

## INVITATION

### For convention of an ordinary General meeting of the shareholders in BULGARIAN REAL ESTATE FUND SPV

In compliance with article 223 of the Commercial Act, **the Board of Directors of BULGARIAN REAL ESTATE FUND SPV**, Sofia, convenes an ordinary General meeting of the shareholders in the special purpose vehicle on 26<sup>th</sup> July 2016, at 10:00, in Sofia, at 36, Dragan Tsankov Blvd., Interpred – World Trade Centre Sofia, 2nd floor, block A, Plovdiv hall, with the following agenda:

**1. Annual report of the Board of Directors on the activity and management of the special purpose vehicle in 2015;** Draft decision: the General meeting adopts the Annual report of the Board of Directors on the activity and management of the special purpose vehicle in 2015;

**2. Report of the registered auditor on the audit of the annual financial statement for 2015;** draft decision: The General meeting adopts the report of the registered auditor on the audit of the annual financial statement for 2015;

**3. Report on the work of the Audit Committee of the special purpose vehicle for 2015;** draft decision: The General Meeting adopts the report on the work of the Audit Committee of the special purpose vehicle for 2015;

**4. Approval of the Annual financial statement of the special purpose vehicle for 2015;** draft decision: The General Meeting approves the Annual financial statements of the special purpose vehicle for 2015;

**5. Report of the Director of Investor Relations;** Draft decision: The General Meeting adopts the report of the Director of Investor Relations.

**6. Report on application of the remuneration policy for 2015;** Draft decision: The General Meeting adopts the report of the on the application of the remuneration policy for 2015;

**7. Relieving from liability the members of the Board of Directors for their work in 2015;** Draft decision: The General Meeting relieves from liability the members of the Board of Directors for their work in 2015;

**8. Passing a decision for distribution of the financial result;** Draft decision - The General meeting passes a decision to distribute as shareholders' dividend 90% of the transformed financial result for 2015, determined in compliance with art. 10 of SPV Act, in the amount of BGN 1,607,504.40, or a gross dividend of BGN 0.0797769 per share.

**9. Appointment of a registered auditor for 2016 financial year;** draft decision: The General Meeting appoints Ernst & Young Audit OOD, uniform identification code: 130972874, Sofia 1124, Sredets Region, Poligrafia Office Centre, 47A, Tsarigradsko

Shose Blvd., 4th floor, to audit and certify the financial statements of the special purpose vehicle for 2016 financial year.;

**10. 'Re-election of the Board of Directors of the company;** Draft decision: The General meeting re-elects the Board of Directors in the following composition: Todor Lyudmilov Breshkov, Chavdar Ivanov Donkov and Nikolay Hristov Skarlatov for a new five-year term in office.'

**11. Determination of the monthly remuneration of the members of the Board of Directors of the special purpose vehicle;** draft decision: The General meeting determines a gross monthly remuneration of each of the members of the Board of Directors in the amount of BGN 5,000 (five thousand).

**12. Determination of the amount of the management guarantee of the members of the Board of Directors;** draft decision – The General meeting determines a management guarantee of the members of the Board of Directors in the amount of the gross remuneration for three months for each one of them.

**13. Passing a decision to reduce the capital of the special purpose vehicle from BGN 60,450,000 to BGN 20,150,000 as provided by article 200, p. 1, of the Commercial Act by reduction of the par value from BGN 3 (three) to BGN 1 (one) of the shares issued by the special purpose vehicle;** draft decision The General meeting passes a decision to reduce the capital of the special purpose vehicle from BGN 60,450,000 to BGN 20,150,000 as provided by article 200, p. 1, of the Commercial Act by reduction of the par value from BGN 3 (three) to BGN 1 (one) of the shares issued by the special purpose vehicle and forms a reserve in the Reserve Fund in the amount of BGN 40,300,000. The reason underlying the reduction of the capital is the inability of the company to raise funds by issuing securities, in compliance with the restriction set by article 176, paragraph 2, sentence 1, of the Commercial Act. The purpose of the capital reduction is to enable the special purpose vehicle carry out part of its business, laid down in article 4, paragraph 1, p. 1, of the SPV Act by raising funds by issuing securities, while meeting the restriction of article 176, paragraph 2, sentence 1, of the Commercial Act. The protection of the creditors of the special purpose vehicle will be achieved in compliance with the requirements of article 202, paragraph 1, of the Commercial Act, applying respectively the rules of article 150-153 of the Commercial Act. The General meeting authorises the Board of Directors of the special purpose vehicle to carry out the necessary legal actions and actions of fact in connection with the accomplishment of the procedure, including to prepare and submit to the relevant state authorities and other institutions all related and required documents for the registration of the change in the amount of the capital and the par value of the shares of the special purpose vehicle in the Companies register, Central Depository AD, Financial Supervision Commission and Bulgarian Stock Exchange – Sofia AD.'

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**14. Amendment of the Articles of Association of the special purpose vehicle;**

draft decision: The General Meeting adopts the proposed amendment of the Articles of Association the special purpose vehicle;

All shareholders in BULGARIAN REAL ESTATE FUND SPV are invited to take part in the dealings of the General meeting, personally or by a duly authorised representative. The voting right is exercised by the people registered as shareholders in the registers of the Central Depository as at 12<sup>th</sup> July 2016 – 14 days before the date of the General meeting and according to a list provided by the latter. The total number of the shares in BULGARIAN REAL ESTATE FUND SPV as at the date of the decision to convene the General meeting is 20 150 000, each one of them giving the right to one vote. All shareholders have equal rights to participate in the General meeting. Shareholders who own together or severally at least 5% of the capital of the special purpose vehicle may, after publication of the invitation in the Companies register, include other issues and propose decisions on issues already included in the agenda of the General meeting. Not later than 15 days prior the opening of the General meeting the persons mentioned in the previous sentence shall submit a list of the issues to be included in the agenda and the draft decisions, to be published in the Companies register. With the publication in the Companies register the issues are considered included in the proposed agenda. The shareholders are entitled to raise questions in the course of the General meeting. The right to vote at the General meeting of the special purpose vehicle may be also exercised before the date of the General meeting by written communication, using a postal, e-mail or courier service, in accordance with the Rules to vote by written communication of BULGARIAN REAL ESTATE FUND SPV, published on the website of the company: [www.brefbg.com](http://www.brefbg.com). Electronic voting is not applicable for the specific General meeting. The registration of the shareholders and their proxies starts at 09:00 on 26<sup>th</sup> July 2016 at the venue of the General meeting. The shareholders who are legal entities shall be represented by their legal representatives, who will be identified by a valid registration certificate and an ID document. The shareholders who are physical persons shall be identified by an ID document. The proxies of the physical and legal persons shall be authorised pursuant to a specific power of attorney for the specific meeting, in compliance with the requirements of article 116, paragraph 1, of SPOA and its implementing provisions. The template of the power of attorney is enclosed to the materials for the General meeting. Electronic authorisation is permitted only, if the power of attorney is signed by a qualified electronic signature and is received by the special purpose vehicle not later than the day preceding the date of the general meeting on [bref@brefbg.com](mailto:bref@brefbg.com). All documents submitted in a foreign language must be translated in Bulgarian. If there is no quorum, in compliance with article 227 of the Commercial Act, the session of the General meeting will be held at 10:00 on 11<sup>th</sup> August 2016 at the same place, with the same agenda and under the same requirements for participation and registration procedure.

The written materials for the agenda are available to the shareholders at the following address: Sofia, Izgrev region, 3A, Nikolay Haytov St., 1st floor, every business

day from 10:00 - 16:00, and on the website of the special purpose vehicle, [www.brefbg.com](http://www.brefbg.com), and shall be provided for free upon request.

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**Nikolay Hristov Skarlatov, Executive director**  
**BULGARIAN REAL ESTATE FUND SPV**