

## REPORT

UNDER ART. 12, AL. 1 OF ORDER N°. 48 FROM 20 MARCH 2013 D. ON THE REQUIREMENTS 1. THE REWARDS, ISSUED FROM THE COMMISSION FOR FINANCIAL SUPERVISION, PUBLIC DV. BR. 32 FROM 2 APRIL 2013 D. ("ORDINANCE N-° 48")

On the ANNUAL FINANCIAL REPORT FOR THE ACTIVITY ON "INTERKAPITAL Properties Development REIT"

- I. Program for application on the policy for the rewards for next financial year or longer \_ period

IN politics for the rewards, prepared from The council on the directors on "INTERKAPITAL PROPERTIES DEVELOPMENT" REIT and established from the regular annual Total assembly on the shareholders held on 07/05/2013 Mr. are several lying down basic the principles which entirely correspond on the legal one regulation:

- The rewards on the members on The council on the directors, inclusive and of the executive director, everything determine from The general assembly on the shareholders of the Company, like according to politics are determined objective criteria upon determination on remuneration;
- On the members on The council on the directors pays off only permanent reward. Po answer on The general assembly on the shareholders and taking into account the financial situation of the Company, it is possible to determine the payment of variable remuneration to the members of the Board of Directors, like in this one case politics for the rewards follows Yes is updated at the conditions and by the order determined in Public Housing Authority and in Ordinance No 48.

The Board of Directors of INTERCAPITAL PROPERTY DIVE LOPMONT REIT intends strictly to complies with the policy for the rewards, which was approved by the General Meeting of the company 's shareholders , as in the following year financial year, so and in longer term perspective.

- II. Information according to Art. 13 of Ordinance N°. 48

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

decision-making process for setting the remuneration policy is clearly defined in the Law on the Public Offering of Securities books (LPO) and Ordinance No. 48. Agreed LPA, the rewards to the members of the Board of Directors of INTERCAPITAL PROPERTY DEVELOPMENT REIT everything determine from The general assembly on the shareholders and at its development does not are used external consultants. The company does not special committee by rewards.

2. Information about relative burden on the variable and the permanent **remuneration** on the members of the governing body:

The members on the advice on the directors on "INTERKAPITAL PROPERTY DEVELOPMENT" REIT receive only always remuneration.

3. Information on performance criteria based on which stock options are granted , shares \_ \_ \_ on the company or other type of variable remuneration and an explanation of how the criteria according to Art. 14, para. 2 and 3 of Ordinance N-° 48 contribute to the long-term interests of the company:  
No options are granted on shares, company shares or any other type of variable remuneration.
4. Explanation of the applied methods for assessing whether the achievement criteria have been met results:  
No is applicable.
5. Explanation regarding the addiction between the reward and the results achieved :  
There is no dependency.
6. The main ones payments and justification on annual scheme for payout on bonuses and/or any other non- monetary extras rewards:  
No is applicable.
7. Description of the main features of the supplementary voluntary pension insurance scheme and information regarding the contributions paid and/or payable by the company in favor of the director for the relevant financial year when it is applicable:  
No is applicable.
8. Information for the periods on postponement on the payout on variable remuneration:  
No is applicable.
9. Information about the termination benefits policy : \_ \_  
compensation policy upon termination of the contracts is fully compliant with Bulgarian legislation, as the contracts with the members of the Council of directors do not contain specific clauses in this one direction, in t.c. and at variables rewards.
10. Information on the period during which shares are not transferable and share options are not exercisable for variable share - based awards :  
No are provided for variables rewards, respectively there is no options on shares or rewards with shares.
11. Information about the welding policy of certain number of shares until the end of the mandate of the members of the management and control bodies after the expiry of the period under item 10:  
No is applicable.

D.

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12. Information regarding the contracts of the members of the management and control bodies, including the term of each contract, the term of the notice of termination and details of the benefits and/or other payments due in the event of early termination:

The contracts with the members of the governing body are open-ended. The due notices, respectively compensations, do not differ from those usual for commercial practice and determined in Bulgarian legislation.

13. The full amount of remuneration and other material incentives of the members on the management and the control authorities for relevant financial year:

In 2018 , the members of the Company 's Board of Directors were not paid rewards.

There is no others material incentives, who are provided on the members on Board of Directors.

14. Information on the remuneration of any person who was a member of a management or control body in a public company for a certain period period prior to the relevant financial year:

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

In 2018 , the members of the Company's Board of Directors were not paid rewards.

On Great Stoychev Fisingov, which is member on SD and executive director of the company, is accrued gross remuneration in size on 32 thousand BGN in 2018

Tsvetelina Chavdarova Hristova, in her capacity as a member of the Board of Directors of the Company, is charged gross remuneration in size on 1 thousand BGN in 2018 \_

On Aheloy 2012 Ltd., which is member on SD on Society, is accrued gross remuneration in size on 17 thousand BGN through 2018 Mr.

6) The remuneration and other material and non-material incentives received by the persons from companies from the same group:

No is applicable.

in) reward, received from the persons under the form of distribution of profit and/or bonuses and the grounds for the provision

No are paid out similar rewards.

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

No are paid out similar rewards.

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

No are accrued and/or benefits paid .

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

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

g) Information about all loans granted , payments of social and household expenses and guarantees from the company or from its subsidiaries or other subject companies \_ \_ \_ of consolidation in its annual financial statement, including data on the remaining outstanding portion and the interest rates:

No are available .

15. Information on attitude on the shares and/or the options on shares and / or other share - based incentive schemes :

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

a) Number on the proposed ones options on shares or the shares granted by the company during the relevant financial year and the conditions under which they are offered, respectively provided:

No are offered options and no are provided shares.

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

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

in) Number on the unexercised options on shares to the end of the financial year, including details of their price and exercise date and material exercise conditions of 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 shares accepted during the financial year. No options exist .

  
Величко Клингов

CEO "

