

## **Invitation to a Regular Annual General Meeting of Korado-Bulgaria AD**

Dear Shareholders and Vote-Holders,

The Supervisory Board of Korado-Bulgaria AD, a joint-stock company incorporated and existing under the laws of the Republic of Bulgaria, having its seat and address of management at: Strazhitsa, 28, Gladstone St., registered with the Commercial Registry at the Registry Agency under Uniform Identification Code 814190902, and having its official web-site on the Internet at <http://korado.bg> (hereinafter referred to as the “**Supervisory Board**” and the “**Company**”, respectively) took a resolution for convening a regular annual session of the General Meeting of the Company (hereinafter referred to as the “**General Meeting**”), on the grounds of Art. 251, Par. 1 of the Law on Commerce and Art. 53, Par. 1 of the Articles of Association of the Company.

In performance of the resolution, the Supervisory Board does hereby invite you to attend the General Meeting, which will have the following unique event identification code: KBGRGM20240619. The General Meeting will be held on 19 June 2024 at 11:00 a.m. Eastern European Summer Time – EEST (8:00 a.m. coordinated universal time – UTC) at the following address: Strazhitsa, 28, Gladstone St., with the following agenda and draft-resolutions:

**1. Approval of the certified annual financial report of the Company for the year 2023 (including the Report on the implementation of the Policy for the remuneration of the members of the Company's councils for the year 2023, constituting an independent document to the annual financial report of the Company for the year 2023)**

*Draft decision:* "The General Meeting approves the certified annual financial report of the Company for the year 2023 (including the Report on the implementation of the Policy for the remuneration of the members of the Company's councils for the year 2023, constituting an independent document to the annual financial report of the Company for the year 2023)"

**2. Approval of the report of the Management Board on the Company's activities in 2023**

*Draft decision:* "The General Meeting approves the report of the Management Board on the Company's activities in 2023"

**3. Acceptance of the report of the registered auditor on the certification of the annual financial statements of the Company for 2023**

*Draft decision:* "The General Meeting accepts the report of the registered auditor on the certification of the annual financial statements of the Company for the year 2023"

**4. Approval of the report on the activities of the Company's Audit Committee for 2023**

*Draft decision:* "The General Meeting approves the report on the activities of the Company's Audit Committee for the year 2023"

**5. Taking a decision on the distribution of the Company's profit for 2023**

*Draft decision:* "The General Meeting distributes the Company's profit for the year 2023, which is:

**Annual financial result – profit of BGN – 3,972,335.74**

**Net financial result / after taxes / – BGN - 3,569,239.22**

**The SB proposes the following profit distribution:**

- the first part of the profit, which part is in the total gross amount of BGN 2,502,036.65 is distributed to the shareholders of the Company as an annual dividend, with a gross unit annual dividend of BGN 0.19 per share.
- the second portion of the profit, such portion being at the amount of BGN 1,067,202.57 is allocated to the Retained Earnings of the Company.

**6. Approval of the report on the activity of the Director of "Investor Relations" of the Company for the year 2023**

*Draft decision:* "The General Meeting approves the report on the activity of the Director of Investor Relations of the Company for the year 2023"

**7. Approval of the report of the Supervisory Board on its activities instead of the Company's Remuneration Committee for 2023**

*Draft decision:* "The General Meeting approves the report of the Supervisory Board on its activities instead of the Company's Remuneration Committee for the year 2023"

**8. Release of the members of the Supervisory Board of the Company from responsibility for their activities as such in 2023**

*Draft decision:* "The General Meeting exempts any and all persons who were members of the Company's Supervisory Board from liability for their activities as such in 2023. The exemption applies exclusively to the actions performed by these persons to the extent that these actions or the result thereof are reflected in the annual financial report of the Company for the year 2023, as this report is audited by the registered auditor and approved by the general meeting of the Company."

**9. Release of the members of the Management Board of the Company from responsibility for their activities as such in 2023**

*Draft decision:* "The General Meeting exempts any and all persons who were members of the Company's Management Board from liability for their activities as such in 2023. The exemption applies exclusively to the transactions and actions carried out by these persons to the extent that these actions or their results are reflected in the annual financial report of the Company for the year 2023, as this report has been audited by the registered auditor and approved by the general meeting of the Company."

**10. Appointment of a registered auditor for the carrying out of the independent financial audit of the Annual Financial Statements of the Company for the year 2024**

*Draft-resolution:* "The General Meeting, following the recommendation of the Audit Committee of the Company, appoints the specialized audit firm Deloitte Audit OOD, Sofia, as the registered auditor for the carrying out of the independent financial audit of the Annual Financial Statements of the Company for the year 2024."

**11. Re-election of each of the members of the Audit Committee for a new three-year term by conducting a personal vote for each previous member of the Audit Committee.**

*Draft decision:* " The General Assembly of the shareholders re-elect all current members of the Audit Committee for a new three-year term basis of the results of the Personal voting for each member. „

## **12. Adoption of a decision to determine the amount of the remuneration of the members of the SB, the MB and the AS for the next reporting period.**

Draft resolution:" the General Meeting of the shareholders adopted a decision according to which the remuneration of the members of the SB, the MB and the AC in the next reporting period should be determined as before and to maintain their current amount."

## **13. Miscellaneous.**

Any and all shareholders and vote-holders of the Company are invited to attend the General Meeting. Please, note the following terms and conditions to the preparation for, participation in, and voting at, the General Meeting:

### *1. Record Date of Holding Shares and Votes for the Purpose of the General Meeting*

The right to participate in, and vote at, the General Meeting is vested into the persons, who/which are registered as entitled to voting at the registry kept by Central Depository AD 14 (fourteen) days before the date of holding of the General Meeting, i.e. on 5 June 2024.

### *2. Registration*

The registration of the shareholders and vote-holders for participation in the General Meeting will commence 1 (one) hour before the announced kick-off time at the announced venue of the General Meeting.

Shareholders and vote-holders – natural persons – will be required to evidence their identity by way of presentation of an identity card or passport.

People, who are statutory representatives of legal entities – shareholders and vote-holders, will be required to evidence: (a). their identity, as shown in the preceding paragraph; and (b). their representative power by way of presentation, in a hard-paper original counterpart, of an excerpt from the registry or other record by a competent authority, which is assigned by applicable law with the keeping of the corporate (or other, as relevant to any specific type of legal entity) files of the respective type of legal entity, such excerpt or other record containing the name and position of the respective statutory representative/s and being updated as of not earlier than 3 (three) months before the date of holding of the General Meeting, i.e. not earlier than 19 March 2024. Where the excerpt or other record is originally prepared in a foreign language, the excerpt or other record will be required to bear an Apostille seal or be otherwise legalized for use in Bulgaria, as required by Bulgarian law, and have translation of the relevant information into Bulgarian, which is done by a sworn translator.

### *3. Representation by Power of Attorney*

Each shareholder and vote-holder has the right to authorize an individual or a legal entity for representation at the General Meeting by receiving the materials for, participation in, and voting at, the General Meeting in the name and at the expense of the shareholder or vote-holder by way of Power of Attorney.

No shareholder or vote-holder may be represented by a member of the Management Board or the Supervisory Board of the Company, unless the shareholder or vote-holder has expressly specified the manner of voting on each of the items on the agenda in the Power of Attorney.

The attorney-in-fact has the same rights as the shareholder or vote-holder represented by him. The attorney-in-fact is obliged to exercise the voting rights in accordance with the instructions of the shareholder or vote-holder contained in the Power of Attorney (if any).

An authorized attorney-in-fact may represent more than one shareholder and vote-holder at the General Meeting. In such event, the authorized attorney-in-fact may vote in a different manner with the shares and votes held by the different shareholders and vote-holders represented by him.

The Power of Attorney for the representation of a shareholder and vote-holder at the General Meeting should be: granted for the specific session of the General Meeting; express; set out in written form; and having the following requisites at the least: details of the shareholder or vote-holder and the attorney-in-fact; number of the shares or votes, to which the Power of Attorney refers; the agenda of the items proposed for discussion; the draft resolutions on each of the items on the agenda; the manner of voting on each of the items on the agenda, if applicable; date and signature. In the event that the Power of Attorney does not contain the manner of voting on any or all of the items on the agenda, the Power of Attorney needs to contain the statement that the attorney-in-fact has full discretion as to whether or not and, if yes, how to vote.

A form of a Power of Attorney for the General Meeting will be prepared by the Company and made available to the shareholders and vote-holders for use from the date of announcement of this present invitation at the Trade Registry until the date of holding of the General Meeting, as follows: (a). in a hard-paper copy amongst the materials for the General Meeting at the address of management of the Company; and (b). in an electronic form at the official web-site of the Company on the Internet.

In the event that a shareholder or vote-holder authorizes an attorney-in-fact for the General Meeting, a copy of the Power of Attorney will be required to be sent to Ms. Snezhana Baycheva, Investor Relations Director of the Company: (a). by registered post to the address of management of the Company specified hereinabove; or (b). by e-mail to [info@korado.bg](mailto:info@korado.bg), by 4:00 p.m. Bulgarian time on the last working day before the date of holding of the General Meeting, i.e. by 18 June 2024. The notice of the authorization could also be given by use of electronic means – the e-mail of the Company announced at the official web-site of the Company on the Internet. The original hard-paper counterparts of the Powers of Attorney will be required to be presented upon the registration of the shareholders and vote-holders for participation in the General Meeting.

#### *4. No Voting by Correspondence or Electronic Means*

To the General Meeting will not apply the rules for voting by correspondence or by electronic means provided for in Art. 115, Par. 2, item 6 of the Law on Public Offering of Securities.

#### *5. Rights of the Shareholders and Vote-Holders Associated with the General Meeting*

##### *5.1. Number of Shares and Voting Rights*

The total of all shares of the Company as at the moment of the resolution of the Supervisory Board on the convocation of the General Meeting is 13,168,614 (thirteen million one hundred and sixty eight thousand six hundred and fourteen) having ISIN code BG11LUSTAT13. Each of these shares entitles to 1 (one) vote at the General Meeting. The total of all votes at the General Meeting is 13,168,614 (thirteen million one hundred and sixty eight thousand six hundred and fourteen).

##### *5.2. Statements and Questions*

Each shareholder and vote-holder has the right to make statements and/or ask questions on any and all of the items of the agenda of the General Meeting, as announced by this present invitation. The statements and questions of the shareholders and vote-holders may also refer to matters, which are not covered by the announced items of the agenda of the General Meeting.

##### *5.3. Proposals for Resolutions on Matters of Substance on Items of the Agenda*

Each shareholder and vote-holder has the right to make proposals for resolution on the substance of any matter included in the agenda, subject to compliance with the requirements of the law, where the restriction under Art. 118, Par. 3 of the Law on Public Offering of Securities shall apply accordingly. Unless otherwise