well as the members of the Audit Committee of the Company – Kamen Kamenov, Zhechko Dimitrov, and Petar Doynov attend GAS.

Borislav Vitanov 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, Svetla Vladimirova, and Demetra Rohova- with a view to better technical security of the meeting;
- the Investor Relations Director – Atanas Dimitrov, the members of the Audit Committee of the Company – Kamen Kamenov, Zhechko Dimitrov, and Petar Doynov.

#### VOTING RESULTS:

*Voted „FOR” - 48565724 votes (100% of the presented capital or 57.06 % of the company capital and the persons with voting rights);*

*Voted „AGAINST” - 0 votes;*

*„ABSTAINED” - 0 votes;*

**NUMBER OF SHARES WITH ACTUAL VOTES** – 48565724 shares, representing 100% of shares represented at the meeting or 57.06 % of the company capital and the persons with voting rights);

**TOTAL NUMBER OF ACTUAL VOTES** – 48565724 votes, representing 100% of the persons with voting rights represented at the meeting or 57.06 % of the company capital and the persons with voting rights);

**TOTAL NUMBER OF VOTES EXERCISED THROUGH REPRESENTATIVES** – 46702265 votes;

- **GAS DECISION: ADMITS THE FOLLOWING PERSONS TO ATTEND THE MEETING:** Anita Nikolova, Svetla Vladimirova, and Demetra Rohova- with a view to better technical security of the meeting;
- the Investor Relations Director – Atanas Dimitrov, the members of the Audit Committee of the Company – Kamen Kamenov, Zhechko Dimitrov and, Petar Doynov

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

**2) PROPOSAL:** Election of management for the session:

- Borislav Vitanov to be elected Chairman;
- The shareholder Yavor Dimov to be elected Secretary;
- Svetla Vladimirova 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:

**VOTING RESULTS:**

**Voted „FOR”** - 48565724 votes (100% of the presented capital or 57.06 % of the company capital and the persons with voting rights);

**Voted „AGAINST”** - 0 votes;

**„ABSTAINED”** - 0 votes;

**NUMBER OF SHARES WITH ACTUAL VOTES** – 48565724 shares, representing 100% of shares represented at the meeting or 57.06 % of the company capital and the persons with voting rights);

**TOTAL NUMBER OF ACTUAL VOTES** – 48565724 votes, representing 100% of the persons with voting rights represented at the meeting or 57.06 % of the company capital and the persons with voting rights);

**TOTAL NUMBER OF VOTES EXERCISED THROUGH REPRESENTATIVES** – 46702265 votes;

**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.

**AGENDA:**

**1. Report on the activities of the company for 2017; draft decision** – the GA adopts the report on the activities of the company for 2017.

**2. Acceptance of the Certified Accountant's Report on the certified annual financial statements for 2017; draft decision**– GA adopts the Certified Accountant's Report on the annual financial statements for 2017.

**3. Approval of the certified financial statements for 2017; draft decision** – GA approves the certified financial statements for 2017.

**4. Making a decision for payment of dividends; draft decision** – GA adopts the proposal of the Board of Directors for **90.9375%** of the profit for financial year 2017 determined following the procedure set out in Article 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 9 920 733.14** to be distributed as dividends and sets a gross dividend of **BGN 0.106** per share of the capital of the Company.

**5. Appointing a Certified Accountant /registered auditor/ for certification of the annual financial statements for 2018; draft decision** – GA appoints the proposed by the Board of Directors at the recommendation of the Audit Committee certified accountant – registered auditor Ernst & Young Audit OOD, to attest the annual financial report of the Company for 2018.

**6 Releasing from liability the members of the Board of Directors for their activities in 2017; draft decision** – GA releases the members of the Board of Directors from liability for their activity in 2017.

**7. Accepting the report of the Audit Committee on its activities in 2017; draft decision** - GA accepts the report of the Audit Committee on its activities in 2017;

**8. Electing members of the Audit Committee for a term of two years and determining their remuneration; draft decision** – GA re-elects/appoints an Audit Committee of the Company for a new mandate of two years, comprising: 1. Kamen Petrov Kamenov; 2. Zhechko Dimitrov Petrov; and 3. Petar Doynov Doynov. Determines the annual remuneration of the Chairperson of the Audit Committee to the amount of BGN 5,000 and the remuneration of the members of the Audit Committee to the amount of BGN 2,000;

**9. Report of the Investor Relations Director on his/her activities in 2017; draft decision** – GA accepts the report of the Investor Relations Director;

**10. Miscellaneous**

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 2017 was presented to all shareholders.

No other draft-decision proposals under this Item of the Agenda were made. Questions on the Activity Report of the Company for 2017 were not raised.

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 2017.

**PROPOSAL:** *GAS accepts the Report on the activity of the Company for 2017.*

**VOTING RESULTS:**

*Voted „FOR” - 48565724 votes (100% of the presented capital or 57.06 % of the company capital and the persons with voting rights);*

*Voted „AGAINST” - 0 votes;*

*„ABSTAINED” - 0 votes;*

**NUMBER OF SHARES WITH ACTUAL VOTES** – *48565724 shares, representing 100% of shares represented at the meeting or 57.06 % of the company capital and the persons with voting rights);*

**TOTAL NUMBER OF ACTUAL VOTES** – *48565724 votes, representing 100% of the persons with voting rights represented at the meeting or 57.06 % of the company capital and the persons with voting rights);*

**TOTAL NUMBER OF VOTES EXERCISED THROUGH REPRESENTATIVES** – *46702265 votes;*

**GAS DECISION:** ACCEPTS the Report on the activities of the Company for 2017.

**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 2017 was made available to all shareholders.

No other draft-decision proposals under this Item of the Agenda were made. Questions on the certified annual financial statements for 2017 were not raised.

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 2017.

**PROPOSAL:** *GAS accepts the Report of the Registered Auditor on the certified annual financial statements for 2017.*

**VOTING RESULTS:**

*Voted „FOR” - 48565724 votes (100% of the presented capital or 57.06 % of the company capital and the persons with voting rights);*

*Voted „AGAINST” - 0 votes;*

*„ABSTAINED” - 0 votes;*

**NUMBER OF SHARES WITH ACTUAL VOTES** – *48565724 shares, representing 100% of shares represented at the meeting or 57.06 % of the company capital and the persons with voting rights);*

**TOTAL NUMBER OF ACTUAL VOTES** – *48565724 votes, representing 100% of the persons with voting rights represented at the meeting or 57.06 % of the company capital and the persons with voting rights);*



**TOTAL NUMBER OF VOTES EXERCISED THROUGH REPRESENTATIVES** – 46702265 votes;

**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 2017.

**Under Item 3:**

The certified annual financial statements of the Company for 2017 were made available to all shareholders.

No other draft-decision proposals under this Item of the Agenda were made. Questions on the certified annual financial statements for 2017 were not raised.

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 2017.

**PROPOSAL:** GAS approves the certified annual financial statements for 2017;

**VOTING RESULTS:**

**Voted „FOR”** - 48565724 votes (100% of the presented capital or 57.06 % of the company capital and the persons with voting rights);

**Voted „AGAINST”** - 0 votes;

**„ABSTAINED”** - 0 votes;

**NUMBER OF SHARES WITH ACTUAL VOTES** – 48565724 shares, representing 100% of shares represented at the meeting or 57.06 % of the company capital and the persons with voting rights);

**TOTAL NUMBER OF ACTUAL VOTES** – 48565724 votes, representing 100% of the persons with voting rights represented at the meeting or 57.06 % of the company capital and the persons with voting rights);

**TOTAL NUMBER OF VOTES EXERCISED THROUGH REPRESENTATIVES** – 46702265 votes;

**GAS DECISION:** APPROVES the certified annual financial statements of the Company for 2017;

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

**Under Item 4:**

The certified annual financial statements of the Company for 2017 were made available to all shareholders. The profit realized by the Company for financial year 2017, determined pursuant to Art. 10, paragraph 3 of the Law on the Special Purpose Investment Companies, amounts to BGN 9 920 733.14.

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 4 of the Agenda proposed by BD, namely 90.9375% of the profit for financial year 2017, 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 9 920 733.14 to be distributed as dividends and sets a gross dividend of BGN 0.106 per share of the capital of the Company.

**PROPOSAL:** 90.9375% of the profit for financial year 2017, 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 9 920 733.14 to be distributed as dividends and sets a gross dividend of BGN 0.106 per share of the capital of the Company;

**VOTING RESULTS:**

**Voted „FOR”** - 48565724 votes (100% of the presented capital or 57.06 % of the company capital and the persons with voting rights);

**Voted „AGAINST”** - 0 votes;

**„ABSTAINED”** - 0 votes;

**NUMBER OF SHARES WITH ACTUAL VOTES** – 48565724 shares, representing 100% of shares represented at the meeting or 57.06 % of the company capital and the persons with voting rights);

**TOTAL NUMBER OF ACTUAL VOTES** – 48565724 votes, representing 100% of the persons with voting rights represented at the meeting or 57.06 % of the company capital and the persons with voting rights);

**TOTAL NUMBER OF VOTES EXERCISED THROUGH REPRESENTATIVES** – 46702265 votes;

**GAS DECISION:** accepts the BD proposal for 90.9375% of the profit for financial year 2017, 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 9 920 733.14 to be distributed as dividends and sets a gross dividend of BGN 0.106 per share of the capital of the Company;

**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 by the end of August 2018.

**Under Item 5:**

The Chairman of the Assembly informed the shareholders about the proposal of Board of Directors recommended by the Audit Committee to appoint Ernst & Young Audit OOD as auditor to certify the annual financial statements of the Company for 2018. 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 5 of the Agenda, namely that Ernst & Young Audit OOD to be appointed as auditor for the annual financial statements of the Company for 2018.

**PROPOSAL:** GAS appoints the registered auditor proposed by BD at the recommendation of the Audit Committee – Ernst & Young Audit OOD - to certify the annual financial statements for 2018.

**VOTING RESULTS:**

**Voted „FOR”** - 48565724 votes (100% of the presented capital or 57.06 % of the company capital and the persons with voting rights);

*Voted „AGAINST” - 0 votes;*

*„ABSTAINED” - 0 votes;*

**NUMBER OF SHARES WITH ACTUAL VOTES** – 48565724 shares, representing 100% of shares represented at the meeting or 57.06 % of the company capital and the persons with voting rights);

**TOTAL NUMBER OF ACTUAL VOTES** – 48565724 votes, representing 100% of the persons with voting rights represented at the meeting or 57.06 % of the company capital and the persons with voting rights);

**TOTAL NUMBER OF VOTES EXERCISED THROUGH REPRESENTATIVES** – 46702265 votes;

**GAS DECISION:** APPOINTS Ernst & Young Audit OOD as auditor to make a review and to certify the annual financial statements of ADVANCE TERRAFUND REIT for 2018.

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

**Under Item 6:**

The Chairman of the Assembly proposed to GAS to vote the draft-decision under Item 6 of the Agenda proposed by BD, namely to release from liability for their activities in 2017 the members of Board of Directors of the Company.

Questions on this Item of the Agenda were not raised. No other draft-decision proposals under this Item of the Agenda were made.

**PROPOSAL:** GAS releases from liability for their activities in 2017 the members of BD of the Company.

**VOTING RESULTS:**

*Voted „FOR” - 48565724 votes (100% of the presented capital or 57.06 % of the company capital and the persons with voting rights);*

*Voted „AGAINST” - 0 votes;*

*„ABSTAINED” - 0 votes;*

**NUMBER OF SHARES WITH ACTUAL VOTES** – 48565724 shares, representing 100% of shares represented at the meeting or 57.06 % of the company capital and the persons with voting rights);

**TOTAL NUMBER OF ACTUAL VOTES** – 48565724 votes, representing 100% of the persons with voting rights represented at the meeting or 57.06 % of the company capital and the persons with voting rights);

**TOTAL NUMBER OF VOTES EXERCISED THROUGH REPRESENTATIVES** – 46702265 votes;

**GAS DECISION:** RELEASES from liability for their activities in 2017 the members of Board of Directors of the Company.

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

### **Under Item 7:**

The Report of the Audit Committee on its activities in 2017 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 7 of the Agenda proposed by the Board of Directors, namely to accept the Report of the Audit Committee on its activities in 2017.

**PROPOSAL:** *GAS accepts the Report of the Audit Committee on its activities in 2017;*

#### **VOTING RESULTS:**

*Voted „FOR” - 48565724 votes (100% of the presented capital or 57.06 % of the company capital and the persons with voting rights);*

*Voted „AGAINST” - 0 votes;*

*„ABSTAINED” - 0 votes;*

*NUMBER OF SHARES WITH ACTUAL VOTES – 48565724 shares, representing 100% of shares represented at the meeting or 57.06 % of the company capital and the persons with voting rights);*

*TOTAL NUMBER OF ACTUAL VOTES – 48565724 votes, representing 100% of the persons with voting rights represented at the meeting or 57.06 % of the company capital and the persons with voting rights);*

*TOTAL NUMBER OF VOTES EXERCISED THROUGH REPRESENTATIVES – 46702265 votes;*

**GAS DECISION:** ACCEPTS the Report of the Audit Committee on its activity in 2017.

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

### **Under Item 8:**

The Chairman of the Assembly informed the shareholders about the proposal of the BD on re-electing/appointing an Audit Committee for a new term of two years, comprising: 1. Kamen Petrov Kamenov; 2. Zhechko Dimitrov Petrov; and 3. Petar Doynov Doynov and determining the annual remuneration of the Chairperson of the Audit Committee to the amount of BGN 5,000 and the remuneration of the members of the Audit Committee to the amount of BGN 2,000.

Questions on this Item of the Agenda were not raised. 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 8 of the Agenda, namely re-electing/appointing an Audit Committee for a new term of two years, comprising: 1. Kamen Petrov Kamenov; 2. Zhechko Dimitrov Petrov; and 3. Petar Doynov Doynov and determining the annual remuneration of the Chairperson of the Audit Committee to the amount of BGN 5,000 and the remuneration of the members of the Audit Committee to the amount of BGN 2,000.



**PROPOSAL:** GAS re-elects/appoints an Audit Committee for a new term of two years, comprising: 1. Kamen Petrov Kamenov; 2. Zhechko Dimitrov Petrov; and 3. Petar Doynov Doynov and determines the annual remuneration of the Chairperson of the Audit Committee to the amount of BGN 5,000 and the remuneration of the members of the Audit Committee to the amount of BGN 2,000.

**VOTING RESULTS:**

*Voted „FOR” - 48565724 votes (100% of the presented capital or 57.06 % of the company capital and the persons with voting rights);*

*Voted „AGAINST” - 0 votes;*

*„ABSTAINED” - 0 votes;*

*NUMBER OF SHARES WITH ACTUAL VOTES – 48565724 shares, representing 100% of shares represented at the meeting or 57.06 % of the company capital and the persons with voting rights);*

*TOTAL NUMBER OF ACTUAL VOTES – 48565724 votes, representing 100% of the persons with voting rights represented at the meeting or 57.06 % of the company capital and the persons with voting rights);*

*TOTAL NUMBER OF VOTES EXERCISED THROUGH REPRESENTATIVES – 46702265 votes;*

**GAS DECISION:** Re-elects/appoints an Audit Committee for a new term of two years, comprising: 1. Kamen Petrov Kamenov; 2. Zhechko Dimitrov Petrov; and 3. Petar Doynov Doynov and determines the annual remuneration of the Chairperson of the Audit Committee to the amount of BGN 5,000 and the remuneration of the members of the Audit Committee to the amount of BGN 2,000.

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

**Under Item 9:**

The Report of the Investor Relations Director on his activities for 2017 was made available to all shareholders. There were no questions by the shareholders on the Report.

Questions on this Item of the Agenda were not raised. No other draft-decision proposals under this Item of the Agenda were made.

The Chairman of the Assembly proposed to GAS to vote on the draft decision under Item 9 of the Agenda, namely to accept the Report of the Investor Relations Director on his activities for 2017.

**PROPOSAL:** GAS accepts the Report of the Investor Relations Director on his/her activities for 2017.

**VOTING RESULTS:**

*Voted „FOR” - 48565724 votes (100% of the presented capital or 57.06 % of the company capital and the persons with voting rights);*

*Voted „AGAINST” - 0 votes;*

*„ABSTAINED” - 0 votes;*

**NUMBER OF SHARES WITH ACTUAL VOTES** – 48565724 shares, representing 100% of shares represented at the meeting or 57.06 % of the company capital and the persons with voting rights);

**TOTAL NUMBER OF ACTUAL VOTES** – 48565724 votes, representing 100% of the persons with voting rights represented at the meeting or 57.06 % of the company capital and the persons with voting rights);

**TOTAL NUMBER OF VOTES EXERCISED THROUGH REPRESENTATIVES** – 46702265 votes;

**GAS DECISION:** ACCEPTS the Report of the Investor Relations Director on his activities for 2017.

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

**Under Item 10: 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 12:35.**

**CHAIRMAN:** \_\_\_\_\_  
/Borislav Vitanov/

**SECRETARY:** \_\_\_\_\_  
/Yavor Dimov/

**TELLERS:**  
\_\_\_\_\_  
/Svetla Vladimirova/

\_\_\_\_\_  
/Anita Nikolova/