



BULGARIAN
STOCK EXCHANGE

STATUTE OF THE BULGARIAN STOCK EXCHANGE AD SOFIA

CHAPTER ONE – GENERAL PROVISIONS

Status

Art. 1. (1) (Amended, GMS from 18.06.2018) “Bulgarian Stock Exchange” AD (“The Exchange”) is a joint-stock company licensed by the Financial Supervision Commission (“FSC”) as a regulated market of financial instruments and acting as a market operator within the meaning of Art. 152 of the Markets in Financial Instruments Act (“MFIA”). The exchange is the market operator that organizes the activities and operations of the regulated market and is responsible for compliance with the requirements of the law and the secondary legislation on its implementation by the regulated market organised by it. The exchange also exercises the rights related to the regulated market.

(2) The stock exchange shall be a public company within the meaning of art. 110, para 1, item 2 of the Public Offering of Securities Act (“POSA”). By Decision No 816 - PD of 15.12.2010 of the FSC, the shares of the company are entered in the register of the FSC under Art. 30, para. 1, item 3 of the Financial Supervision Commission Act (“FSCA”) for the purpose of trading on a regulated market. The exchange is registered in the FSC register as a public company and carries out its activities in compliance with the provisions of POSA, the LMFI, the secondary legislation on their implementation, as well as the other normative acts regulating the activity of public companies.

Company name

Art. 2. (1) (Amended, GMS from 18.06.2018) The company name of the Exchange is: “Българска Фондова Борса” АД and the name is written in English as follows: “Bulgarian Stock Exchange”.

(2) The company, the registered office, the address of management, the unified identification code (UIC) and the bank account shall be obligatorily indicated in the commercial correspondence of the Exchange.

Registered office and registered office

Art. 3. (1) The headquarters of the Exchange shall be in the Republic of Bulgaria, City of Sofia.

(2) (Amended, GMS from 20.06.2012) The registered office of the Exchange is the Republic of Bulgaria, 1301 Sofia, ul. "Tri Ushi" No 6, Triaditsa district.

Term

Art. 4. The existence of the Exchange is not limited by term of existence.

Subject of activity

Art. 5. The subject of activity of the Exchange is: organization of a regulated market in financial instruments as a trading system that matches or facilitates the matching of the interests of buying and selling of financial instruments, admitted to trading on the regulated market, to multiple third parties, within the system and on the basis of rules, with the result being the conclusion of transactions in these instruments. The system operates regularly and in accordance with the requirements of the LMFI and its implementing acts.

CHAPTER TWO - CAPITAL

Amount of capital

Art. 6. (1) The capital of the company amounts to BGN 6 582 860 (six million five hundred and eighty-two thousand eight hundred and sixty), distributed in 6 582 860 (six million five hundred and eighty-two thousand eight hundred and sixty) ordinary registered dematerialized shares, entitled to one vote, each with a nominal value of BGN 1 (one).

(2) The capital of the Exchange is fully paid.

Capital increase

Art. 7. (1) The capital may be increased by decision of the General Meeting of Shareholders by issuing new shares or by converting into shares bonds that have been issued as convertible.

(2) The capital of the Exchange may not be increased by increasing the nominal value of shares already issued or by converting into shares bonds which have not been issued as convertible.

(3) An increase of the capital shall be admissible only if the capital before the increase is fully paid.

(4) The capital may be increased against cash contributions. The issue price of the new shares should be paid in full, except in the case of capital increases by capitalisation of profits or by conversion of bonds into shares.

(5) The capital may not be increased by in-kind contributions or on condition that the shares are acquired by certain persons at a certain price, unless the legislation in force allows this.

(6) The increase of the capital shall be carried out by the order of art. 112 – 112c of POSA, and art. 192 et seq. of the Commercial Act. The capital increase shall also be carried out in compliance with the requirements of Chapter Six of the Public Offering of Securities Act - with a prospectus confirmed by the Financial Supervision Commission or without a prospectus in cases where such is not necessary, under the terms and conditions of the Public Offering of Securities Act.

Art. 8. (1) In case of increase of the capital, each shareholder shall have the right to acquire part of the new shares, which corresponds to his share in the capital before the increase. This preferential right of the existing shareholders may not be limited or revoked by the order of Art. 194, para 4 or Art. 196, para 3 of the Commercial Act.

(2) In case of increase of the capital on the Exchange through the issuance of new shares, rights under § 1, item 3 of the Additional Provisions of POSA, and against each existing share shall be issued a right allowing for subscription of the number of new shares determined in the decision for capital increase, against payment of the specified issue value of the new shares.

(3) The right to participate in the capital increase shall have the persons who have acquired shares not later than 14 days after the date of the decision of the General Meeting for capital increase. On the next business day, the Central Depository shall open accounts for the rights of persons under the first sentence on the basis of the data from the shareholders' ledger.

(4) (Amended, GMS of 18.06.2018) If, as a result of the capital increase, a shareholder in the Exchange acquires a qualified shareholding within the meaning of item 23 of the Additional Provisions of the LMFI, Article 16, paragraph 2 and paragraph 3 of this Statute shall apply respectively.

Art. 9. (1) The capital of the Exchange may be increased by converting all or part of the profits into capital. The decision of the General Meeting to increase the capital in this way shall be taken within 3 (three) months after the adoption of the annual financial statements for the past year by a majority of 3/4 of the votes of the shares represented at the meeting.

(2) The new shares shall be distributed free of charge to the shareholders, in proportion to their participation in the capital before the increase.

Reduction of capital

Art. 10. (1) The reduction of the capital of the Exchange shall be carried out by a decision of the General Meeting through reduction of the nominal value of the shares or by cancelling shares. Cancellation of shares is allowed only through the purchase by the company of own shares, under the conditions of the Commercial Act and POSA.

(2) The capital of the company may not be reduced by compulsory cancellation of shares.

CHAPTER THREE - SHARES

General

Art. 11. (1) The shares on the Exchange shall be dematerialized, ordinary, registered, with the right to one vote each. The nominal value of one share is BGN 1 (one).

(2) By decision of the General Meeting, the Exchange may also issue preferred shares with a guaranteed and/or additional dividend, with the privilege of redemption, as well as with all other privileges permissible by the legislation in force. The exchange may not issue preference shares conferring the right to more than one vote or to an additional liquidation share.

(3) By decision of the General Meeting, the Exchange may also issue preferred shares without voting rights.

(4) All shares conferring the same rights shall constitute a separate class of shares. It is not permissible to restrict the rights of individual shareholders of one class.

Issuance and disposal of shares

Art. 12. (1) The issuance and disposal of dematerialized shares shall have an effect from their registration with the Central Depository AD.

(2) The issuance and disposal of dematerialized shares shall be certified by a registration act issued by the Central Depository AD. The Central Depository issues a certification document for the holding of shares (depository receipt) under the terms and conditions of the legislation in force.

(3) The transfer of the shares shall be carried out freely, without restrictions or conditions, except in the cases of acquisition of qualified participation and in compliance with the requirements of the current legislation for transactions with dematerialized shares.

Shareholders' ledger

Art. 13. The ledger of shareholders on the Exchange is kept by Central Depository AD.

Indivisibility of shares

Art. 14. The shares are indivisible. Where the action belongs to several persons, they shall exercise the rights thereunder together by appointing an agent.

CHAPTER FOUR — BONDS

Art. 15. (1) The company may issue bonds under the terms and conditions of the Commercial Act by decision of the General Meeting of Shareholders.

(2) In the decision for issuance of the bonds the General Meeting of Shareholders shall determine the type of the bonds, the parameters of the bond loan and the terms and conditions for issuing the bonds.

CHAPTER FIVE - SHAREHOLDERS - RIGHTS AND OBLIGATIONS

Shareholders

Art. 16. (1) Shareholders of the Exchange may be Bulgarian and foreign natural and legal persons, as well as the Bulgarian state.

(2) (Amended, GMS from 18.06.2018) Any natural or legal person or persons acting consentient who have decided to acquire directly or indirectly a qualifying holding within the meaning of paragraph 23 of the Additional Provisions of the LMFI, as well as to increase it, directly or indirectly, so as to reach or exceed the thresholds of twenty per cent, thirty per cent or fifty per cent of the capital or of the votes in the General Meeting of the Exchange or so that as a result of this increase the Exchange to become their subsidiary shall submit a written notification to the FSC prior to the acquisition, in accordance with Article 53 of the LMFI. Persons holding a qualifying holding in the Exchange must be suitable and financially sound in view of the influence they can exert over the activity of the regulated market and in accordance with the criteria under art. 57, para 2 of the LMFI.

(3) (Amended, GMS from 18.06.2018) The conditions for acquisition or transfer of qualified shareholding are regulated in Art. 157, Art. 16 and Art. 53-60 of the LMFI.

Shareholders' rights

Art. 17. (1) The shareholders of the Exchange holding ordinary shares shall be entitled:

1. to vote at the General Meeting of Shareholders, one share giving the right to one vote;

2. per dividend commensurate with the nominal value of the shares held. The right to dividend shall be exercised by the persons entered in the registers of the Central Depository as shareholders on the 14th day after the day of the general meeting, at which the annual financial statements were adopted and a decision was taken to distribute the profit in the form of dividends;

3. of a liquidation share, proportionate to the nominal value of the stocks held.

4. to acquire part of the new stocks issued upon capital increase, which corresponds to their share in the capital prior to the increase;

5. to get acquainted with the written materials related to the agenda of the General Meeting;

6. to authorize another person to act and represent in the General Meeting of Shareholders in compliance with the requirements of POSA, and this Statute, and

7. other rights under this Statute and the legislation in force.

(2) The right to vote in the General Meeting shall arise with the full payment of the issue price of each share and after the registration of the capital increase in the Commercial Register. The right to vote at the General Meeting shall be exercised by the persons entered in the registers of the Central Depository as shareholders 14 days before the date of the General Meeting.

Obligations of shareholders

Art. 18. (1) The shareholders of the Exchange shall be obliged to pay in full the issue price of the subscribed shares within the terms specified in the decision for capital increase and under the terms and conditions provided for in the Public Offering of Securities Act, the LMFI and the Commercial Act.

(2) The shareholders shall not be personally liable for the obligations of the company.

(3) The shareholders of the Exchange have obligations under the Commercial Act, the Public Offering of Securities Act and the LMFI.

CHAPTER SIX - MANAGEMENT OF THE COMPANY

Governing bodies

Art. 19. The stock exchange has a one-tier management system. The governing bodies of the Exchange are:

1. the General Meeting of Shareholders;
2. Board of Directors.

SECTION I - GENERAL MEETING OF SHAREHOLDERS

Composition

Art. 20. (1) The General Meeting of Shareholders shall consist of all shareholders with voting rights. The shareholders, who are natural persons, shall participate in the General Meeting in person or through a written authorized representative. The shareholders, who are legal entities, participate in the General Meeting through their legal representatives or through a person authorized by them in writing. The power of attorney must be explicit, for the specific general meeting, in writing and to meet the requirements of Art. 27.

(2) The right to vote shall be exercised only by the persons who are entered as shareholders in the registers of the Central Depository 14 days before the date of the General Meeting, according to a list provided by the Central Depository as of that date.

(3) The members of the Board of Directors shall participate in the General Meeting without the right to vote, unless they are shareholders, legal representatives of shareholders - legal entities or proxies of shareholders, which are authorized by the order of Art. 27.

(4) Persons who are not shareholders or representatives of shareholders may attend the meeting only by a decision of the General Meeting.

Competence

Art. 21. The General Assembly shall:

1. amend and supplement the Statute of the Exchange;
2. increase and decrease the capital;
3. transform (through merger, acquisition, division and separation) and terminate the Exchange after prior authorization of the FSC and in compliance with the requirements and restrictions of POSAs and LMFI;
4. elect and dismiss the members of the Board of Directors;
5. determine the remuneration and term of duty of the members of the Board of Directors, as well as the period for which they are due, including their right to receive part of the profit of the Exchange, as well as to acquire shares and bonds of the Exchange;
6. on the recommendation of the Audit Committee, appoint and dismiss the specialized audit firm (registered auditor) to verify and certify the annual financial statements of the Exchange;
7. approves the annual financial statements after certification by the specialized audit firm (registered auditor)

8. shall decide on the distribution of the profit, on the replenishment of the reserve fund and on the payment of dividends;
9. dismiss the members of the Board of Directors from responsibility after the adoption of the annual financial statements and in compliance with the conditions under Art. 116c, para. 7 of the Public Offering of Securities Act;
10. determine the amount of guarantees provided by the members of the Board of Directors;
11. decide on the issue of bonds and other debt securities, including convertible bonds;
12. decide on substantial changes in the activity and organization of the Exchange;
13. take decisions on the conclusion of transactions which, according to the provisions of POSA, cannot be carried out by the persons who manage and represent the Exchange without explicit authorization by the General Assembly.
14. after the prior consent of the FSC, decide on termination and liquidation and appoint the liquidators in case of voluntary liquidation of the Exchange, except in cases of bankruptcy or compulsory liquidation due to withdrawal of the license by the FSC;
15. resolve other issues provided within its competence by the law or by the present Statute.

Conducting

Art. 22. (1) The General Meeting shall be held at least once a year at the headquarters of the company in Sofia, Bulgaria. The regular general meetings shall be held until the end of the first half of the year after the end of the reporting year.

(2) A Chairman elected by the shareholders by a simple majority shall chair the session of the General Meeting. The General Assembly elects a secretary of the meeting and a teller(s) of the votes.

Convening

Art. 23. (1) The General Meeting of Shareholders shall be convened by the Board of Directors. It may also be convened at the request of shareholders who for more than 3 months hold shares representing at least 5 percent of the capital of the Exchange.

(2) The General Meeting shall be convened by a written invitation under the Public Offering of Securities Act and the Commercial Act, which shall be announced in the Commercial Register and shall be announced to the FSC and the public under the terms and conditions of the Public Offering of Securities Act, at least 30 (thirty) days before the opening of the General Meeting. The content of the invitation is determined by the applicable provisions of POSA, CA and the requirements of the current legislation.

(3) Shareholders holding together or separately at least 5 (five) per cent of the capital of the company may, after announcing the invitation in the Commercial Register, include other issues on the agenda of the General Meeting by the order of art. 223a CA. Not later than 15 days before the opening of the General Meeting, the shareholders shall submit for announcement in the Commercial Register a list of the issues to be included in the agenda and the proposals for decisions on them. With the announcement in the Commercial Register, the issues are considered included in the proposed agenda, and the shareholders are obliged to submit to the FSC and the Exchange at the latest on the next working day after the announcement the written materials under Art. 223a, para. 4 CA.

Right to information

Art. 24. (1) The written materials related to the agenda of the General Meeting must be placed at the disposal of the shareholders at the registered office of the Exchange, on the website of the Exchange, as well as at the FSC, as of the date of announcement in the Commercial Register of the invitation.

(2) The members of the Board of Directors shall be obliged to answer truthfully, exhaustively and essentially questions of the shareholders asked at the General Meeting regarding the economic and financial situation and the commercial activity of the company, except for circumstances that constitute inside information.

Registration and quorum.

Art. 25. (1) For participation in the General Meeting shall be carried out registration of shareholders and representatives of shareholders. The persons who have appeared shall identify themselves with an identity document, respectively with a document certifying their representative authority. The presence of a shareholder in the list of shareholders issued by the Central Depository under art. 20, para 2 shall be sufficient evidence regarding the shares held in the capital of the Exchange and the voting rights at the General Meeting.

(2) The session of the General Meeting shall be lawful if it has been convened in compliance with the procedure established by the law and the Statute and at least 50% (fifty percent) plus one share of the capital are represented thereon. For the purposes of determining the quorum, the number of shares on the Exchange according to the shareholders' book provided by the Central Depository and valid for a date 14 days before the date of the General Meeting shall be taken into account, Unless otherwise required by law.

(3) In the absence of a quorum, the meeting shall be scheduled for a new date not earlier than 14 days and it shall be legally independent of the capital presented to it.

List of attendees

Art. 26. For the session of the General Meeting, a list of the attending shareholders and their representatives and the number of shares held and represented shall be prepared. The shareholders and their representatives shall certify their participation with a signature. The list shall be certified by the Chairman and the Secretary of the General Meeting and shall be accompanied by the documents presented, establishing the status of a representative by law or by authority of the respective persons.

Proxies

Art. 27. (1) The shareholders shall have the right to authorize any natural or legal person to participate and vote in the General Meeting on their behalf. A member of the Board of Directors may represent a shareholder as a proxy at a specific General Meeting

only if the shareholder has explicitly indicated the manner of voting on each of the items on the agenda.

(2) The power of attorney for participation in the General Meeting must be in writing, for the specific General Meeting, be explicit and with the content provided for in the Public Offering of Securities Act and the Commercial Act, signed by the shareholder, as well as meet the other requirements of the law.

(3) The proxy holder shall have the same rights to speak and to ask questions at the General Meeting as the shareholder whom he represents. The proxy shall be obliged to exercise the right to vote in accordance with the instructions of the shareholder contained in the written power of attorney.

(4) In cases where the power of attorney does not specify the way of voting on the individual items on the agenda, it shall be indicated that the proxy has the right to assess whether and in what way to vote.

(5) The Exchange shall publish on its website a sample of the written power of attorney or shall provide it on paper upon request after the convening of the General Meeting.

(6) In case the shareholder – authorizer is a legal entity, the power of attorney shall be signed by the legal representative or legal representatives (in case of joint representation by more than one person) of the legal entity.

(7) Everyone who is authorized to represent a shareholder(s) at a certain General Meeting shall provide to the registered office of the Exchange the original of the power of attorney by which he is authorized by 12.00 on the business day preceding the date of the General Meeting.

(8) Alternatively to the procedure referred to in the preceding paragraph, each shareholder – authorizer may within the term under para. 7 to submit a power of attorney for the specific General Meeting electronically in accordance with the terms and conditions for obtaining powers of attorney by electronic means adopted by the company and published on its website.

(9) If, prior to the opening of the General Meeting, the Exchange is not notified in writing by a shareholder of the withdrawal of a power of attorney, the latter shall be considered valid. The rules for the content and form of the power of attorney, as well as for notifying the company of its issuance, shall apply accordingly to the withdrawal of the power of attorney.

Opening, closing and postponement of the General Assembly

Art. 28. (1) The General Meeting shall be opened by the Chairman of the Board of Directors or another member of the Board of Directors, if the quorum necessary for its holding is present.

(2) After the opening of the General Meeting, a quorum may be inspected at the request of the Chairman of the General Meeting or at the request of a shareholder(s) or representative(s) of a shareholder(s), by counting the persons present or by reading by roll call the names of those registered for participation.

(3) The Chairman of the General Assembly shall close the session of the General Assembly when:

1. the agenda of the meeting is exhausted;
2. a lack of quorum under the preceding paragraph is established.

(4) The Chairman of the Board of Directors shall postpone the General Meeting by the order of art. 25, para. 3 of this Statute.

Votes, decisions and majority

Art. 29. (1) Voting in the General Assembly shall be personal. Voting under authority shall be allowed only if the requirements set out in Article 27 of this Statute and in the law are met.

(2) The decisions of the General Meeting shall be taken by a simple majority of the shares represented at the General Meeting, unless the legislation in force or this Statute requires a larger majority.

(3) Voting may be carried out with documents in a standard form determined by the Board of Directors.

(4) The decisions of the General Assembly shall enter into force by the order of Art. 231 of the CA.

Minutes

Art. Art. 30 (1) Minutes shall be kept for the sessions of the General Meeting, indicating the data under Art. 232, para 1 of the CA. The results of the votes shall include the information specified in the POSA.

(2) The minutes shall be signed by the Chairman and the Secretary of the Meeting, as well as by the tellers of the votes.

(3) The minutes shall be accompanied by the list of attendees and the documents related to the convening of the General Meeting.

(4) The minutes of the General Meeting shall be sent to the FSC within 3 (three) working days of the meeting. Within the same period, the Exchange shall publish and keep the minutes on its website for a period of not less than one year.

(5) The minutes and the annexes thereto shall be kept for at least 10 (ten) years.

(6) A register of minutes shall be kept by the Investor Relations Director of the Exchange.

SECTION II - BOARD OF DIRECTORS

General

Art. 31. (1) The Exchange shall be managed and represented by a Board of Directors. The Board of Directors consists of 5 (five) individuals .

(2) The Board of Directors shall adopt rules for its work and shall elect a Chairman, a Deputy Chairman and one or more Executive Members (Directors) from among its members.

(3) (Amended GMS dated 18.06.2018) The members of the Board of Directors, as well as the persons who manage the activities of the Exchange, are subject to approval by the FSC prior to their entry in the Commercial Register.

Mandate

Art. 32. (1) The members of the Board of Directors shall be elected for a term of five years and may be dismissed from office before the expiry of the mandate for which they have been elected.

(2) The members of the Board of Directors may be re-elected without restrictions.

Requirements for the members of the Board of Directors.

Art. 33 (1) The persons who are members of the Board of Directors of the Exchange or manage its activities must have a good reputation and professional experience to ensure the sound and prudent management and functioning of the regulated market, as well as to meet the requirements set out in the MFIA, POSA, and CA.

(2) At least one third of the members of the Board of Directors shall be independent persons. The independent member may not be:

1. an employee in the Exchange;
2. a shareholder who holds, directly or through related parties, at least 25 per cent of the votes in the general meeting or is a person related to the Exchange;
3. a person who is in permanent business relations with the Exchange;
4. a member of a management or supervisory body, a procurator or an employee of a commercial company or another legal person under items 2 and 3;
5. a related person with another member of the Board of Directors of the Exchange.

(3) (New, GMS dated 20.06.2012, and GMS of 18.06.2018, amended GMS 24.06.2021) The number of companies in the management of which the members of the Board of Directors may participate shall be determined in accordance with Article 158, paragraph 3 and 4, in conjunction with Article 14 of the MFIA and Article 20, paragraph 1, item 12 of the Public Enterprises Act.

Rights and obligations

Art. 34. (1) The members of the Board of Directors shall have equal rights and obligations regardless of the internal distribution of their functions.

(2) The members of the Board of Directors shall be obliged to:

1. perform their duties with due diligence in a way that they reasonably believe is in the interest of all shareholders of the company and using only information that they reasonably believe to be reliable and complete;

2. to show loyalty to the Exchange by:

(a) prefer the interest of the Exchange to their own interest;

b) avoid direct or indirect conflicts between their interest and the interest of the Exchange, and if such conflicts arise - promptly and fully disclose them in writing to the relevant authority and do not participate, as well as do not influence the other members of the Board in decision-making in these cases;

(c) not disseminate nonpublic information about the Exchange and, after they cease to be members of the relevant authorities, until the relevant circumstances are publicly disclosed by the company.

(3) The members of the Board of Directors shall be entitled to remuneration. The monthly remuneration of the members of the Board shall be in the amount of one average of a single monthly salary for the Exchange calculated for the last calendar year. The

average salary is formed by the individual monthly gross salary of the employees working under an employment relationship and by the remuneration of the executive members laid down in the management contracts. The gross salary includes the basic salary specified in the specific employment contract and the additional remuneration for acquired work experience and professional experience. The Board of Directors may also fix a lower amount of remuneration for its members than that provided for in this paragraph.

(4) Within 7 days from their election, the members of the Board of Directors shall be obliged to deposit a guarantee for their management in an amount determined by the General Meeting, but not less than their 3-month gross remuneration.

Powers of the Board of Directors

Art. 35 . (1) The Board of Directors:

1. convene the General Meeting of Shareholders;
2. prepare the reporting information on the company's activity provided for in the Commercial Act and the Accountancy Act (AA);
3. adopt and propose for approval by the General Meeting the annual financial statements and the annual activity report;
4. adopt organizationally - the management structure, the rules for wages and other internal rules of the company;
5. determine the funds and the distribution of the resources under them;
6. adopt, amend and supplement the Rules of the Exchange and submit to the FSC for approval;
7. adopt, amend and supplement the Tariff of Fees of the Exchange and the Tariff of Fees of the Court of Arbitration at the Exchange;
8. adopt decisions and issue orders in connection with the exercise of its powers, which are binding on the participants in the markets organized by the Exchange;
9. admits financial instruments to trading and stops or steers away from trading financial instruments that do not meet the requirements of the Exchange Regulations;
10. accepts members of the Exchange and their stockbrokers and removes them temporarily or permanently from exchange trading;
11. determine the terms and conditions for concluding the transactions on the Exchange and ensure the lawful conduct of the exchange trade;
12. organizes the activity of the Exchange in connection with the closing of exchange transactions and the interaction with depository and clearing institutions;
13. (amended GMS dated 18.06.2018) adopt voting rules in the General Meeting of Shareholders by proxy, correspondence and electronic means, where applicable;
14. lay down requirements regarding the technical provision of the members to ensure the conclusion and completion of transactions;
15. ensure compliance with the Rules of Procedure by the exchange members and their employees and clients;
16. exercising control over the transactions carried out by the participants of the Exchange in order to detect violations of the legal requirements and the Rules, or conduct trading in violation of the established order or behavior that may be related to the performance of market manipulations;
17. imposes sanctions on members and stockbrokers for violation of the Rules and

orders and decisions of the Council;

18. determine the order of access and use of the facilities of the Exchange by its members;

19. exercise all other rights granted to it under the law, the Statute and the Rules of Procedure of the Exchange and are not within the competence of the General Meeting of Shareholders.

Meetings. Quorum and majority

Art. 36. (1) The Board of Directors shall meet for regular meetings at least once every three months to discuss the state and development of the company.

(2) The Board of Directors shall be convened for meetings by the Chairman and, in case of his absence, for more than 30 (thirty) days, by the Deputy Chairman. Each member of the Board of Directors may request in writing the Chairman to convene a meeting to discuss individual issues, indicating the agenda proposed by him. In this case, the Chairman shall be obliged within 15 (fifteen) working days to convene a meeting.

(3) The sessions of the Board of Directors shall be convened by written invitation to each of the members. The invitation can be sent by registered mail, courier, fax (with confirmation of dispatch) or e-mail, to an e-mail address specified by each member. The call shall indicate: place, date, time of meeting and proposals for agenda.

(4) The invitation and the materials for the upcoming meeting shall be sent at least 3 (three) days before the date of the meeting.

(5) Notification under para. 3 shall not be necessary in the event that the forward meeting the present members of the Board of Directors are notified of the place, date and time of the next meeting or if the Board of Directors adopts a schedule for holding its meetings.

(6) If the procedure for convening a meeting has not been observed, the Board of Directors may meet and take decisions if this fact is reflected in the minutes and its members have not objected.

(7) The sessions shall be chaired by the Chairman and shall be considered regular if all members are duly invited and attend at least half of them – in person or represented by another member by a written power of attorney. Each member of the Board of Directors may represent only one absent member.

(8) The Board of Directors may also take decisions in absentia if all its members have stated in writing their consent to the decision.

(9) The Board of Directors may take decisions by means of a conference telephone call or video-conferencing, provided that all members are regularly invited by the order of para 3 and participate at least half of the members in person or represented by another member of the Board, authorized in writing to do so. A protocol shall be drawn up for the decisions taken, which shall be signed by all participating members or written consents shall be attached to the decisions taken by all participating members in the cases referred to in Paragraph (8).

(10) The Board of Directors shall adopt all its decisions by a simple majority of the votes of the members present or represented , unless the law or this Statute provides otherwise.

Minutes

Art. 37. (1) For the meetings of the Board of Directors minutes shall be drawn up, to which shall apply respectively art. 239 of the Commercial Act. The minutes shall be signed by all members present, indicating how each of them voted on the matters under consideration. It shall be accompanied by the documents submitted at the meeting and the written powers of attorney of the represented but not present members.

(2) The minutes of the meetings of the Board of Directors shall constitute a trade secret. Facts and circumstances thereof may be published, disclosed or brought to the attention of third parties only by decision of the Board of Directors.

Chairman of the Board of Directors

Art. 38. The Chairman of the Board of Directors shall:

1. (Repealed, GAA dated 30.06.2015)
2. convene the meetings of the Board of Directors;
3. organize and manage the work of the Board of Directors;
4. perform other functions assigned to him/her by the General Assembly or the Board of Directors.

Executive

Art. 39. (1) The Board of Directors shall elect from among its members one or more executive directors (members) to whom it shall assign the management and representation of the company.

(2) The names of the persons authorized to represent the company shall be entered in the Commercial Register.

(3) The Executive Director shall:

1. organize the implementation of the decisions of the Board of Directors;
2. organize the activity of the Exchange;
3. carry out the operational management of the company;
4. ensure the management and protection of the company's property;
5. represent the company and exercise the rights and obligations assigned to it by a normative act, by the Rules of the Exchange or by a decision of the Board of Directors.

(4) The Chairman of the Board of Directors shall conclude with the executive directors on behalf of the company a contract for assigning the management.

Representative power

Art. 40. (Amended, GAA dated 30.06.2015) The exchange is represented by each of the executive directors together or separately.

Investor Relations Director

Art. 41. (1) The Board of Directors shall elect and appoint on an employment contract an Investor Relations Director who shall have appropriate qualifications or

experience in carrying out his/her duties and may not be a member of the Board of Directors or a procurator of the Exchange.

(2) The Investor Relations Director shall:

1. establish an effective relationship between the Board of Directors of the company and its shareholders and the persons interested in investing in securities on the Exchange, providing them with information about the current financial and economic situation of the company, as well as any other information to which they are entitled by law in their capacity as shareholders or investors;

2. be responsible for sending within the statutory term the materials for a convened General Meeting to all shareholders who have requested to get acquainted with them;

3. keep and store true and complete minutes of the meetings of the Board of Directors of the Exchange;

4. be responsible for the timely sending of all necessary reports and notifications of the Exchange to the FSC, the regulated market on which the company's securities are traded and the Central Depository;

5. keep a register of the sent materials under items 2 and 4, as well as of the received requests and the information provided under item 1, describing the reasons in case of failure to provide requested information.

(3) The Investor Relations Director shall report on his/her activity to the shareholders at the regular Annual General Meeting.

(4) The persons who manage the company shall be obliged to assist the investor relations director, as well as to control the performance of his/her functions under para. 2.

Audit Committee

Art. 42. (1) (amend GMS dated 18.06.2018) The Audit Committee operates under the Independent Financial Audit Act (IFA) and the Statute of the Audit Committee approved by the General Assembly.

(2) (amend GMS dated 18.06.2018) The Audit Committee is elected by the General Assembly on the proposal of the Chairman of the Board of Directors.

(3) (repealed GMS of 18.06.2018.)

CHAPTER SEVEN - ANNUAL CLOSURE AND PROFIT SHARING

Annual closing procedure

Art. 43. (1) By the order of Art. 245 of the Commercial Act, the Board of Directors shall draw up for the past calendar year financial statements and a report on the activity and submit them to the auditor or specialized audit company elected by the General Meeting.

(2) The annual financial statements shall be audited by the elected auditor or the specialized audit firm regarding compliance with the requirements of the AA.

(3) After receipt of the report of the auditor or the specialized audit company, the annual financial statements, the activity report and the preparation of the proposal for profit distribution, the Board of Directors shall take a decision for convening a regular annual General Meeting of the Exchange.

(4) The audited and adopted by the General Meeting annual financial statements shall be submitted for announcement in the Commercial Register.

Distribution of profits

Art. 44. (1) The balance sheet profit shall be distributed by a decision of the General Meeting in accordance with this Statute and the legislation in force.

(2) Distribution of the profit in the form of dividends shall be proceeded after at least 10% of the profit for the Reserve Fund have been set aside until the resources in the Fund reach 1/10 (one tenth) of the capital.

(3) By decision of the General Meeting, the company may also form other funds, as the decision shall determine the manner of formation and spending of the funds.

(4) (IGMS dated 24.06.2021) The profit may be distributed to all shareholders in the form of dividends, and the decision on the amount, procedure and manner of payment of dividends shall be taken by the General Meeting in compliance with the requirements of Art. 247a of the Commercial Act and POSA. The exchange is obliged to ensure the payment of the dividend due within 60 days of the General Meeting. The payment is made with the assistance of the Central Depository. The costs of paying the dividend are at the expense of the company. Unclaimed in a five-year dividend period from the day on which the claim fell due shall remain in favour of the Exchange.

(5) (New, GMS from 24.06.2021) The company may pay an interim dividend on the basis of a 6-month financial statement under the terms of Article 115c, paragraph 2 of the Public Offering of Securities Act and with the relevant application of Article 247a of the Commercial Act and the provisions of the Statute.

Reserve Fund

Art. 45. (1) The Company shall form a Reserve Fund, which raises funds from the following sources:

1. determined by the General Meeting part of the profit, but not less than 1/10 (one tenth), until the resources in the Fund reach 1/10 (one tenth) of the capital;

2. the funds received above the nominal value of the shares and bonds upon their issuance;

3. other sources by decision of the General Assembly.

(2) The resources of the Reserve Fund may be used only for:

1. covering the annual loss;

2. covering losses from the previous year;

3. where the resources of the Reserve Fund exceed 1/10 (one tenth) of the capital, the larger amount may also be used for capital increase.

(3) For other compulsory monetary funds provided for in a normative act, if such are formed, and for dividends, funds may be deducted from the profit of the company only after the necessary funds have been allocated to the Reserve Fund.

CHAPTER EIGHT - TRANSFORMATION AND DISSOLUTION OF THE COMPANY. LIQUIDATION

Transformation of the company

Art. 46. (1) The exchange may be transformed by the order of Chapter Sixteen of the Commercial Act. Transformation is carried out with the prior approval of the FSC, in compliance with the requirements of the Public Offering of Securities Act and the acts for its implementation

(2) The decision for transformation shall be adopted by a majority of 3/4 of the presented shares.

Termination of the company

Art. 47. The exchange shall be terminated:

1. by decision of the General Assembly;
2. upon its declaration of bankruptcy;
3. by a decision of the court in the cases provided for by law;
4. upon withdrawal of the license by the FSC.

Liquidation

Art. 48. (1) Except in case of bankruptcy, after termination of the Exchange shall be liquidated.

(2) The liquidators of the company shall be determined by the FSC, and in case of voluntary liquidation by the General Meeting of Shareholders.

(3) The liquidators shall draw up an opening balance sheet and a report reflecting the state of the company as of the date of the decision for termination.

(4) At the end of each year, the liquidators shall draw up an annual balance sheet and a report on their activities and submit them for adoption to the General Meeting.

(5) After the liquidation of the property and satisfaction of the creditors, the remainder shall be distributed among the shareholders in proportion to the shares held by them and respectively the distribution adopted by the General Meeting.

CHAPTER NINE - SUPPLEMENTARY PROVISIONS

Art. 49. For the issues not settled in this Statute, the Commercial Act ("CA"), the Public Offering of Securities Act and the MFIA shall apply, respectively - the acts for their implementation.

FINAL PROVISIONS

& 1. This Statute was adopted by the General Meeting of Shareholders of the Bulgarian Stock Exchange – Sofia AD, held on 13.09.2010 in Sofia and completely repeals the provisions of the Statute of the Exchange, adopted on 05.12.1995 with all its subsequent amendments and supplements.

& 2. This Statute was amended by a decision of the General Meeting of Shareholders of the Bulgarian Stock Exchange – Sofia AD, held on 20.06.2012.

& 3. This Statute was amended by a decision of the General Meeting of Shareholders of the Bulgarian Stock Exchange – Sofia AD, held on 30.06.2015 years.

& 4. This Statute was amended by a decision of the General Meeting of Shareholders of the Bulgarian Stock Exchange – Sofia AD, held on 18.06.2018.

& 5. This Statute was amended by a decision of the General Meeting of Shareholders of the Bulgarian Stock Exchange AD, held on 24.06.2021.