

*Application No 9 with Art.33, para 1, item 3
of Ordinance No 2/17 September 2003
and Regulation 596/2014*

**INTERNAL INFORMATION ON THE FACTS AND CIRCUMSTANCES OCCURRED IN THE PERIOD
BETWEEN THE 1ST OF JANUARY 2016 AND THE 30TH OF SEPTEMBER 2016 FOR THE ISSUER
ADVANCE TERRAFUND REIT**

1.1. Changes as to the persons controlling the Company.

There are no changes as to the persons controlling the Company.

1.2. Initiation of insolvency proceedings for the company or subsidiaries thereof and any and all material stages related to such proceedings.

There are no initiated insolvency proceedings of the company .

1.3. Conclusion and execution of material transactions.

There are no material transactions concluded during the reporting period.

The execution of material transactions with related parties to the Company is announced in the Interim Financial Statements .

1.4. Decisions on conclusion, termination or cancellation of joint venture agreements.

No decisions on conclusion, termination and cancellation of joint venture agreements have been made.

1.5. Change of the auditors of the Company and related grounds for such change.

No change as to the auditor of the Company occurred. At a regular annual session held on 31 May 2016, the General Meeting of Shareholders appointed Deloitte Audit OOD to act as the auditor of the Company for 2016

1.6. Initiation or termination of court or arbitration proceedings related to the Company or any of its subsidiaries, involving a claim for at least 10% of the net assets of the company

No court or arbitration proceedings related to the Company or any of its subsidiaries, involving a claim for at least 10% of the net assets of the Company, have been initiated or terminated

1.7. Purchase, sale or established pledge of shareholdings by the issuer or any of its subsidiaries.

There are no purchases, sales or established pledges by the issuer or any of its subsidiaries.

1.8. Other circumstances, which the Company considers important for the investors when making decisions to acquire, purchase or continue to hold publicly offered securities.

- At a regular annual session held on 31 May 2016, the General Meeting of Shareholders voted on gross dividend of BGN 0.10 per share of the capital of the Company.

The Board of Directors of the Company has determined the following terms and conditions as to the dividend payment for 2015:

1. Gross dividend per share – BGN 0.10;
2. Net dividend per share for shareholders who are individuals – BGN 0.095;
3. Commercial bank selected to execute dividend payment – DSK Bank AD;
4. Date as at which the shareholders composition in compliance with the requirements of the Law on Public Offering of Securities is to be determined – 14 June 2016;
5. Dividend payment procedure:
 - 5.1. Dividends due to shareholders, holding securities accounts entered into Registry A of Central Depository AD (personal accounts), are to be paid through the branches of DSK Bank AD;
 - 5.2. Dividends due to shareholders, holding securities accounts entered into Registry B of Central Depository AD (client subaccounts at investment intermediaries), are to be paid through the particular investment intermediaries in cooperation with Central Depository AD;
6. Initial date for dividend payment – 29 June 2016;
7. Final date for dividend payment – 29 September 2016;

After the final date for dividend payment, within the five-year period of limitation, a shareholder who has not received its dividend for 2015 may receive it from the Company in cash or via bank transfer following an explicit request thereof, sent to the following management address of the Company: 1 Zlatovrah Street, Region of Lozenets, Sofia or to the following fax: +359 2 4008331. Following the five-year period of limitation, all non-received and non-requested dividends are to be taken to the Reserve Fund of the Company.

- Pursuant to a resolution dated 31 May 2016, the General Meeting of Shareholders re-elects for another five-year term the existing members of the Board of Directors: Radoslav Iliev Manolov, domiciled in Sofia, with qualification – Master's Degree in Marketing and Management; Borislav Vitanov Petkov, domiciled in Sofia, with qualification – Master's Degree in Law; and Nencho Ivanov Penev, domiciled in Sofia, with qualification – Master's Degree in Law.
- Pursuant to a resolution dated 31 May 2016, the General Meeting of Shareholders re-elects for a term of two years the existing members of the Audit Committee of the Company: Kamen Petrov Kamenov – Chairperson of the Audit Committee /independent member/ and Zhechko Dimitrov Petrov and Petar Doynov Doynov – members of the Audit Committee.
- With Annex dated 1 April 2016 to the Service Agreement concluded with the servicing company Karoll Finance EOOD, the amount of the servicing company remuneration was determined in relation to the servicing the operations of Advance Terrafund REIT when entering into preliminary agreements for the purchase and sale of real estate with deferred payment, signed on behalf of the Company.

During the reporting period, no other circumstances occurred and there is no other key information, which may affect the price of the securities to be disclosed in the Financial Statements.

14 October 2016
Sofia

Radoslav Manolov
Executive Director