

PRESS RELEASE FOR THE INITIAL PUBLIC OFFERING OF SHARES OF INTERCAPITAL PROPERTY DEVELOPMENT REIT

under Art. 92a, para. 1 and para. 2 of LPOS

"Intercapital Property Development" REIT (the "Issuer" or the "Company"), UIC 131397743, with registered office: city Sofia, dist. Sredets, str. "Dobrudzha" № 6, fl. 4 and LEI code 25490027CZAZKV10Y612, pursuant to Art. 92a, para. 1 and para. 2 of the Law of Public Offering of Securities ("LPOS ") inform about the beginning, terms and conditions for conducting public offering ("The Offering") of up to 24 045 904 new, ordinary, registered, dematerialized, freely transferable shares with right by one vote in the GMS of the company, on dividend and liquidation share and of the same class of shares as the existing shares, with a nominal value of BGN 1 and an issue value of BGN 1 each.

The offered shares are issued on the basis of a decision of the Board of Directors (BD) of the issuer, taken on 16.04.2020. The offering will be made in accordance with the terms and content of the Prospectus for initial public offering of shares of the company from the current issue, which was confirmed by the Financial Supervision Commission with Decision № 560-E of 30.07.2020..

1. Amount of the capital requested for raising, permissible deviations, number, nominal and issue value, types of shares and rights under them.

The capital of the Company is increased from BGN 6 011 476 to BGN 30 057 380 by issuing 24 045 904 new, ordinary, registered, dematerialized, freely transferable shares, with voting rights and with a single nominal value of BGN 1. The capital will be increased only if at least 15 255 474 of the offered shares are subscribed and paid, in which case the capital will be increased only by the value of the subscribed shares. It is not possible to deviate above the upper limit of the requested capital. Each share of the new issue has a nominal value of BGN 1 and an issue value of BGN 1. All shares issued by the issuer, as well as the shares of the new issue are of one class - ordinary, dematerialized, registered with the right to one vote at the General Meeting of Shareholders, right to dividend and liquidation share, proportional to the nominal value of the share. The increase of the capital with rights excludes the possibility of damaging the interests of the shareholders.

2. Issuance of rights. Ratio between issued rights and new shares. Minimum and maximum number of shares that can be subscribed against the issued rights.

Pursuant to Art. 1126, para. 2 of LPOS and since the decision for increase is taken by the management body, the right to participate in the capital increase have the persons who have acquired shares no later than 7 days after the date of publication of the announcement for the public offering under art. 92a, para. 1 LPOS. Within three business days after the expiration of 7 (seven) days of publication of the announcement of the "Central Depository" AD opens accounts for rights of those persons based on the data from the book of shareholders.

One right within the meaning of § 1, item 3 of the Additional Provisions of the Public Offering of Securities Act or a total of 6 011 476 (six million eleven thousand four hundred and seventy-six)

rights is issued against each existing share of the Company . Against one right, 4 shares of the increase of the capital of the Company may be subscribed, and upon receipt of a number, which is not an integer, it is rounded to the smaller integer.

After the issuance of the rights, any person may acquire rights in the period for their transfer / trading and during the public auction; any exercised right enables the recording of four (4) new and shares and, at the issue price BGN 1 each. Each person may subscribe a number of shares equal to the number of rights acquired and / or held by him, multiplied by 4. The rights shall be transferred within the transfer period set out below.

3. Initial and final term, conditions and order for transfer of the rights. Initial and final term, conditions and order for subscription of shares of the new issue by the rights holder.

3.1. Initial term for transfer of the rights and for subscription of shares according to art. 112 b , para. 2 of LPOS - the seventh working day following the expiration of 7 (seven) days from the date of publication of the announcement for the public offering under Art. 92a POSA website www.x3news.com , which is an Internet media offered by the "Bulgarian Stock Exchange " JSC through its subsidiary "Financial Markets Service " LTD, and the websites of "Intercapital Property Development REIT "(www.icpd.bg) and the authorized investment intermediary Intercapital Markets AD (www.intercapitalmarkets.com), and in case the publications are on different dates - the seventh working day following the expiration of 7 days from the latest of all dates.

3.2. Deadline for transfer of rights according to art. 112 b , para. 4 of LPOS - the first working day following the expiration of 14 (fourteen) days as of the starting date under item 3.1.

3.3. The transfer of rights through their purchase and sale (trade in rights) according to Art. 1126, para. 6 et seq. POSA is performed on the main market of "Bulgarian Stock Exchange " (BSE) by placing an order for the sale to the investment intermediary with whom they have opened accounts rights of the clients through an order to purchase an investment intermediary, member of the regulated market. The acquisition of rights in other ways, the provisions of the Rules of the "Central Depository " AD. The initial term for trading in rights coincides with the starting date under item 3.1. According to the Rules of "Bulgarian Stock Exchange " JSC, the last date for trading rights on the exchange is two business days before the closing date under item. 3.2. Shareholders who do not wish to participate in the capital increase, as well as all other right holders have the right to sell their rights in the specified order until the end of the trading session on the last day of trading, respectively to dispose of them in other ways until the last day of transfer of rights, but not later than provided for under the rules of the "Central Depository " AD. On the 5th working day after the deadline for the transfer of rights under item 3.2. the issuer , through the investment intermediary Intercapital Markets AD, offers for sale under the conditions of the auction those rights against which no shares of the new issue have been subscribed until the expiration of the term for transfer of the rights.

The Company will distribute the amount received from the sale of the unexercised rights, reduced by the sale costs, in proportion to their holders. Amounts received from the sale of rights is credited to a special account opened by the "Central Depository " AD, and can not be used until the registration of the capital increase in the commercial register. The distribution of

the amounts received from the sale of rights, both within the term for their transfer and at the auction, shall be carried out with the assistance of the Central Depository under the conditions and by the order of its Regulations. At the beginning of each business day during the subscription, the Central Depository shall publicly disclose information on the rights exercised until the end of the previous business day. The persons, who have acquired rights at the sale through the auction, may subscribe the respective number of shares until the expiration of the deadline for subscription under item 3.4.

3.4. Deadline for subscription of shares according to art. 1126, para. 5 of LPOS - the first working day following the expiration of 15 (fifteen) working days from the day on which the term for transfer of the rights under item 3.2 expires. It is not allowed to register before the specified start and after the specified deadline for registration.

3.5. The subscription of the shares from the new issue will be carried out under the following conditions and order:

3.5.1. The persons, who have received rights on personal accounts, declare the transfer of the rights on their sub-accounts to an investment intermediary. The persons holding shares with rights, as well as all other holders of rights, who acquired the same within the term for their transfer, may subscribe against them the respective number of shares until the expiration of the term for transfer of rights under item 3.2, otherwise their unexercised rights will be officially sold at auction. The persons, who have acquired rights at the sale through auction, may subscribe the respective number of shares by the deadline for subscription under item 3.4. The company provides an opportunity to subscribe for shares remotely through the Central Depository and its members. The subscription of shares is done by submitting written applications. All persons holding shares with rights, as well as all other holders of rights acquired within the term for their transfer and / or at the auction, submit the applications for subscription of shares to the authorized investment intermediary INTERCAPITAL MARKETS AD , with registered office and address of management : Sofia, 6 Dobrudja Str., 3rd floor , phone: (+359 2) 921 05 13 , fax: (+359 2) 921 05 21 , e-mail: office@intercapitalmarkets.com , servicing the capital increase, and / or to the investment intermediaries, members of the Central Depository, where the client accounts for the rights held by them are kept, according to the current procedures in the Regulations of the Central Depository. Applications for subscription of shares shall be submitted to the above-mentioned investment intermediary, servicing the capital increase, every working day from 10:00 to 17:00, or during the respective working hours of each investment intermediary, if different from the above, but no later than 17:00 on the last day of the subscription period, in compliance with regulatory requirements.

3.5.2. The subscription of shares is considered valid only if it is made by a shareholder with shares with rights and / or by another holder of rights up to the possible number of shares under item 2 and the entire issue value of the subscribed shares is paid by the deadline for subscription of shares, under the conditions set out below. In case of partial payment of the issue value, the respective number of shares is considered subscribed, for which the same has been paid in full. The payment of the issue value of the subscribed shares is made on a special accumulation account, opened in the name of Intercapital Property Development REIT , with

IBAN: BG32UNCR70005524085474 , BIC: UNCRBGSF , at UNICREDIT BULBANK AD . The accumulation account must be certified by the person subscribing the shares, no later than the deadline for subscription of the shares.

3.6. According to Art. 89, para. 2 of the Public Offering of Securities Act, the funds raised on the special account may not be used before the end of the subscription and entry of the capital increase in the commercial register at the Registry Agency.

4. Applicable order if all offered shares are subscribed before the end of the subscription; if all offered shares are not subscribed before the end of the subscription; if by the end of the subscription more shares are subscribed than offered.

If all shares of this issue are subscribed before the subscription deadline, the Company shall notify the Financial Supervision Commission (FSC) within 3 (three) working days, according to Art. 1126, para. 12 POSA and take the necessary action to record an increase in the commercial register and the registration of the issue in "Central Depository " AD, FSC and the "Bulgarian Stock Exchange " JSC. If the deadline of the subscription are not recorded any shares but are subscribed and paid at least 15 255 474 shares, capital increases to the amount of the subscribed and paid shares and the new issue of this amount is recorded in "Central Depository " AD FSC and the "Bulgarian stock Exchange " JSC. The increase of the capital with rights excludes the possibility for subscription of more than the shares indicated in item 1.

5. Procedure and terms for return of the collected installments and the due interests in case of unsuccessfully completed subscription.

If the subscription is unsuccessful, the issuer shall notify the FSC pursuant to Art. 84, para. 3 LPOS. The company is obliged on the day of the announcement under art. 84, para. 3 of POSA to notify the Bank of the subscription result, to publish on the websites of Intercapital Property Development REIT (www.icpd.bg) and the authorized investment intermediary Intercapital Markets AD (www.intercapitalmarkets.com), an invitation to the persons , subscribed for shares, in which to announce the terms and conditions for return of the collected amounts, as well as to announce the invitation for disclosure in the commercial register and to publish it on the website www.x3news.com , which is an internet media offered by "Bulgarian Stock Exchange " JSC through its subsidiary" Financial Markets Service " LTD. The amounts paid, together with accrued and tons and bank interest (if any) will be refunded to the investors within 30 days of notification under Art. 84, para. 3 of LPOS by transfer to a bank account indicated by them or in cash at the address of the Bank. In case the capital increase is not entered in the Commercial Register, the Company immediately notifies the FSC, BSE and the Central Depository and publishes on the website www.x3news.com a notice within 7 days from the entry into force of the refusal and refunds the amounts received in 30 - one day term from the notification by the same order.

6. Receipt of the certifying documents for the issued shares and for the made contributions.

After registration of the capital increase in the Commercial Register, the Company registered the issue of shares of the "Central Depository " AD. "Central Depository " AD will open new or existing credit the accounts of investors with subscribed and paid by them new shares. The

shares of the persons on sub-accounts of investment intermediaries in Central Depository AD will be distributed on the respective sub-accounts. The shares from the capital increase of the persons who have accounts in register A of Central Depository will receive the new shares from the Company on accounts in register A. Upon request, investors may receive certification documents - depository receipts - received their new shares. The issuance of depository receipts is carried out by the "Central Depository " AD by the investment firm at the request of the shareholder and under the Rules of the "Central Depository " AD Certificate of the contributions made is the payment document (payment order or import note) and is received by the servicing bank through which the investor orders the payment or pays the amount due against the subscribed shares. As of the date of publication of this announcement, the Prospectus for initial public offering of shares of the Company has been published and during its validity investors can receive a free copy at the following addresses: at the issuer's office: Sofia, 6 Dobrudja Str. , 4th floor, every working day from 10.00 to 17.00, contact person: Velichko Klingov; in the office of Intercapital Markets AD, Sofia, 6 Dobrudja Str., 3rd floor, every working day from 10.00 to 17.00, contact person: Nikolay Meister.

The prospectus, as well as additional historical public information about the issuer are available on the websites of Intercapital Property Development REIT (www.icpd.bg), the authorized investment intermediary Intercapital Markets AD (www.intercapitalmarkets.com), the Financial Commission supervision (www.fsc.bg) and BSE AD (www.bse-sofia.bg).

The date of publication of this announcement, 06.08.2020, is also the date of the beginning of the public offering of the shares from the increase of the Issuer's capital.

Date: 06.08.2020,


Velichko Klingov

/Executive Director/