



**REPORT ON THE ACTIVITY
OF THE INVESTOR RELATIONS DIRECTOR
OF INDUSTRIAL HOLDING BULGARIA PLC
IN 2023**

Dear Shareholders,

The efficient communication among IHB and its investors, the regulatory authorities, the Stock Exchange, the Central Depository, and the media has always been in the focus of the investor relations activity. In 2023, an efficient interface between the company's management body and its shareholders was ensured, as well as with those who have expressed interest in investing in the company's securities, providing them with information on the current financial and economic condition of the company.

As in the last few years, in 2023 the activity concentrated mainly on the following:

- Ensuring effective communication with the investment community
- Improving awareness of the activity of IHB
- Ensuring the holding of a General Meeting of Shareholders
- Administrative service and support to the shareholders
- Facilitating the work of the management bodies
- Maintaining effective communication within the IHB Group.

Effective communication with the investment community

At IHB, we always seek to maintain effective communication with investors and the investment community as a whole. For us, this is a two-way exchange of information – from IHB to the investment community, and vice versa. To achieve effective communication, we used as means of communication – our website, meetings with investors and good relationships with the media.

Information about IHB – comprehensive, accessible, promptly supplied

In 2023, we disclosed comprehensive information in the financial statements and management reports (periodic information), and timely supplied inside information in accordance with Article 7 of Regulation 596/2014. We submitted all periodic reports of the company required by POSA and the regulations on its implementation, within the statutory deadlines – six-month and annual reports (separate and consolidated), as well as quarterly notifications for the financial position of the company – separate and consolidated. The reports and public notifications had been prepared in such a way as to present fairly the company's information and all statutory data. They were published on the IHB's website right after their publication in the bulletin of Investor.BG, FSC and BSE. Within short time limits, the reports and public notifications were published in English as well. All IR releases according to Article 7 of Regulation 596/2014 were published, in Bulgarian and English language simultaneously, on the IHB's website right after their publication in the bulletin of Investor.BG, FSC and BSE, and emailed to investors having expressed their interest to receive information.



Information on events relating to the activities of IHB and the Group companies was provided currently, within the statutory deadlines.

The legislation regulating the activities of public companies and information disclosure is monitored on an ongoing basis and the new requirements are duly complied with.

Organisation of a General Meeting of Shareholders /GMS/

The regular annual GMS in 2023 was held on 15 June 2023. The GMS approved the consolidated and separate management reports, the registered auditor's report, and the financial statements for 2022; exonerated from liability the members of the Supervisory Board and the Management Board for their activity in 2022, voted for remuneration to be paid to the SB members for 2022, appointed a registered auditor for 2023 – AFA OOD, distributed the 2022 profit of IHB.

The notice and materials for the meeting was submitted to the Commercial Register, FSC, BSE and the bulletin of Investor.bg within the statutory deadlines. It was available to each shareholder who have shown interest in it. It was also made available at the Company's website. The Minute of the General Meetings and the other notifications have been sent timely.

Always available to the shareholders

IHB maintains fair relationships with its shareholders, informing them of and providing input on questions and problematic issues. In 2023 the analysts were mostly interested in the risks facing the IHB Group companies and the results of IHB.

The interest of small investors – individuals remained almost the same as in previous years, with the most frequently asked questions being those of the existence or not of approved dividends, depositary receipts, issuance of duplicates of depositary receipts, inheritance of shares, trade in shares, decisions of the General Meeting, the results and activities of IHB.

At IHB, we always maintain good relationships with the media and always address their inquiries by submitting comprehensive replies. In partnership with Investor.BG, the Holding seeks to assist in informing the public of the development of the Bulgarian capital market.

IHB AD is a member of the Bulgarian Industrial Capital Association and as such, it actively participates in the Council for the Bulgarian Capital Markets Development - the official platform for cooperation between organisations operating in the non-banking financial sector.

Administrative services to management bodies

In 2023, all meetings of the Management Board and the Supervisory Board were convened in compliance with the requirements of the law and internal regulations of the Holding. The invitations, together with the agenda and materials for the meeting, were sent to all members by the relevant deadline. The minutes of the meetings were duly kept and stored.

Cooperation for good corporate governance

In 2023, as it did before, the Investors Relation Director supported the compliance by the Company with the principles of good corporate governance. The Company committed to observe the National Corporate Governance Code, adopted by BSE, whose main objective is to promote and approbate best practices in the field of corporate governance. The Corporate Governance Statement, including the report prepared under the National Corporate Governance Code, was again presented in the annual financial statements of IHB for 2023, as part of the Management Report. A non-financial statement of IHB and the IHB Group companies was presented in the annual financial statements of IHB AD for 2023 (consolidated), as part of the Management Report, with the aims to provide a description of the policies followed by the IHB Group in respect of activities concerning employees,



social matters, ecology and environment, and combating bribery and corruption, for the year ended 31 December 2023.

In 2023, the shares of IHB registered a decline by 14.27% (a weighted average price per share on 29 December 2023 of BGN 1.7000 compared to a weighted average price on 30 December 2022 of BGN 1.9830). The weighted average price of the company shares over the entire reporting period 2023 was BGN 1.7768 (vs. a weighted average price of BGN 1.9649 in 2022). To compare, in 2023 the leading indexes of the Bulgarian capital market registered a growth, as follows: SOFIX by 27.20%, BGBX 40 by 13.35%, and BG TR30 by 9.33%.

Effective communication within the IHB Group

The communication process in the investor relations activity includes also exchange of information within the Group. One of the tasks of the Investor Relations Director is to ensure optimal flow of information from the subsidiaries to IHB, with respect to periodic and inside information on their activity. The organisation and control on the information flow within the Group is an important factor to ensure the timely provision of price sensitive information first from IHB to the public, FSC and BSE and at the same time, to prevent leakage of information from the subsidiaries.

Prospects for 2024

The investor relations activity will continue to be concentrated on maintaining correct relations with the shareholders and the investment community, and approbating the best and contemporary international investor relations practices.

May 2024

Vladislava Zgureva
Investor Relations Director