

REPORT

UNDER ART. 12, AL. 1 OF ORDER N• 48 OF MARCH 20 2013 FOR THE REQUIREMENTS TO **THE REWARDS, ISSUED** FROM THE COMMISSION FOR FINANCIAL SUPERVISION, OBN DV. BR. 32 FROM APRIL 2 2013 ("ORDINANCE N•. 48")

ON THE ANNUAL FINANCIAL REPORT FOR THE ACTIVITY OF "INTERKAPITAL PROPERTY DEVELOPMENT" REIT for the year 2020

I. Program for application on politics for the rewards for the next one financial year or for longer period

IN politics for the rewards, prepared from The council on the directors on "INTERKAPITAL PROPERTY DEVELOPMENT" REIT and established from the emergency Total assembly to the shareholders, conducted on 28.09.2020 d., are laid down a few basic the principle who entirely correspond on the legal one regulation:

- Members' fees of the Board of Directors, inclusive and on the executive director, are determined by the General Meeting of Shareholders The company, as according to the policy, objective criteria have been determined at determination of remuneration;

The members of the Board of Directors are paid a fixed remuneration in compliance with the criteria lying down in politics for the rewards, established from the extraordinary Total assembly on the shareholders, conducted on 28.09.2020 Mr.

The current one to the moment politics for remuneration is accepted in compliance with the latest amendments in Ordinance no 48 (SG, No. 61 of 10.07.2020) and provides payout only on permanent rewards on the members on Saeta on the directors. The changes in politics reflect the normative requirements regarding hers content – the order for hers revision, publication and etc.

The Board of Directors of INTERCAPITAL PROPERTY DEVELOPMENT REIT intends to strictly observe politics for the rewards which is confirmed from The general meeting of shareholders of the company, as in the next financial year year, so and in longer term perspective.

II. Information by Art. 13 from Ordinance N•. 48

1. Information regarding the process on taking on decisions at determination on remuneration policy, including, if applicable, information on the mandate and composition of the remuneration committee, the names of the external ones consultants whose services were used in policy making for rewards:

The process on taking on decisions at determination on politics for remuneration is clearly defined in the Law on the Public Offering of Securities documents (LPO) and Ordinance no 48. According to the LPA, the remuneration of the members of the Board of Directors of "INTERKAPITAL PROPERTY DEVELOPMENT" REIT are determined by the General Meeting of Shareholders and during its development no are used external consultants. The company there is no special committee on rewards.

2. Information regarding relative burden of the variable and the constant remuneration on the members of the manager authority:
The members on the advice on the directors on "INTERKAPITAL PORTRAITS DEVELOPMENT" AD receive only always remuneration.
3. Information about the criteria for achieved results, based on which everything provide options on stocks, shares on the company or another species **variable remuneration and an explanation of how** the criteria under Art. 14, para. 2 and 3 of Ordinance no 48 contribute eh the long term interests on The company:
No everything provide options on stocks, shares on the company or another species variable remuneration.
4. Explanation on applied methods for judgement whether are fulfilled the criteria for the bent ones results:
No is applicable
5. **Explanation regarding the addiction between the reward and achieved results:**
The size on the constant remuneration reports:
 - the obligations the degree of workload, engagement and empathy on the members of the Board of Directors in the management of the company, as well as the contribution on everyone one member on The council on the directors in the activity and the results of the company;
 - the ability to select and retain qualified and loyal members of The council on the directors;
 - availability on compliance on interests on the members on The council on the directors and the long term interests on The company.
6. The main **payments and justification of the annual** bonus payment scheme and/or on all **others non-monetary** additional rewards:
No is applicable.
7. Description on the main ones characteristics on the scheme for **additionally** voluntarily retirement insurance and information **regarding the paid ones** and/or the due contributions from the company **in favor of the relevant** member of the management or controlling organ for **the flexible one** financial year, when is applicable:
No is applicable.
8. **Information for the periods on postponement on the payout on the variables rewards:**
No is applicable.
9. **Information for politics on indemnities at termination on Sayings:**
Politics on benefits at termination on the contracts is entirely tailored with Bulgarian legislation, like the contracts with the members on The Board of Directors do not contain specific clauses in this regard, including and in variables rewards.
10. **Information for the period in which the shares no they can Yes be transferred and the options on shares no they can Yes be exercised, at variables rewards, founded on stocks:**

No changes in remuneration are foreseen, respectively there are no options on shares or rewards with shares.

- 11. Information on the policy to retain a certain number of shares until the end of the mandate of the members of the management and control bodies after the expiration of the period by t. 10:**

No is applicable.

- 12. Information about the contracts of the members of the management and control bodies organs, inclusive the deadline on everyone contract, the deadline on the notice for termination and details regarding benefits and/or others due payments in case on ahead of schedule termination:**

The contracts with the members on the management organ are indefinite. The debtors notices, respectively benefits no everything differ from the usual ones for commercial practice and determined in Bulgarian legislation.

- 13. The total amount of remuneration and other material incentives of the members of the management and control bodies for the relevant financial YEARS:**

Through 2020 Mr. the members on The council on the directors no are received rewards from the company.

There are no other financial incentives provided to Council members of the directors.

- 14. Information for the reward on every face, which is was member on management or control body in a public company for a certain period through relevant financial year:**

- a) **The full one size on paid out and/or accrued gross remuneration on the face for the flexible one financial year:**

According to the requirements on Art. 116c, para. 1 of LPA, the members on The council on the directors of the Company shall be remunerated in an amount determined by The general assembly on the shareholders.

Through 2020 Mr. no are paid out rewards on the members on The council on the directors.

- 6) The remuneration and others material and intangible incentives, received from the persons from Aru gestures from the same gpya:**

No is applicable.

- c) Remuneration, received from the persons under the form on distribution on the profit and/or bonuses and the grounds for providing them:**

No are paid out similar rewards.

- d) Everyone additional payments for services, provided from the persons outside the usual ones them functions, when likenesses payments are admissible according to conclusions with them contract:

No are paid out similar rewards.

- e) **The paid and/or accrued compensation on the occasion termination on the functions on the persons by time of the last one financial year:**

They were not terminated during the reporting period functions of the members of the Council of the directors.

f) General **evaluation on all non-monetary benefits, equated on rewards, outside the sown ones in letters "a" to "e"**:

There is no paid out non-monetary benefits, equated on rewards.

g) Information regarding all provided loans, payments on social and household expenses and warranties from the company or of his subsidiary companies or other companies that are subject to consolidation in the annual his financial report, inclusive data for the remaining one unpaid part and the hooves:

No are available such.

15. Information regarding shares and/or options on shares and/or others schemes for stimulation ez basis on stocks:

No shares, options on shares or others schemes for stimulation.

(a) Number of stock options offered or shares granted by the company in the relevant financial year and the conditions under which they are proposed, respectively provided:

No are offered options and no are provided shares.

6) Number of exercises stock options in relevant financial year and for each of them, the number of shares and the exercise price of the option and the value of the interest under the share-based incentive scheme at the end of financial years:

No are available options airhoo stocks, respectively no are exercised similar.

c) Number of unexercised options on shares to the end of the financial year year, inclusive data regarding theirs price and date on exercising and substantial conditions for exercising on rights:

There is no options on stocks, respectively there is no unexercised options.

d) Any changes in the deadlines and the conditions on existing ones options on stocks, accepted through financial year:

There is no existing ones options.

16. Information on the annual change in remuneration, the results of the company and on the average size of the remuneration of basis complete working hours of company employees, who are not directors, through the preceding five financial years at least presented together in a manner which Yes allows matching:

Year	2026 Mr.	2017 Mr.	2018 Mr.	2019 Mr.	2020 Mr.
Average annual amount of the reward on the members on	33	33	33	39	39
Average annual size on the reward up basis on complete working time on	1	1	1	2	2

the scarecrows, who no are directors					
Result on the company'	-127 Hill. BGN	96 thousa nd BGN	-4 383 thousand thousand BGN	-66 BGN	506 thou sandBGN

17. Information for exercising on possible Yes everything requirement return on the variable remuneration:

No is applicable.

18. Information for all deviations from the procedure for the application on the remuneration policy in connection with extraordinary circumstances under Art. 11, para. 13 from Ordinance no 48, inclusive clarification on nature on the extraordinary circumstances and specifying the specific components that do not are attached:

In politics no extraordinary is specified for the remunerations circumstances, at who the company temporary Yes no applies part from politics.

Date: 26.03.2021 Mr.



 Величко Илиев

 изпълнителен директор

' The result is rounded for the goals on accounting o tch pi and not.