

REPORT

In connection with the adoption by the WSE Board of the set of “Good Practices of Companies Listed on NewConnect 2024”, INTERCAPITAL PROPERTY DEVELOPMENT ADSIC, based in Bulgaria, which is also subject to analogous regulation for companies listed on the regulated market in Bulgaria, publishes information on the adoption of these principles and the status of their application.

Rule 1 is generally applied, while taking into account the specificities of the home market.

Rule 2 is applied.

Rule 3 is not applied – The Company has a one-tier management system under Bulgarian law. Its bodies are the Board of Directors and the General Meeting of Shareholders. No Supervisory Board has been appointed. The Company has appointed an auditor to review and certify its annual financial statements as required by Bulgarian law. In addition, the Company has appointed an Audit Committee, which monitor the financial reporting process and make recommendations and suggestions to ensure its effectiveness. The Audit Committee monitor the effectiveness of the internal control system, the risk management system and the internal audit activity in relation to financial reporting.

Rule 4 is applied.

Rule 5 is applied.

Rule 6 is not applied – The Company has a one-tier management system under Bulgarian law. Its bodies are the Board of Directors and the General Meeting of Shareholders. No Supervisory Board has been appointed.

Rule 7 is not applied – The Company has a one-tier management system under Bulgarian law. Its bodies are the Board of Directors and the General Meeting of Shareholders. No Supervisory Board has been appointed.

Rule 8 is applied.

Rule 9 is applied, taking into account the requirements of Bulgarian law.

Rule 10 is applied.

Rule 11 is applied.

Rule 12 is not applied, taking into account the requirements of the Bulgarian legislation and its requirements for significant transactions with related and interested parties and interested parties and the fact that the company has not appointed a supervisory board.

Rule 13 is applied.

Rule 14 is applied.

At this point, we explain that the deadline referred to in § 4(2) of the WSE Management Board Resolution No. 1404/2023 of 18 December 2023 (15 April 2024) has not been met, as the current consolidated text of Appendix 3 to the Alternative Trading System Rules in both English <https://newconnect.pl/rules-and-regulations> and Polish <https://newconnect.pl/regulacje-prawne> versions posted on the website of the Organizer of the Alternative Trading System, the WSE, does not yet contain § 4(4a), as would follow from that resolution in question. Furthermore, we also had to translate the form ourselves in this respect <https://newconnect.pl/dobre-praktyki>. The completed form in English is attached.

Legal basis:

§ 6 section 8a of Appendix 3 to the Alternative Trading System Rules

INTERCAPITAL PROPERTY DEVELOPMENT ADSIC