

WRITTEN MATERIALS

**FOR THE REGULAR ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF
"INTERCAPITAL PROPERTY DEVELOPMENT" ADSIC**

that shall be held on 29/06/2018 at 13:00 h,
№ 6 Dobrudja St., floor 3, Sofia, Bulgaria

**The written materials presented are approved by the Board of Directors of
the Company.**

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1. General Provisions

The written materials are prepared in compliance with Art. 224 of the Commercial Act, are approved by the Board of Directors of "Intercapital Property Development" ADSIC and are provided to the Company's shareholders free of charge.

The Annual General Meeting of "Intercapital Property Development" ADSIC" is duly convened through an invitation to the shareholders announced in the Commercial Registry and published on the Company's web site www.icpd.bg pursuant to the provisions of the Commercial Act, the Law on the public offering of securities, the Law on the Commercial Registry and the Company's Articles of Association. The invitation has been also submitted at the Financial Supervision Commission and the public as per art. 100, par.1 and 3 of the Law for Public Offering of Securities as well as on the regulated market on which the company's shares are traded – "Bulgarian Stock Exchange – Sofia" AD.

The general meeting of shareholders of "INTERCAPITAL PROPERTY DEVELOPMENT" ADSIC will be held on 29/06/2018 at 13:00 h, № 6 Dobrudja St., floor 3, Sofia, Bulgaria.

The registration of the shareholders and the persons authorized to represent the shareholders will start at 12:00 h on 29/06/2018 at the place of holding of the general meeting.

After the announcement of the invitation, a shareholder or shareholders who separately or together hold shares amounting to at least 5% of the company's capital, can include additional items to the agenda of the GM as well as make suggestions for decisions on items already included in the agenda of the GM, as per art. 223a of the Commercial Law in relation to art. 118, par. 2 pt. 4 of the Law for Public Offering of Securities. This right is not applicable when the agenda of the GM includes an article whose subject is to make a decision as per art. 114, par. 1 of the Law for Public Offering of Securities (LPOS). The persons are not entitled to include new articles in the agenda of the GM regarding making a decision according to art. 114 par. of LPOS.

The list of new items is presented for announcing at the Commercial Register no later than 15 days before the date of the GM. In this case, the shareholders must present the documents as per art. 223a art.4 of the Commercial Law to the Financial Supervision Commission, the regulated market and the company not later than the business day following the announcement in the Commercial Register of the new items included in the agenda of the GM. In this case the Company must revise the invitation and publish it together with the written materials. The right of the shareholders to make suggestions on decisions on items already included in the agenda of the GM can be exercised while the discussions on this matter are ongoing, but before the voting on the decision by the GM.

The shareholders have the right to raise questions during the GM in relation to the economic and financial condition as well as the commercial activities of the company, except for circumstances which are considered inside information. Shareholders can ask such questions regardless of the fact if they are related to the agenda. The proxies have the same rights.

According to the requirements of art. 115g, par.5 of LPOS and according to art. 89a of the Articles of Association, the Board of Directors has adopted and published on the website www.icpd.bg the following rights for the conditions and order for voting via proxy and the method for receiving proxies by electronic means:

1. "Intercapital Property Development" ADSITS' shareholders have the right to appoint any person or legal entity to participate and vote in the GM on their behalf.
2. The members of the Board of Directors can represent a shareholder in the event that the proxy explicitly states how each item in the agenda should be voted. In case that a member of the Board of directors is a shareholder or a lawful representative of a shareholder he can vote in the GM without limitations.
3. The written proxy, corresponding to the requirements of art. 116, par.1 and par.2 of LPOS must be for the current GM, must be specific and at least include information about the shareholder and proxy, the number of shares, the agenda of the items subject discussion, the suggestions for decisions on the decisions on each item of the agenda, the specific vote on each item or instructions that the proxy has the right to decide whether and how to vote, signature and date.
4. A sample of the proxy is included in the written materials for the GM, which are published on the internet site of the company and are available to the shareholders at the management address of the company, no later than announcing the invitation for GM in the Commercial Register.
5. The proxy, signed on paper is presented, in original, at the registration before the GM. A proxy issued in a foreign language must be accompanied by a legalized translation in Bulgarian. In case of discrepancies, the text in Bulgarian shall be considered first.
6. The shareholders – individuals – shall prove their identity by a personal identification document. The shareholders – legal entities shall be represented by their legal representatives that shall prove their identity with a certificate of good standing and a personal identification document.
7. The proxies of the shareholders – individuals and legal entities - shall prove their identity through an explicit written power of attorney or through a power of attorney, received by electronic means in compliance with the rules and terms for submission of powers of attorney through electronic means that are published on the Company's web site www.icpd.bg, which shall be issued by the shareholder for that particular General Meeting and shall meet the law requirements, a Certificate of Good Standing of the legal entity – shareholder as well as a personal identification document of the authorized person. In case that the authorized proxy is a legal entity its legal representative shall prove his/her identity not only through a power of attorney issued by the shareholder and a certificate of good standing but also through a certificate of good standing of the authorized legal entity and a personal identification document of its legal representative.
8. In case of authorization by electronic means, a proxy is considered valid if sent no later than one day before the day of the GM to the following e-mail: milen@icpd.bg. The proxy must be fully signed and scanned and the file must be attached to the email. The email should include a statement of the authorizing party to the Company, by which the latter is informed for the proxy and must be signed as an electronic document with electronic signature.
9. If more than one proxies are presented on paper, issued by the same shareholder, the one with the later date is considered valid.

10. In case that the authorizing party is a shareholder – foreign national, the proxy received by electronic means is translated by a legalized translator by and at the expense of the company.
11. Withdrawal of authorization, carried out by electronic means, must be carried out in the same order and way as the authorization itself.
12. In the beginning of the GM, the company notifies the parties present for the proxies submitted.
13. For all cases, not regulated by these Rules, the provisions of the Commercial Law and the LPOS are applied.

The reauthorization with powers granted through submitted powers of attorney as well as the power of attorney issued in contradiction to the provisions of the LPOS is void.

2. Sample Power of attorney for participation in the General Meeting through a proxy. The power of attorney is applicable for individuals and legal entities.

POWER OF ATTORNEY

The undersigned, _____, PIN _____, holder of ID card No. _____, issued on _____ by the Ministry of Interior - _____, in his/her capacity of _____ of „_____” _____, with seat and registered address _____, entered in the Commercial Registry to the Bulgarian Registry Agency, with UIC (unified identification code) _____,

as a shareholder, owning _____ number of shares of the capital of **“Intercapital Property Development” ADSIC**,

on the grounds of Art. 226 of the Commercial Act in compliance with Art. 116 of the Law on the public offering of securities and pursuant to the Ordinance for the minimum contents of the power of attorney for representation of a shareholder in the General Meeting of a company which shares are subject to public offering (Adopted with Decree of the Council of Ministers No. 470 from 17.12.1997, promulgated in SG, No. 124 from 23.12.1997, p. 12, s. 3, No. 195)

AUTHORIZE:

_____, PIN _____, with ID Card No. _____, issued on _____ by the Ministry of Interior - _____, with permanent address: _____

With the following powers:

1. To represent me/the Company at the Regular Annual General Meeting of the shareholders of **“Intercapital Property Development” ADSIC** for 2018, which shall be held on 29th of June 2018 at 13:00 h., in № 6 Dobrudja St., floor 3, Sofia, Bulgaria., and in case of a lack of a quorum, on the grounds of Art. 227 of the Commercial Act the Meeting shall be held on 13th of July 2018 at the same time and place regardless of the represented capital.
2. To vote with all the shares owned by me/the Company on the items of the agenda of the Meeting in compliance with the below pointed voting instructions, as follows:

Item one: Report of the Board of Directors of the Company for the year 2017;

Draft Resolution: The General Meeting of the shareholders approves the report of the Board of Directors of the Company regarding the activity of the Company in the year 2017, and the consolidated management report of the Company for the year 2017.;

Voting instructions: “for”, “against”, “abstain from voting”;

Item two: Report of the Audit Committee of the Company for the year 2017;

Draft Resolution: The General Meeting of the shareholders approves the annual report of the Audit Committee of the Company for its activity in the year 2017;

Voting instructions: “for”, “against”, “abstain from voting”;

Item three: Registered Auditor’s Report on the Annual Financial Statement of the Company for the year 2017;

Draft Resolution: The General Meeting of the shareholders approves the report of the chosen registered auditor regarding the annual financial statement of the Company for the year 2017, and the annual consolidated financial statement of the Company for 2017.;

Voting instructions: “for”, “against”, “abstain from voting”;

Item four: Approving the Annual Financial Report of the Company for the year 2017;

Draft Resolution: The General Meeting of the shareholders approves the annual financial report of the Company for the year 2017;

Voting instructions: “for”, “against”, “abstain from voting”;

Item five: Approving the Consolidated Annual Financial Report of the Company for the year 2017;

Draft Resolution: The General Meeting of the shareholders approves the annual consolidated financial report of the Company for the year 2017;

Voting instructions: “for”, “against”, “abstain from voting”;

Item six: Approving the Financial Result Allocation of the Company for the year 2017;

Draft Resolution: The General Meeting of the shareholders approves the proposal of the Board of Directors for the realized profit from the activity of the Company for 2017, in the amount of BGN **96 330.32** to be used to cover the losses of the company from previous years;

Voting instructions: “for”, “against”, “abstain from voting”;

Item Seven: Releasing from responsibility the members of the board of directors for the period 01/01/2017 – 31/12/2017

Draft Resolution: The General Meeting of the shareholders releases from responsibility the members of the Board of Directors Velichko Stoichev Klingov, Tsvetelina Chavdarova Hristova and Aheloy 2012 OOD, with identification number EIK 202371390, for their activity in the period 1st January 2017 – 31st December 2017.;

Voting instructions: “for”, “against”, “abstain from voting”;

Item eight: Choosing a registered auditor for verification and certification of the annual financial report of the company for the year 2018

Draft Resolution: For verification and validation of the company's individual and consolidated financial reports, the General Meeting of the shareholders approves the registered auditor proposed by the Board of Directors and recommended by the Audit committee, according to the materials in the agenda.

Voting instructions: “for”, “against”, “abstain from voting”;

Item nine: Report of the Investor Relations Director;

Draft Resolution: The General Meeting of the shareholders approves the report of the Investor Relations Director;

Voting instructions: “for”, “against”, “abstain from voting”;

Item ten: Report of the Managing Authorities for the Execution of the Remuneration Policy of the Members of the Board of Directors of the Company for 2017

Draft Resolution: The General Meeting of Shareholders approves the report of the Board of Directors on the Implementation of the Remuneration Policy of the Members of the Board of Directors of the Company for 2017

Voting instructions: “for”, “against”, “abstain from voting”;

Item eleven: Change in the address of management of the Company

Draft Resolution: The General Meeting of Shareholders decides to change the management address of the company to ul. Dobrudja 6, 4th floor.

Voting instructions: “for”, “against”, “abstain from voting”;

Item twelve: Changes in the Articles of Association of the Company

Draft Resolution: In relation to the decision on the previous item of the agenda, the GM of the shareholders approves the change in art.6 of the Articles of Association of the Company, according to the suggestion of the Board of Directors contained in the agenda materials.

Voting instructions: "for", "against", "abstain from voting";

Item thirteen: Determines the mandate of the audit committee as per art. 107 of the Law for Independent Financial Audit.

Draft Resolution: The GM of the shareholders determines the mandate of the audit committee to be three years, as of the date of the GM.

Voting instructions: "for", "against", "abstain from voting";

The statement of the authorizer for the way of voting by the proxy is done by marking (underlining or enclosing) of the possibilities for voting on each of the proposed resolutions on the items included in the agenda.

In case of omission of pointing out the way of voting on the proposed resolutions on the items of the agenda, the proxy has the right to decide at his own discretion whether and how to vote.

The authorization includes also voting on items that are included in the agenda under the terms of art. 231, paragraph 1 of the Commercial Act and are not announced or published in compliance with art. 223 and art. 223a of the Commercial Act. On these items the proxy has the rights to decide at his own discretion whether and how to vote.

In compliance with Art. 116, paragraph 4 of the Law on the public offering of securities the reauthorization with the above mentioned rights is void.

Date: _____

Authorizer: _____

City: _____

3. Agenda of the Regular Annual Meeting of the shareholders of "INTERCAPITAL PROPERTY DEVELOPMENT" ADSIC for 2017

"Item one: Report of the managing authorities for the Activities of the Company in 2017

Draft Resolution: The General Meeting of the shareholders approves the report of the Board of Directors of the Company regarding the activity of the Company in the year 2017, and the consolidated management report of the Company for the year 2017.;

Item two: Report of the Audit Committee of the Company for the year 2017;

Draft Resolution: The General Meeting of the shareholders approves the annual report of the Audit Committee of the Company for its activity in the year 2017;

Item three: Registered Auditor's Report on the Annual Financial Statement of the Company for 2017;

Draft Resolution: The General Meeting of the shareholders approves the report of the chosen registered auditor regarding the annual financial statement of the Company for the year 2017, and the annual consolidated financial statement of the Company for 2017.;

Item four: Approving the Annual Financial Report of the Company for the year 2017;

Draft Resolution: The General Meeting of the shareholders approves the annual financial report of the Company for the year 2017;

Item five: Approving the Consolidated Annual Financial Report of the company for the year 2017;

Draft Resolution: The General Meeting of the shareholders approves the annual consolidated financial report of the Company for the year 2017;

Item six: Approving the financial result allocation of the Company for the year 2017;

Draft Resolution: The General Meeting of the shareholders approves the proposal of the Board of Directors for the realized profit from the activity of the Company for 2017, in the amount of BGN **96 330.32** to be used to cover the losses of the company from previous years;

Item Seven: Releasing from responsibility the members of the board of directors for the period 01/01/2017 – 31/12/2017

Draft Resolution: ; The General Meeting of the shareholders releases from responsibility the members of the Board of Directors Velichko Stoichev Klingov, Tsvetelina Chavdarova Hristova and Aheloy 2012 OOD, with identification number EIK 202371390, for their activity in the period 1st January 2017 – 31st December 2017.;

Item eight: Choosing a registered auditor for verification and certification of the annual financial report of the company for the year

Draft Resolution: For verification and validation of the company's individual and consolidated financial reports, the General Meeting of the shareholders approves the registered auditor proposed by the Board of Directors and recommended by the Audit committee, according to the materials in the agenda.

Item nine: Report of the Investor Relations Director;

Draft Resolution: The General Meeting of the shareholders approves the report of the Investor Relations Director;

Item ten: Report of the Managing Authorities for the Execution of the Remuneration Policy of the Members of the Board of Directors of the Company for 2017

Draft Resolution: The General Meeting of Shareholders approves the report of the Board of Directors on the Implementation of the Remuneration Policy of the Members of the Board of Directors of the Company for 2017

Item eleven: Change in the address of management of the Company

Draft Resolution: The General Meeting of Shareholders decides to change the management address of the company to ul. Dobrudja 6, 4th floor.

Item twelve: Changes in the Articles of Association of the Company

Draft Resolution: In relation to the decision on the previous item of the agenda, the GM of the shareholders approves the change in art.6 of the Articles of Association of the Company, according to the suggestion of the Board of Directors contained in the agenda materials.

Item thirteen: Determines the mandate of the audit committee as per art. 107 of the Law for Independent Financial Audit.

Draft Resolution: The GM of the shareholders determines the mandate of the audit committee to be three years, as of the date of the GM.

Item fourteen: Miscellaneous

Written Materials and Enclosures (if applicable)

Materials under item 1 of the Agenda:

The Board of Directors proposes to the General Meeting of the shareholders the following draft resolution:

“The General Meeting of the shareholders approves the report of the Board of Directors of the Company regarding the activity of the Company in the year 2017, and the consolidated management report for the Company’s activity for 2017”.

Enclosure No. 1: Management report on the Company’s activity for the year 2017

Enclosure No. 2: Consolidated management report on the Company’s activity for the year 2017

Materials under item 2 of the Agenda:

The Board of Directors proposes to the General Meeting of the shareholders the following draft resolution:

„The General Meeting of the shareholders approves the annual report of the Audit Committee of the Company for its activity in the year 2017.”

Enclosure No. 3: Annual report of the Audit Committee of the Company for its activity in the year 2017.

Materials under point 3 of the Agenda:

The Board of Directors proposes to the General Meeting of the shareholders the following draft resolution:

„The General Meeting of the shareholders approves the report of the chosen registered auditor regarding the annual financial statement of the Company for the year 2017, and the annual consolidated financial statement of the Company for 2017.”;

Enclosure No. 4: Report of the chosen registered auditor regarding the annual financial statement of the Company for the year 2017.

Enclosure No. 5: Report of the chosen registered auditor regarding the consolidated annual financial statement of the Company for the year 2017

Materials under point 4 of the Agenda:

The Board of Directors proposes to the General Meeting of the shareholders the following draft resolution:

“The General Meeting of the shareholders approves the annual financial report of the Company for the year 2017”

Enclosure No. 6: Annual financial report of the Company for the year 2017.

Materials under point 5 of the Agenda:

The Board of Directors proposes to the General Meeting of the shareholders the following draft resolution:

“The General Meeting of the shareholders approves the annual consolidated financial report of the Company for the year 2017”

Enclosure No. 7: Annual consolidated financial report of the Company for the year 2017.

Materials under item 6 of the Agenda:

The Board of Directors proposes to the General Meeting of the shareholders the following draft resolution:

“The General Meeting of the shareholders approves the proposal of the Board of Directors for the realized profit from the activity of the Company for 2017, in the amount of BGN **96 330.32** to be used to cover the losses of the company from previous years;

Materials under item 7 of the Agenda:

The Board of Directors proposes to the General Meeting of the shareholders the following draft resolution:

“Draft Resolution: The General Meeting of the shareholders releases from responsibility the members of the Board of Directors Velichko Stoichev Klingov, Tsvetelina Chavdarova Hristova and Aheloy 2012 OOD, with identification number EIK 202371390, for their activity in the period 1st January 2017 – 31st December 2017.”

Materials under item 8 of the Agenda:

The Board of Directors proposes to the General Meeting of the shareholders the following draft resolution:

“The General Meeting of the shareholders approves the proposal of the Board of Directors for choosing “NIBOS” EOOD., with identification number EIK 200635432, represented by the general manager and sole owner of the share capital – Nikolay Mihailov Polinchev – registered auditor with Diploma No. 0684 with IDES, who will conduct the verification and certification of the annual report of the Company for 2017”

Enclosure No. 8: Diploma under IDES

Materials under item 9 of the Agenda:

The Board of Directors proposes to the General Meeting of the shareholders the following draft resolution:

“The General Meeting of the shareholders approves the report of the Investor Relations Director.”

Enclosure No. 9: Report of the Investor Relations Director

Materials under item 10 of the Agenda:

The Board of Directors proposes to the General Meeting of the shareholders the following draft resolution:

“The General Meeting of Shareholders approves the report of the Board of Directors on the Implementation of the Remuneration Policy of the Members of the Board of Directors of the Company for 2018”

Enclosure No. 10: Report of the Board of Directors for the implementation of the policy for remuneration of the members of the board of directors for 2018.

Materials under item 11 of the Agenda:

The Board of Directors proposes to the General Meeting of the shareholders the following draft resolution:

“The General Meeting of Shareholders decides to change the management address of the company to ul. Dobrudja 6, 4th floor”

Materials under item 12 of the Agenda:

The Board of Directors proposes to the General Meeting of the shareholders the following draft resolution:

“In relation to the decision on the previous item of the agenda, the GM of the shareholders approves the change in art.6 of the Articles of Association of the Company, according to the suggestion of the Board of Directors contained in the agenda materials.”

Materials under item 13 of the Agenda:

The Board of Directors proposes to the General Meeting of the shareholders the following draft resolution:

“The GM of the shareholders determines the mandate of the audit committee to be three years, as of the date of the GM.”

Enclosure No. 11: The audit committee, chosen on 01.06.2017, in accordance with art. 107, par.2 of the Law for Independent Financial Audit and acting in accordance with its own rules (statute) consists of Iva Chavdarova Chorapinova, Pavlinka Nedelcheva Bizeranova and Tsvetelina Chavdarova Hristova. According to art. 1, art.2 of the Rules (Statute) of the audit committee its mandate is determined by the GM. In this regard the Board of Directors offers the GM to set the mandate of the Audit Committee to 3 years, as of the date of the GM.

FOR „INTERCAPITAL PROPERTY DEVELOPMENT” ADSITS:

Velichko Klingov

CEO