

**ADDITIONAL AGREEMENT No. 1  
TO A CONTRACT FOR CONVERSION,  
CONCLUDED ON 31 JANUARY 2017**

Today, 20 March 2017 in Sofia, this Additional Agreement No 1 was concluded between:

1. **MEDICA AD**, UIC: 000000993, with headquarters and address of management: Sofia, Oborishte District, 82, Knyaz Alexander Dondukov Blvd., represented by the Executive Director Stoycho Stoyanov Pangev, Personal Identification Number: 7105140207. No. 645919270, Ed. On 07.07.2015 by the Ministry of Interior - Sofia, with permanent address: Sofia, Artillery Block 2B, Entry 1, Ap 50, on the one hand, hereafter referred to as the "**TRANSFORMING COMPANY**", and
2. **Sopharma AD**, UIC: 831902088, with headquarters and address of management: Sofia, Nadezhda district, 16, Iliensko shose Str., Represented by the Executive Director Ognian Ivanov Donev, Personal Identification Number 5712226766, ID No 641311145 issued by the Ministry of Interior -Sofia on 25.10.2010 with permanent address in Sofia. 18 Cherni vrah Blvd., entr. B, floor 9, apt. 33, on the other hand, hereinafter referred to as "**ACCEPTANCE COMPANY**",

**On the basis of item 11.2. Of the signed Transformation Agreement by 31 January 2017. The Parties have agreed as follows:**

1. Point 2.7 of the Transformation Acquisition Agreement reads as follows:  
"2.7. As at the date of this contract, the Beneficiary owns 5 662 416 own shares. As of the date of this contract, the Converting Company does not own its own shares. "
2. Point 3.2 of the Transformation Acquisition Agreement reads as follows:  
"3.2. The parties find and accept the following fair price per share of each of the companies involved in the transformation as at 17.03.2017.  
For the transforming company "MEDICA" AD:

Method used	Price received (BGN)	Weight
Discounted cash flow method	4,095	50%
Net Asset Value Method	3,004	25%
Method of Companies - Analogues	2,993	25%
		<b>3,55</b>
<b>Fair Price (pursuant to Article 5, paragraph 2 of Ordinance No 41)</b>		<b>BGN</b>

The registered capital of MEDICA AD amounts to BGN 10 068 690, distributed in 10 068 690 dematerialized registered voting shares with a nominal value of BGN 1 each. According to the aforementioned fair value of 1 share of MEDICA AD, the fair value of the company is BGN 3,55.

For the receiving company "SOPHARMA" AD:

Method used	Price received (BGN)	Weight
Discounted cash flow method	4,361	50%
Net Asset Value Method	3,744	25%
Method of Companies - Analogues	5,102	25%
<b>Fair Price (pursuant to Article 5, paragraph 2 of Ordinance No 41) BGN</b>		<b>4,392</b>
Closing price as of 16.03.2017	3,764	60%
A fair price according to the evaluation methods under Art. 5, para 2 of Ordinance No. 41	4,392	40%
<b>Fair Price per Share (BGN)</b>		<b>4,02</b>

The registered capital of SOPHARMA AD amounts to BGN 134 797 899, divided into 134 797 899 dematerialized registered voting shares with a nominal value of BGN 1 each. According to the above-calculated fair value of 1 share of Sopharma AD, the fair value of the company is BGN 4.02. "

3. Section 3.3 of the Transformation Acquisition Agreement reads as follows:

"3.3. On the basis of the established and accepted fair prices per share of the two companies, the parties accept the following replacement ratio:

Fair price of Medica AD	3,55 BGN
Fair price of Sopharma AD	4,02 BGN
<b>Replacement factor</b>	<b>0,8831</b>

The equivalent value of one share of MEDICA AD is 0.8831 shares of "SOPHARMA" AD. "

4. Section 3.5 of the Transformation Acquisition Agreement reads as follows:

"3.5. Based on the fair price of the shares of the companies involved in the transformation, a replacement ratio of 0.8831 is formed, which means that one share of the transforming company MEDICA AD should be replaced by 0.8831 shares of the accepting company "SOPHARMA" AD. The share exchange ratio was set at 17 March 2017. "

5. Point 3.6 of the Transformation Acquisition Agreement reads as follows:

"3.6. According to the fair value of 1 share of MEDICA AD, the fair value of the company is BGN 35,743,850. According to the above-calculated fair value of 1 share of Sopharma AD, the fair value of the company is 518,516,954 As a result, the total value of the receiving company "SOPHARMA" AD after the merger increases to BGN 519 247 069. "

6. A new item 3.8 is added to the Transformation Agreement by the following:

"3.8. The number of shares for each shareholder of the Converting Company is determined by multiplying the number of shares held in the Converting Company by the accepted replacement ratio according to item 3.5. Of this Agreement. The resulting integer is the number of shares in the capital of the Accepting Company that the respective shareholder receives. The sum of the whole number of shares received for each shareholder gives the sum of the shares and the difference will be paid according to the order of Section IV below. In order to comply with the requirement that all shareholders of the Transforming Company without SOPHARMA AD receive shares in the Accepting Company, the parties to this Agreement agree that the shareholders who have insufficient number of shares in the Converting Company are entitled to receive one share Or to receive a monetary payment in compliance with the provisions of Art. 4.3 - 4.5. Below. "

7. A new item 3.9 is added to the Transformation Agreement by the following:

"3.9. The parties agree that upon the expiration of the term under Art. 4.4. Below, the Board of Directors of the Beneficiary Company will certify the specific number of shares according to the number of explicit representations received by shareholders of the Converting Company, which, as a result of the exchange ratio, should receive less than one share. "

8. Section 4.3 of the Transformation Acquisition Agreement reads as follows:

"4.3. Under the conditions and the order described in the 4.4 - 4.6 below. The shareholders of the Converting Company, which as a result of the calculations should receive less than one share of the Accepting Company, are entitled to receive one share by bringing the difference to the full amount of the fair value of one share in the Accepting Company. The difference is calculated by multiplying the number of shares held by the respective shareholder in the Converting Company by the estimated fair value of the share of the Converting Company in this Contract. The resulting figure is

deducted from the fair value of one share of the capital of the Accepting Company under this contract. "

9. Point 4.4 of the Transformation Acquisition Agreement reads as follows:

"4.4. Within 14 (fourteen) days as of the later of (1) the date of the General Meeting of the Shareholders of the Converting Company which has been approved for the approval of the merger and (2) the date of the General Meeting of Shareholders of The shareholders of the Beneficiary Company, which has decided to approve the merger, a shareholder that meets the conditions under item 4.3. Above shall expressly make a written statement to the Transforming Company or the Accepting Company that it wishes to acquire one share of the capital of the Accepting Company and to pay the difference to the fair value of that share. The shareholder shall submit a written request to the management address of the Transforming Company in Sofia, Oborishte District, 82, Knyaz Alexander Dondukov Blvd., or to the address of management of the Accepting Company in Sofia, Nadezhda District, Iliensko Blvd. Road 16. The written request shall be received at the indicated addresses by the end of the working day in which the term under sentence one expires. The request should contain at least the details of the shareholder (name / company, UIN / UIC) and the amount of the payment due. The payment should be made in cash at the management address of the Transforming Company in Sofia, Oborishte, 82, Knyaz Alexander Dondukov Blvd., or at the address of management of the Accepting Company in Sofia, Nadezhda district, 16 June Iliensko Shose, within 30 (thirty) days from the later of (1) the date of the General Meeting of the Shareholders of the Converting Company, which has been approved for the approval of the merger and (2) ) The date of holding of the General Meeting of Shareholders of the Accepting Company, Which decision has been taken to approve the merger. "

10. Point 4.5 of the Transformation Acquisition Agreement reads as follows:

"4.5. If, in the terms specified in the preceding paragraph, the shareholder does not make an explicit statement in writing, or does not pay the difference due to the fair value of one share of the Accepting Company, the shareholder shall be deemed to refuse to acquire this share from the Accepting Company. In this case, the shareholder is entitled to a cash payment, which will be made in accordance with points 4.8 to 4.9 below. The amount of the cash payment is established by multiplying the number of shares held by the shareholder in the Converting Company by the fair value of one share of the Converting Company. "

11. A new item 4.6 is added to the Transformation Conversion Contract with the following content:

"4.6. After the expiration of the period under item 4.4. Above, the Board of Directors of the Beneficiary shall determine the exact number of Shares of the Accepting Company that will be required to effect the Contingent, subject to the exchange ratio and the exact amount of cash payments to the Shareholders of the Converting Company.

12. A new item 4.7 of the Transformation Agreement is created with the following content:  
"4.7. On the basis of the shareholders' book of the Converting Company as of 31.12.2016, the expectations of the parties under this contract are that the total amount of the cash payments to the shareholders will be about 900 (nine hundred) levs. Thus, given the absolute value of the sum of Any additional cash payments, the requirement of Art. 261b, para. 2 of the Commerce Act will be respected. "
13. A new item 4.8 is added to the Transformation Agreement with the following content:  
"4.8. The claims of the shareholders under Art. 261b, para. 2 of the Commercial Act become due from the date of entry in the Commercial Register of the Infections. The repayment will be made in cash at the cashier of the Accepting Company at address Sofia, Nadezhda district, 16, Iliensko shose Str. "
14. A new item 4.9 is added to the Transformation Agreement with the following content:  
"4.9. The receivables will be paid to the shareholders of the transforming company within 5 (five) years from the date on which they become due. "
15. Point 5.1 of the Transformation Acquisition Agreement reads as follows:  
"5.1. The capital of the Beneficiary Company amounts to BGN 134 797 899 divided into 134 797 899 dematerialized shares with a par value of BGN 1 each and will not be increased for the transformation."
16. Point 5.2 of the Transformation Acquisition Agreement reads as follows:  
"5.2. The receiving company has issued only one class of shares - ordinary, dematerialized, registered, with one vote each, kept on the registers of Central Depository AD. The Book of Shareholders of the Accepting Company is kept by "Central Depository" AD. "
17. Point 5.3 of the Transformation Acquisition Agreement reads as follows:  
"5.3. It is not necessary to issue new shares for the shareholders of the Converting Company because the Beneficiary owns a total of 5,662,416 own shares. The required share of the listed shares owned by the Accepting Company will be acquired by all shareholders of the Converting Company without SOPHARMA AD as a result of the merger. "
18. Point 5.4 of the Transformation Acquisition Agreement reads as follows:  
"5.4. As a result of the merger, all shareholders of the Converting Company without SOPHARMA AD will acquire shares in the capital of the Accepting Company, which are its property and will become shareholders therein.
19. The title of Section VI of the Transformation Agreement is as follows:  
"VI. TERMS AND CONDITIONS RELATING TO THE DISTRIBUTION AND TRANSFER OF SHARES BY THE RECEIVING COMPANY. RIGHT OF LEAVE."

20. Point 6.1 of the Transformation Acquisition Agreement reads as follows:  
"6.1. The Shareholders of the Converting Company acquire shares in the Accepting Company against the shares held by them as agreed in this Agreement. "
21. Point 6.2 of the Transformation Acquisition Agreement reads as follows:  
"6.2. Right to acquire shares in the Accepting Company shall have the shareholders of the Transforming Company at the date of the General Meeting of Shareholders at which the decision under Art. 262o of the Commercial Act approving the merger. "
22. A new item 6.3 is added to the Transformation Agreement with the following content:  
"6.3. Within 14 days from the entry of the merger into the Commercial Register, the Board of Directors of the Accepting Company shall declare to the Central Depository AD the transfer of own shares to the Accepting Company to the Shareholders of the Transforming Company. "
23. A new item 6.4 is inserted in the Transformation Agreement by the following:  
"6.4. The Central Depository AD, on the basis of the submitted application and a list of the shareholders in the Converting Company, makes a distribution of the shares from the Accepting Company to the personal accounts of the Shareholders of the Converting Company. "
24. A new item 6.5 shall be inserted in the Transformation Agreement with the following content:  
"6.5. Shares already issued are dematerialized, so physical shares will not be handed over. Each shareholder may request to receive a depository receipt for the shares held by him through an investment intermediary - a member of the Central Depository AD.  
"
25. A new item 6.6 is added to the Transformation Agreement with the following content:  
"6.6. According to Art. 263c of the CA, each shareholder whose legal position changes after the transformation and who has voted against the decision to convert through a merger may leave the accepting company. The parties agree that a change in the legal situation will occur when the percentage contribution of the receiving company to the share capital reduces the ability of the shareholder to exercise his non-pecuniary rights, If the shareholder's ability to influence the decision-making of the general meeting is reduced. "
26. A new item 6.7 is inserted in the Transformation Agreement with the following content:  
"6.7. The termination of the participation shall be effected by a notarized notification to the Beneficiary within three months from the date of entry of the Entry in the Commercial Register. The shareholder left has the right to obtain the equivalent of the shares held by him before the conversion of the price specified in this contract. Within

30 days from the date of notification of termination of participation under Art. 263c of the CA The receiving company is obliged to buy the shares of the abandoned shareholders. The abandoned shareholder may file a claim for monetary clearance within three months of the notification under Art. 263c, para. 1 of the Commercial Code. The shares of the abandoned shareholder shall be borne by the receiving company and the rules for acquiring own shares shall be applied to them except Art. 187a, para. 4 of the Commercial Code. "

27. Point 9.1 of the Transformation Acquisition Agreement reads as follows:

"9.1. In the Transforming Company and in the Accepting Company there are no shareholders holding special rights related to their shares and no rights in the sense of Art. 262g, para. 2, item 8 of the Commercial Code. "

28. A new item 9.3 is added to the Transformation Agreement with the following content:

"9.3. In view of the point 9.1. And 9.2. Above, the parties agree that the provisions of Art. 262g, para. 2, item 8 of the Commercial Act and of Art. 123, para. 1, item 3 of the Public Offering of Securities Act are not applicable to the merger. "

The present Supplementary Agreement No. 1 together with the corrected justification of the fair value of the shares of Sopharma AD for the transformation through the merger of Medica AD into Sopharma AD (Appendix 1) and the adjusted Fair Value Ratio of the shares of Medica AD for transformation by merger of Medica AD into Sopharma AD (Appendix 2) are an integral part of the merger transformation contract concluded on 31 January 2017.

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**Stoycho Stoyanov Pangev**

**For MEDICA AD**

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**Ognyan Ivanov Donev**

**For SOPHARMA AD**