

REPORT

UNDER ART. 12, PARAGRAPH 1 OF REGULATION No. 48 OF 20 MARCH 2013 ON THE REQUIREMENTS TO REMUNERATION, ISSUED BY THE FINANCIAL SUPERVISION COMMISSION, PROMOTED IN GAZETTE NO. 32 OF 2 APRIL 2013 ("REGULATION No. 48")

TO THE ANNUAL FINANCIAL REPORT FOR THE ACTIVITIES OF "INTERCAPITAL PROPERTY DEVELOPMENT" REIT for 2025.

I. Remuneration policy implementation program for the next financial year or a longer period

The remuneration policy, prepared by the Board of Directors of "INTERCAPITAL PROPERTY DEVELOPMENT" REIT and approved by the Extraordinary General Meeting of Shareholders held on September 28, 2020, includes several basic principles that fully comply with legal regulations:

- The remuneration of the members of the Board of Directors, including the Executive Director, is determined by the General Meeting of Shareholders of the Company, and according to the policy, objective criteria have been defined for determining the remuneration;
- The members of the Board of Directors are paid a permanent remuneration in accordance with the criteria set out in the remuneration policy, approved by the Extraordinary General Meeting of Shareholders held on 28.09.2020 .

The currently valid Remuneration Policy has been adopted in accordance with the latest amendments to Ordinance No. 48 (SG, issue 61 of 10.07.2020) and provides for the payment of only permanent remuneration to the members of the Board of Directors. The changes in the policy reflect the regulatory requirements regarding its content - the procedure for its review, publication, etc. In addition, it is noted that amendments to Ordinance No. 48 have been adopted by SG, issue 60 of 20.07.2021, as well as by SG, issue 64 of 3.08.2021, which are not applicable to the Company and do not require the adoption of changes in the Remuneration Policy approved by the shareholders.

The Board of Directors of INTERCAPITAL PROPERTY DEVELOPMENT REIT intends to strictly comply with the remuneration policy, which has been approved by the General Meeting of Shareholders of the company, both in the next financial year and in a longer-term perspective.

II. Information under Article 13 of Regulation No. 48

1) Information on the decision-making process for determining the remuneration policy, including, if applicable, information on the mandate and composition of the remuneration committee, the names of the external consultants whose services were used in determining the remuneration policy:

The decision-making process for determining the remuneration policy is clearly defined in the Public Offering of Securities Act (POSA) and Ordinance No. 48. According to the POSA, the remuneration of the members of the Board of Directors of INTERCAPITAL PROPERTY DEVELOPMENT REIT is determined by the General Meeting of Shareholders and no external

consultants were used in its development. The Company does not have a special remuneration committee.

2) Information on the relative weight of variable and fixed remuneration of the members of the management body:

The members of the Board of Directors of INTERCAPITAL PROPERTY DEVELOPMENT AD receive only a fixed remuneration.

3) Information on the performance criteria on the basis of which stock options, company shares or other variable remuneration are granted and an explanation of how the criteria under Art. 14, para. 2 and 3 of Regulation No. 48 contribute to the long-term interests of the company:

No stock options, company shares or other types of variable remuneration are granted.

4) Explanation of the methods applied to assess whether the criteria for the achieved results have been met:

Not applicable.

5) Explanation regarding the relationship between remuneration and achieved results:

The amount of the permanent remuneration takes into account:

- the obligations, degree of workload, commitment and involvement of the members of the Board of Directors in the management of the company, as well as the contribution of each member of the Board of Directors to the activities and results of the company;
- the ability to select and retain qualified and loyal members of the Board of Directors;
- the existence of a correspondence between the interests of the members of the Board of Directors and the long-term interests of the Company.

6) The main payments and justification of the annual bonus payment scheme and/or any other non-monetary additional remuneration:

Not applicable.

7) Description of the main features of the supplementary voluntary pension scheme and information on the contributions paid and/or due by the company in favour of the relevant member of the management or supervisory body for the relevant financial year, where applicable:

Not applicable.

8) Information on the deferral periods of variable remuneration:

Not applicable.

9) Information about the compensation policy upon termination of contracts:

The policy of compensation upon termination of contracts is fully consistent with Bulgarian legislation, as the contracts with the members of the Board of Directors do not contain specific clauses in this regard, including for variable remuneration.

10) Information on the period during which shares cannot be transferred and share options cannot be exercised, in the case of variable share-based remuneration:

No variable remuneration is provided, respectively, there are no stock options or share-based remuneration.

11) Information on the policy for retaining a certain number of shares until the end of the term of office of the members of the management and control bodies after the expiration of the period under item 10):

Not applicable.

12) Information regarding the contracts of the members of the management and supervisory bodies, including the term of each contract, the period of notice for termination and details regarding compensation and/or other payments due in the event of early termination :

The contracts with the members of the management body are indefinite. The notice periods and compensations due do not differ from those usual for commercial practice and defined in Bulgarian legislation.

13) The full amount of remuneration and other material incentives of the members of the management and control bodies for the relevant financial year:

The full amount of the accrued gross remuneration of the members of the Board of Directors for 2025 amounts to BGN 52 thousand.

There are no other material incentives provided to the members of the Board of Directors.

14) Information on the remuneration of each person who was a member of a management or supervisory body in a public company for a certain period during the relevant financial year:

a) The full amount of the gross remuneration paid and/or accrued to the person for the relevant financial year :

For the reporting period, remuneration was paid as follows:

- Mr. Velichko Stoychev Klingov, in his capacity as an executive member of the Board of Directors of the Company, was paid remuneration in the amount of BGN 16 thousand, including for previous years.
- Petya Georgieva YORDANOVA, in her capacity as a member of the Board of Directors of the Company, was paid remuneration in the amount of BGN 0 ;
- Ms. Tsvetelina Chavdarova Hristova, in her capacity as a member of the Board of Directors of the Company, was not paid any remuneration in 2025.

b) The remuneration and other material and non-material incentives received by the individuals from companies of the same group :

Not applicable.

c) Remuneration received by individuals in the form of profit sharing and/or bonuses and the grounds for their provision :

No such remuneration has been paid.

d) All additional payments for services rendered by persons outside their usual functions, where such payments are permissible under the contract concluded with them :

No such remuneration has been paid.

e) The compensation paid and/or accrued on the occasion of the termination of the functions of the persons during the last financial year:

During the reporting period, no functions of the members of the Board of Directors were terminated.

f) General assessment of all non-monetary benefits equivalent to remuneration, other than those specified in letters "a" to "e":

There are no non-monetary benefits paid, equivalent to remuneration.

g) Information on all loans granted, payments of social and household expenses and guarantees by the company or by its subsidiaries or other companies that are subject to consolidation in its annual financial statements, including data on the remaining unpaid portion and interest :

There are none available.

15) Information regarding shares and/or stock options and/or other share-based incentive schemes:

There are no shares, stock options or other incentive schemes.

a) Number of share options offered or shares granted by the company during the relevant financial year and the conditions under which they were offered or granted:

No options were offered and no shares were granted.

b) Number of stock options exercised during the relevant financial year and for each of them, number of shares and exercise price of the option or value of interest under the share-based incentive scheme at the end of the financial year:

There are no stock options available, respectively, no such options have been exercised.

c) Number of unexercised share options at the end of the financial year, including details of their price and exercise date and material conditions for exercising the rights:

There are no stock options, respectively, there are no unexercised options.

d) Any changes to the terms and conditions of existing stock options granted during the financial year:

There are no existing options.

16) Information on the annual change in remuneration, the company's performance and the average full-time remuneration of the company's employees who are not directors, over at least the previous five financial years, presented together in a way that allows comparison:

Year	2020	2021	2022	2023	2024	2025
Average annual remuneration of the members of the Board of Directors (in thousands of BGN)	39	39	40	35	52	52
Average annual remuneration based on full-time work of employees who are not directors (in BGN thousand)	2	2	2	2	2	2
Company result ¹(in thousands of BGN)	506	3,740	473	572	2,055	474

17) Information on exercising the option to request the return of variable remuneration:

Not applicable.

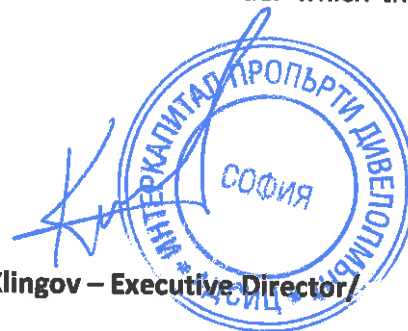
18) Information on any deviations from the procedure for implementing the remuneration policy in connection with extraordinary circumstances under Art. 11, para. 13 of Regulation No. 48, including an explanation of the nature of the extraordinary circumstances and an indication of the specific components that have not been applied:

The remuneration policy does not specify any exceptional circumstances under which the company may temporarily not apply part of the policy.

March 25, 2026

Signature:

/Velichko Klingov – Executive Director/



¹The result is rounded for accounting purposes.