



*Translation from Bulgarian*

## NON-PRESENCE DECISIONS OF THE BOARD OF DIRECTORS

The Board of Directors of ALLTERCO JSCo., a joint-stock company incorporated and operating under Bulgarian law, with its registered office and address of management: Sofia 1407, 103 Cherni Vrah Blvd., registered with the Registry Agency - Commercial Register under UIC 201047670, hereinafter referred to as "the Company", pursuant to Art. 21, para. 13 of the Statute of the Company and with the consent of all the members, namely: Mr. Svetlin Iliev Todorov, Mr. Dimitar Stoyanov Dimitrov and Mr. Nikolay Angelov Martinov

### WHEREAS:

(A) The General Meeting of Shareholders held on 29.01.2018 decided on the basis of Art. 196 of the Commercial Code for the amendment of the Statute, entered in Commercial Register and the Register of the Non-profit Legal Entities on 14.02.2018, by which authorized the Board of Directors for 5 years from the date of entry of the amendment in the Statute to increase the capital up to BGN 18,000,000 by issuing 3,000,000 new shares;

(B) The Company started the process of restructuring the business by selling interests in the capital of subsidiaries in the telecommunications sector and by reorganizing the activities of the subsidiaries in the IoT area, with the aim of orienting the holding's activity entirely in the development and offering of goods and services in the "Internet of Things" category

(C) To complete the entire business restructuring process and to provide its sustainable development in the IoT area, the Company needs funds.

### UNANIMOUSLY DECIDED:

#### 1. INCREASE OF THE CAPITAL

Pursuant to Art. 196 of the Commercial Code in connection with Art. 7, para. 9 of the Statute of the Company, the Board of Directors adopts a decision to increase the capital of the Company from BGN 15,000,000 (fifteen million leva) to BGN 18,000,000 (eighteen million leva) by public offering of 3,000,000 (three million) dematerialized ordinary registered voting shares with the right to dividend and liquidation share, in proportion to their nominal value, with a nominal value of BGN 1 (one) each.

#### 2. GOAL OF THE INCREASE

The Board of Directors decided, in case of successful carrying out of the capital increase of the Company, to use the funds to increase the technical security of the holding companies with personnel and equipment, to expand the existing and to build a new distribution network in the countries, for working capital to maintain a warehouse base in the USA and Hong Kong, as well as for other purposes, additionally and particularly specified in the prospectus for public offering.

#### 3. CONDUCT OF PROCEDURE FOR INCREASE OF THE CAPITAL





The Board of Directors assigns to Mr. Dimitar Stoyanov Dimitrov and Mr. Svetlin Iliev Todorov to make the necessary consultations and to take all necessary and / or appropriate legal and factual actions regarding the interest of the Company in connection with the preparation for the public offering of shares from the capital increase, including appropriate consultations and calculations, on the basis of which the Board of Directors shall determine and specify the other parameters (conditions) of the issue of shares from the capital increase but, beyond those in items 1 and. 2 here above, namely:

1. the specific objectives of the increase;
2. the terms and conditions for the transfer of the rights within the meaning of § 1, item 3 of the Additional provisions of the Public Offering of Securities Act, issued against the existing shares;
3. the terms and conditions for subscription of the new shares;
4. the amount of the issue value, the term and the conditions for its payment;
5. the investment intermediary entrusted with the implementation of the subscription;
6. all other parameters and circumstances required under the provisions of the effective legislation necessary for the implementation of the respective capital increase;

In connection with the decision under this item, the Board of Directors assigns to Mr. Dimitar Stoyanov Dimitrov and Mr. Svetlin Iliev Todorov to organize the preparation of a prospectus for public offering of shares from the increase if the capital of the Company and to propose the prospectus for adoption by the Board of Directors, the purpose of which is to submit a prospectus for approval by the Financial Supervision Commission in early 2020.

### **3. CONSENT FOR NON-PRESENT DECISION-MAKING**

By his signature below, each member of the Board of Directors confirms that he has read this document beforehand, has received the necessary written materials pertaining to the decisions adopted here, and agrees to their non-present adoption.

These non-present decisions of the Board of Directors are valid only if they are signed by all members of the Board of Directors of the Company and enter into force from the date of the last signature.

These non-present decisions may be signed in multiple copies with identical content, without the need for all members of the Board of Directors to sign on the same copy. A combination of copies of identical contents containing the signatures of all members of the Council shall be considered to be a valid document and shall have the same force as if all the signatures were to be affixed to a single copy.

It is also permissible to sign these Non-Present Decisions electronically with a qualified electronic signature under the Electronic Document and Electronic Signature Act.

Members of the Board of Directors

/sign.ill./ Mr. Svetlin Iliev Todorov	Date: 13.12.2019
/sign.ill./ Mr. Dimitar Stoyanov Dimitrov	Date: 20.12.2019
/sign.ill./ Mr. Nikolay Angelov Martinov	Date: 20.12.2019

*I, the undersigned Aneliya Ivanova Miteva, hereby certify the truth of the translation made by me from Bulgarian language to English language of the enclosed document – Non-Presence Decisions of the Board of Directors. The translation consists of 2 (two) pages.*

*Translator: Aneliya Ivanova Miteva*

