

**Inside information pursuant to Appendix No 9  
to Art. 33a<sup>1</sup>, p. 3 of ORDINANCE No. 2 as of 17.09.2003 on the prospectuses to be published  
when securities are offered to the public or admitted to trading on a regulated market and on  
disclosure of information by the public companies and the other issuers of securities**

for the period 01.01.2017 – 31.03.2017

**“Intercapital Property Development” ADSIC**

**1. For the issuer**

**1.1. Change of the persons, exercising control over the company**

Since the establishment of the company up to present there haven't been persons exercising control over it.

**1.2. Change in the members of the management and the control bodies of the company and reasons for the change; changes in the way of representation; appointment or discharge of procurator.**

During the reporting period no such circumstance has occurred.

**1.3. Amendments and/or supplements to the company's By-laws.**

During the reporting period no such circumstance has occurred.

**1.4. Decision for transformation of the company and implementation of the transformation; structural changes in the company.**

No decisions for transformation of the company and implementation of transformations have been taken; there have not been any structural changes in the company.

**1.5. Initiation of a liquidation procedure and all main stages, related to such procedure.**

No liquidation procedure has been initiated for the company.

**1.6. Initiation of a bankruptcy procedure for the company or its subsidiary and all substantial stages, connected with the procedure.**

No bankruptcy procedure has been initiated for the company or its subsidiary.

**1.7. Acquisition, granting for use or disposition of assets of big value according Art. 114 para 1 item 1 of LPOS.**

Such a circumstance has not occurred.

**1.8. Decision for conclusion, termination and rescission of a contract for a joint enterprise.**

There has not been taken any decision for conclusion, termination and rescission of a contract for a joint enterprise.

**1.9. Decision of the Financial Supervision Commission for delisting the company of the registry for the public companies and the other issuers of securities under art. 30, para 1, point 3 of the Law on the Financial Supervision Commission**

There has not been such a decision of the commission for delisting the company of the registry for the public companies and the other issuers of securities under art. 30, para 1, point 3 of the Law on the Financial Supervision Commission.

**1.10. Change of the auditors of the company and reasons for the change.**

During the reporting period no such circumstance has occurred.

**1.11. Announcement of the profit of the company.**

As of 31.03.2017 the net financial result of the Company on non-consolidated basis is BGN is loss in the amount of BGN 29 thousand.

**1.12. Material losses and the reasons thereof.**

During the reporting period the Company has not realized material losses due to extraordinary or unforeseeable circumstances.

**1.13. Unforeseeable or unforeseen circumstance of extraordinary nature, as a result of which the company or its subsidiary has suffered damages, amounting to three or more percent of the company's equity.**

During the reporting period there have not been any circumstances of extraordinary nature that have caused such damages for the Company.

**1.14. Public disclosure of a modified auditor's report.**

Such a circumstance has not occurred.

**1.15. Decision of the general meeting about the dividend's type and amount, as well as on the conditions and the order for its payment.**

There has not been such a decision during the reporting period.

**1.16. Occurrence of liability, which is essential for the company or for its subsidiary, including each non fulfillment or increase of the liability.**

As of 31.03.2017 the most essential liabilities of the Company are the obligations toward financial institutions. Their total value (incl. accrued interest, principal and bank fees) is as follows:

31.03.2017	31.12.2016
<u>BGN '000</u>	<u>BGN '000</u>

Bank loans

Long-term part	-	-
Short-term part	23 700	23 446
<b>Total</b>	<b>23 700</b>	<b>23 446</b>

In the table below the principal obligations of the received bank loans from financial institutions is presented with distribution of the obligations as of 31.03.2017 depending on the maturity date.

<b>Creditor' name</b>	<b>Short-term obligation, EUR</b>	<b>Long-term obligation, EUR</b>	<b>Maturity date</b>
Piraeus Bank Bulgaria AD	3 131 180,38	-	30.10.2015
Piraeus Bank Bulgaria AD	2 562 680,06	-	30.01.2014
Piraeus Bank Bulgaria AD	2 535 185,23	-	30.01.2014
Teximbank AD	60 000,00	-	20.12.2018

On 24.09.2015 ICPD was informed of the formation of an enforcement case No: 671/2015, on the docket of private bailiff Stanimira Nikolova, Reg No: 805 of the Chamber of Private Enforcement Agents. The case was formed based on executive order issued in favour of Piraeus Bank Bulgaria AD, for principal in the amount of EUR 550 000. The executive orders for these sums have been issued as follows:

- for the amount of EUR 250 000 – order proceedings of case 22731/2015 of Regional Court of Sofia, the claim originating from loan contract No: 1236/2007, dated 19.10.2007
- for the amount of EUR 300 000 – order proceedings of case 22737/2015 of Regional Court of Sofia, the claim originating from loan contract No: 736/2008, dated 07.07.2008, signed with Piraeus Bank Bulgaria AD

The company has filed appeals for the issued executive orders and receiving orders. In response, the bank has made determination claims as per art. 422 of the Code of Civil Procedures, as follows:

- for the amount of 250 000 a commercial hearing No: 1501/2016 in Sofia City Court was initiated
- for the amount of 300 000 a commercial hearing No: 777/2016 in Sofia City Court was initiated

In 2016 ICPD ADSIC was informed of the issuing of two more executive orders as follows:

- for the amount of EUR 500 000 – order proceedings of case 9111/2016 of Regional Court of Sofia, the claim originating from loan contract No: 1236/2007, dated 19.10.2007
- for the amount of EUR 500 000 – order proceedings of case 9110/2016 of Regional Court of Sofia, the claim originating from loan contract No: 736/2008, dated 07.07.2008, signed with Piraeus Bank Bulgaria AD

The company has filed appeals for the issued executive orders and receiving orders for both executive proceedings in 2016.

In this regard, the bank has made determination claims as per Art. 422 of the Code of Civil Procedures for which cases № 777/2016, № 1501/2016 and № 7106/2016 were initiated – all three of them in the files of the Sofia City Court.

In 2016 Piraeus Bank Bulgaria AD submitted a claim for opening insolvency proceedings for ICPD as per art. 629, par 2 of the Commercial Law. In relation to the latter, a case No: 2209/2016 of the Sofia City Court was initiated.

By decision of Sofia City Court, issued on 16.02.2017 and 01.03.2017, regarding the above cases, based on determination claims made by Piraeus Bank Bulgaria AD, the proceedings of the

hearings were terminated according to an agreement concluded between the parties. In this regard, Intercapital Property Development ADSIC withdrew its appeal regarding case No. 9110/2016 of the Sofia Regional Court.

On 13.03.2017 ICPD was informed that by decision on 16.02.2017 the court has discontinued the proceedings of the hearing, initiated by the claim of Piraeus Bank Bulgaria AD for opening insolvency proceedings against Intercapital Property Development ADSIC.

**1.17. Arising of receivable, which is essential for the company, with indication of its due date.**

During the reporting period no essential receivable has arisen for the company.

During the first quarter of 2017, however, the Company has realized other revenues in the amount of BGN 550 thousand that represent revenues related to write-off of liabilities due to one of the Company's creditors – i.e. Grand Borovets 2013 EOOD.

**1.18. Liquidity problems and measures for financial support.**

Due to the fact that ICPD did not manage till 10.02.2017 to make the interest and principal payment on its bond loan as of 14.02.2017, pursuant to the repayment scheme, adopted by the General Meeting of the bondholders, held on 11.02.2015 and in compliance with the decisions of that General Meeting, the interest rate that has been applied over the outstanding bond loan for the next three-month period started on 15.02.2017, has remained in the amount of 5.75% annually.

In compliance with the decisions of the General Meeting of the Company's bondholders, held on 11.02.2015, on 13.03.2017 "Intercapital Property Development" ADSIC paid interest in the amount of EUR 36 233 and principal in the amount of EUR 125 000 that were due on 14.02.2017. Due to the delay in making the amortization payment the Company paid to its bondholders an interest for the delay for the period 15.02.2017-13.03.2017 in the amount of BGN 1 039.88 (or BGN 0.207975138 per bond).

**1.19. Increase or reduction of the share capital**

There have not been such circumstances during the reporting period.

**1.20. Confirmation of negotiations for acquisition of the company.**

There hasn't been such a circumstance during the reporting period.

**1.21. Conclusion or fulfillment of significant contracts, which are not related to the company's usual activity.**

During the reporting period no significant contracts which are not related to the company's usual activity have been concluded or fulfilled.

**1.22. Position of the management body in connection with the tender offer made.**

During the reporting period no tender offer has been made to the Company's shareholders, respectively there has not been any position of the Board of Directors of the company related to that.

**1.23. Termination or substantial reduction of the relations with clients, who form at least 10 percent of the revenues of the company for the last three years.**

During the reporting period there has not been any termination or substantial reduction of the relations with clients, who form at least 10 percent of the revenues of the company for the last three years.

#### **1.24. Introduction of new products and developments on the market**

No new products and developments have been introduced on the market during the reporting period.

#### **1.25. Big orders (amounting to over 10 percent of the average revenues of the company for the last three years).**

During the reporting period there have not been orders amounting to over 10 percent of the average revenues of the company.

#### **1.26. Development and/or change in the amount of the orders and the use of the production capacity.**

There hasn't been such a circumstance.

#### **1.27. Termination of the sales of a given product, forming significant part of the revenues of the company.**

There hasn't been such a circumstance.

#### **1.28. Purchase of patent**

There hasn't been such a circumstance.

#### **1.29. Obtaining, suspension of the use, withdrawal of authorization to pursue business (license).**

There has not been obtaining, suspension of the use, withdrawal of authorization to pursue business (license) during the reporting period.

#### **1.30. Initiation or termination of legal or arbitration proceedings, relating to liabilities or receivables of the company or its subsidiary, with price of the claim at least 10 percent of the company's equity.**

By decision of the Sofia City Court, issued on 16.02.2017 and 01.03.2017, regarding the cases listed herein in p. 1.16, based on determination claims made by Piraeus Bank Bulgaria AD, the proceedings of the hearings were terminated according to an agreement concluded between the parties. In this regard, Intercapital Property Development ADSIC withdrew its appeal regarding case 9110/2016 of Sofia Regional Court.

In 2016 Piraeus Bank Bulgaria AD submitted a claim for opening insolvency proceedings for ICPD as per art. 629, par 2 of the Commercial Law. In relation to the latter, a case No. 2209/2016 of the Sofia City Court was initiated.

On 13.03.2017 ICPD was informed that by decision on 16.02.2017 the court has discontinued the proceedings of the hearing, initiated by the claim of Piraeus Bank Bulgaria AD for

opening insolvency proceedings against Intercapital Property Development ADSIC.

**1.31. Other circumstances, which the company considers could be of importance for the investors at taking a decision to acquire, to sell or continue to own publicly offered securities.**

On 21.04.2017 there was a Meeting of the Board of Directors of ICPD which took a decision to convene an extraordinary General Meeting of the shareholders of the company on 01.06.2017 r. at 14:00 o'clock in Sofia, Sredets region, Aksakov 7A str., 4th floor with the following agenda:

**“Item one:** Choosing an Audit Committee as per Art. 107 of the Law for the independent financial audit.

Draft Resolution: The General Meeting of the shareholders chooses an Audit Committee in relation to the proposition of the Chairman of the BoD, presented in the materials for the minutes of the meeting;

**Item two:** Approval of Regulations (status) of the Audit Committee according to Art. 107. Par.7 of the Law for the independent financial audit.

Draft Resolution: The General meeting of the shareholders approves the Regulations (statute) of the Audit Committee according to the proposition of the BoD, included in the materials in the minutes of the meeting;

**Item three:** Miscellaneous.”

28.04.2017  
Sofia

  
/Velichko Klingov – Executive Director/