

**REPORT****to the bondholders of “Intercapital Property Development” ADSIC**

With regard to the obligation of “Intercapital Property Development” ADSIC pursuant to Art.100e, para 1 and para 2 of the Bulgarian law on the public offering of securities and Art.2, para 1, p.1 and 2 of the Contract with Commercial Bank “Investbank” AD for execution of the function of a „Trustee of the bondholders” of corporate bond issue, with nominal amount as of 30.09.2019 - EUR 2 171 195, herewith we present the necessary information in compliance with the assumed commitments and requirements.

**Obligations of “Intercapital Property Development” ADSIC with regard to observation of particular financial indicators**

## 1. Ratio between shareholders’ equity and secured debt

The Company is obliged to maintain a ratio between shareholders’ equity and secured debt, calculated as the value of the shareholder’s equity as per the company’s balance sheet is divided by the value of all secured liabilities, at a rate not less than 0.10 (zero point ten) till the complete repayment of the present corporate bond issue.

The ratio, maintained by “Intercapital Property Development” ADSIC on non-consolidated basis is as follows:

As of 30.09.2019	As of 30.06.2019	Ratio that shall be observed by the Company
-0.161	-0.131	0.10

## 2. Maximum ratio of Liabilities (Obligations) to Assets as per the company’s balance sheet

The Company is obliged to maintain a maximum ratio of Liabilities to Assets as per the company’s balance sheet at a rate not higher than 0.95 (zero point ninety five) till the complete repayment of the present corporate bond issue.

The ratio, maintained by “Intercapital Property Development” ADSIC on non-consolidated basis is as follows:

As of 30.09.2019	As of 30.06.2019	Ratio that shall be observed by the Company
1.07	1.055	0.95





3. The Company draws up its financial statements in compliance with the requirements of the International Accounting Standards.

4. The registered auditor appointed by the Company verifies and certifies the financial statements of the issuer in compliance with the National Accounting Standards and the International Accounting Standards.

### **Information about General Meeting of the Company's bondholders, held on 11.02.2015**

On 11.02.2015 a General Meeting of the Company's bondholders was held which took a decision for new restructuring of the liabilities under the corporate bond issue through amendments in some of the parameters of the bond issue as follows:

1. Prolong the maturity of the issue by 24 months (from 14th August 2018 to 14th August 2020);
2. The schedule for payment of the bond issue and interest are amended as follows:
  - 2.1. The principal is payable in the following installments:

2015	2016	2017	2018	2019	2020
Date/amount (euro)	Date/amount (euro)	Date/amount (euro)	Date/amount (euro)	Date/amount (euro)	Date/amount (euro)
14.02./ 62 500	14.02./ 62 500	14.02./ 125 000	14.02. /125 000	14.02./ 187 500	14.02./ 250 000
14.05./ 62 500	14.05./ 62 500	14.05./ 125 000	14.05./ 125 000	14.05./ 187 500	14.05./ 250 000
14.08./ 62 500	14.08./ 62 500	14.08./ 125 000	14.08./ 125 000	14.08./ 187 500	14.08./ 250 000
14.11./ 62 500	14.11./ 62 500	14.11./ 125 000	14.11./ 125 000	14.11./ 187 500	

2.2. Interest payments are due under the following conditions:

a) The agreed interest rate on the bond issue is reduced to 6% annually, as of 14.02.2015.

b) The possibility of applying a reduction step in the amount of 0.25% (zero point twenty five percent) on the interest rate of the bond loan is in force, until an interest of 5% annually is reached, provided that there is prompt payment of interest and principal,. The principal and interest payments are considered to be made on time in the event that the total amount payable for the previous three-month period is wired to the bank account of Central Depository AD, servicing the payments of the bond issue, not later than two business days before the relevant maturity.





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c) Interest on the bond loan is payable every three months on the dates listed in the table below:

Date of interest payments	Number of days in interest period	Number of days	Interest rate	Amount of interest due (EUR)
14.02.2015	92	365	7,00%	52 932
14.05.2015	89	365	6,00%	42 976
14.08.2015	92	365	5,75%	41 668
14.11.2015	92	365	5,50%	38 990
14.02.2016	92	366	5,25%	36 291
14.05.2016	90	366	5,00%	33 043
14.08.2016	92	366	5,00%	32 992
14.11.2016	92	366	5,00%	32 206
14.02.2017	92	365	5,00%	31 507
14.05.2017	89	365	5,00%	28 955
14.08.2017	92	365	5,00%	28 356
14.11.2017	92	365	5,00%	26 781
14.02.2018	92	365	5,00%	25 205
14.05.2018	89	365	5,00%	22 860
14.08.2018	92	365	5,00%	22 055
14.11.2018	92	365	5,00%	20 479
14.02.2019	92	365	5,00%	18 904
14.05.2019	89	365	5,00%	16 002
14.08.2019	92	365	5,00%	14 178
14.11.2019	92	365	5,00%	11 815
14.02.2020	92	366	5,00%	9 426
14.05.2020	90	366	5,00%	6 148



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14.08.2020	92	366	5,00%	3 142
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3. If, within three (3) days prior to the thirty-day period from the maturity of any outstanding principal and / or interest payment, the Issuer fails to submit to the bondholders' trustee a proper document that the relevant payment has been made to the bank account of "Central Depository" AD, servicing the payments of the bond loan, it is considered that it has defaulted on the bond issue and "Investbank" AD may exercise its rights as a bondholders' Trustee, according to its contract with the Issuer and the applicable laws.
4. The bondholders agree that each payment under the terms of issue, made within the period under item. 3 will be considered as payment of the issue and will not give rise to any adverse effects on the Issuer. A payment that satisfies the conditions of the previous sentence can be made both by the Issuer and by any third party.
5. All other terms and conditions of "Intercapital Property Development" ADSIC's bond issue, except those expressly stated above, shall remain in force and remain in effect as initially agreed, respectively renegotiated by the General Meeting of Bondholders.

In addition the bondholders adopted amendments to the conditions on the collateral presented by the Issuer in pursuant to art. 100z, par. 1 of the Law on Public Offering of Securities which is insurance from Euro Ins AD, covering the risk of non-payment of interest and principal on the Corporate Bond Issue with ISIN Code BG2100019079 with regard to the restructuring of the bond issue.

30.10.2019 г.

Velichko Klingov  
Executive Director

