

Interim Consolidated Activity Report
Interim Condensed Consolidated Financial
Statements

CHIMIMPORT AD

30 June 2018



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Interim condensed consolidated statement of financial position

	Notes	30.06.2018 BGN'000	31.12.2017 BGN'000	30.06.2017 BGN'000
Assets				
Non-current assets				
Property, plant and equipment	9	419 256	423 178	441 404
Investment property		410 637	405 502	372 011
Investments accounted for using the equity method	7	32 660	34 420	30 881
Goodwill		32 307	32 307	33 042
Other intangible assets		165 409	171 741	166 093
Long-term financial assets	10	2 830 971	2 606 120	2 480 669
Long-term related party receivables	17	6 453	8 758	7 933
Other long-term receivables		1 912	1 787	1 889
Deferred tax assets		6 369	6 720	3 881
Non-current assets		3 905 974	3 690 533	3 537 803
Current assets				
Inventories		44 764	47 175	43 881
Short-term financial assets	11	2 481 469	2 425 516	2 387 571
Related party receivables	17	49 182	68 920	68 917
Trade receivables		104 261	102 302	92 071
Tax receivables		531	1 756	7 175
Other receivables		165 274	179 285	227 795
Receivables from insurance and reinsurance contracts		56 753	43 645	44 864
Reinsurance assets		88 737	81 280	85 289
Cash and cash equivalents		2 062 787	2 204 904	1 915 304
Current assets		5 053 758	5 154 783	4 872 867
Assets classified as held for sale		-	-	5 030
Total assets		8 959 732	8 845 316	8 415 700

Prepared by: _____

/A. Kerezov/

Date: 29 August 2018



Executive director: _____

/I. Kamenev/

The accompanying notes on pages from 9 to 23 form an integral part of the interim condensed consolidated financial statements.

Interim condensed consolidated statement of financial position (continued)

	Notes	30.06.2018 BGN'000	31.12.2017 BGN'000	30.06.2017 BGN'000
Equity and liabilities				
Equity				
Share capital	12	227 192	227 236	227 241
Share premium		247 074	247 129	247 052
Other reserves		140 740	118 444	116 555
Retained earnings		738 422	735 323	745 898
Profit for the period		53 503	68 370	47 586
Equity attributed to the shareholders of parent company		1 406 931	1 396 502	1 384 332
Non-controlling interests		276 229	276 746	269 617
Total equity		1 683 160	1 673 248	1 653 949
Specialized reserves		292 510	278 459	284 358
Liabilities				
Non-current liabilities				
Long-term financial liabilities	13	1 547 074	1 262 699	1 233 479
Payables to secured persons		1 244 673	1 195 555	1 117 862
Long-term trade payables		47 583	47 599	35 970
Long-term related party payables	17	4 674	4 315	5 668
Finance lease liabilities		2 423	2 806	3 066
Pension and other employee obligations		3 540	3 651	2 506
Other liabilities		7 458	4 476	1 893
Provisions		598	598	598
Deferred tax liabilities		30 472	28 210	22 634
Non-current liabilities		2 888 495	2 549 909	2 423 676
Current liabilities				
Short-term financial liabilities	13	3 862 001	4 116 152	3 813 232
Trade payables		100 082	97 372	115 292
Short-term related party payables	17	28 664	37 419	19 101
Finance lease liabilities		972	1 133	1 150
Liabilities to insurance and reinsurance contracts		35 656	25 415	24 433
Pension and other employee obligations		14 428	14 560	11 902
Tax liabilities		4 932	6 489	7 294
Other liabilities		48 832	45 160	61 313
Current liabilities		4 095 567	4 343 700	4 053 717
Total liabilities		6 984 062	6 893 609	6 477 393
Total equity, reserves and liabilities		8 959 732	8 845 316	8 415 700

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Interim condensed consolidated statement of comprehensive income

Notes	6 months to 30.06.2018 BGN'000	3 months to 30.06.2018 BGN'000	6 months to 30.06.2017 BGN'000	3 months to 30.06.2017 BGN'000
Income from non-financial activities	196 674	106 768	204 491	113 163
Expenses for non-financial activities	(176 521)	(93 950)	(187 550)	(106 255)
Change in fair value of investment property	-	-	1 485	763
Gain on sale of non-current assets	192	178	(942)	(59)
Net result from non-financial activities	20 345	12 996	17 484	7 612
Insurance income	233 087	79 746	221 621	88 173
Insurance expense	(223 863)	(75 266)	(210 460)	(83 346)
Net insurance result	9 224	4 480	11 161	4 827
Interest income	91 616	46 137	100 708	50 466
Interest expense	(18 695)	(10 108)	(21 298)	(9 173)
Net interest income	72 921	36 029	79 410	41 293
Net result from transactions with financial instruments	28 888	4 559	49 336	22 771
Administrative expenses	(102 874)	(55 840)	(106 734)	(53 463)
Share of profit from equity accounted investments	1 681	1 410	1 989	777
Other financial income	39 107	27 843	16 864	7 921
Allocation of income to secured persons	(435)	(5 899)	(16 667)	(3 973)
Profit before tax	68 857	25 578	52 843	27 765
Tax expense, revenue	14 (5 447)	(1 035)	2 142	(1 581)
Net profit for the period	63 410	24 543	54 985	26 184
Other comprehensive income				
Revaluation of obligations under defined benefit plans, net	(1 988)	(1 259)	7 751	4 496
Total comprehensive income	61 422	23 284	62 736	30 680
Profit for the year attributable to:				
the shareholders of Chimimport AD	53 503	21 094	47 586	20 919
non-controlling interests	9 907	3 449	7 399	5 265
Total comprehensive income attributable to:				
the shareholders of Chimimport AD	51 950	20 111	52 857	23 977
non-controlling interests	9 472	3 173	9 879	6 703
Basic earnings per share in BGN	15 0.24	0.10	0,21	0,09

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Date: 29 August 2018



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The accompanying notes on pages from 9 to 23 form an integral part of the interim condensed consolidated financial statements.

Interim condensed consolidated statement of changes in equity

All amounts are presented in BGN'000	Equity attributable to the shareholders of Chimimport AD					Non-controlling interest	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
Balance at 1 January 2018	227 236	247 129	118 444	803 693	1 396 502	276 746	1 673 248
Effect of initial application of IFRS 9							
Increase/Decrease in share capital and reserves resulting from purchase of treasury shares by subsidiaries	-	-	-	(26 420)	(26 420)	(2 530)	(28 950)
Business combinations	(44)	(55)	-	-	(99)	-	(99)
Dividends			(5 348)	4 659	(689)	(5 460)	(6 149)
Transactions with owners	(44)	(55)	(5 348)	(9 654)	(15 101)	(7 459)	(22 560)
Profit for the period, ended at 31 March 2018	-	-	-	53 503	53 503	9 907	63 410
Other comprehensive income	-	-	(1 553)	-	(1 553)	(435)	(1 988)
Total comprehensive income for the period	-	-	(1 553)	53 503	51 950	9 472	61 422
Transfer of retained earnings to other reserves	-	-	29 197	(29 197)	-	-	-
Balance at 30 June 2018	227 192	247 074	140 740	791 925	1 406 931	276 229	1 683 160

Prepared by: _____

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Date: 29 August 2018



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Interim condensed consolidated statement of changes in equity

All amounts are presented in BGN'000	Equity attributable to the shareholders of Chimimport AD					Non-controlling interest	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
	226 914	246 838	85 174	783 064	1 341 990	261 170	1 603 160
Balance at 1 January 2017							
Decrease in share capital and reserves resulting from purchase of treasury shares by subsidiaries	322	291	-	-	613	-	613
Business combinations			3 639	(10 749)	(7 110)	134	(6 976)
Dividends	-	-	-	(11 608)	(11 608)	(3 852)	(15 460)
Transactions with owners	322	291	3 639	(22 357)	(18 105)	(3 718)	(21 823)
Profit for the year	-	-	-	68 370	68 370	17 296	85 666
Other comprehensive income	-	-	4 247	-	4 247	1 998	6 245
Total comprehensive income for the year	-	-	4 247	68 370	72 617	19 294	91 911
Transfer of retained earnings to other reserves	-	-	25 384	(25 384)	-	-	-
Balance at 31 December 2017	227 236	247 129	118 444	803 696	1 396 502	276 746	1 673 248


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Date: 29 August 2018



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Interim condensed consolidated statement of changes in equity

All amounts are presented in BGN'000	Equity attributable to the shareholders of Chimimport AD					Non-controlling interest	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
Balance at 1 January 2017	226 914	246 838	85 174	783 064	1 341 990	261 170	1 603 160
Increase/Decrease in share capital and reserves resulting from purchase of treasury shares by subsidiaries	327	214	-	-	541	-	541
Business combinations			7 038	(18 094)	(11 056)	(1 432)	(12 488)
Transactions with owners	327	214	7 038	(18 094)	(10 515)	(1 432)	(11 947)
Profit for the period, ended at 31 March 2017	-	-	-	47 586	47 586	7 399	54 985
Other comprehensive income	-	-	-	-	5 271	2 480	7 751
Total comprehensive income for the period	-	-	5 271	47 586	52 857	9 879	62 736
Transfer of retained earnings to other reserves	-	-	19 072	(19 072)	-	-	-
Balance at 30 June 2017	227 241	247 052	116 555	793 484	1 384 332	269 617	1 653 949

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Date: 29 August 2018



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Interim condensed consolidated statement of cash flows

	30.06.2018	30.06.2017
	BGN'000	BGN'000
Proceeds from short-term loans	13 134	25 422
Payments for short-term loans	(11 275)	(14 328)
Proceeds from sale of short-term financial assets	200 850	281 471
Purchase of short-term financial assets	(283 387)	(326 813)
Cash receipt from customers	220 803	215 723
Cash paid to suppliers	(225 145)	(178 974)
Proceeds from secured persons	73 589	67 537
Payments to secured persons	(13 338)	(21 690)
Payments to employees and social security institutions	(58 314)	(44 774)
Cash receipts from banking operations	22 371 923	20 879 362
Cash paid for banking operations	(22 326 794)	(20 754 917)
Cash receipts from insurance operations	103 716	99 896
Cash paid for insurance operations	(64 912)	(78 364)
Income taxes paid	(3 266)	(3 853)
Other cash outflows	(2 101)	(5 107)
Net cash flow from operating activities	(4 517)	140 591
Investing activities		
Sale of subsidiaries, net of cash	2 170	-
Dividends received	163	1 111
Sale of property, plant and equipment	17	267
Purchase of property, plant and equipment	(5 385)	(2 499)
Purchase of intangible assets	(1 635)	(301)
Sale of investment property	6 591	-
Purchase of investment property	(14 019)	(38 968)
Sale of non-current financial assets	333 359	224 153
Purchase of non-current financial assets	(452 758)	(171 777)
Interest payments received	20 465	28 813
Proceeds from loans granted	1 308	35 547
Payments for loans granted	(24 136)	(5 104)
Other cash (outflows) inflows	8 795	(380)
Net cash flow from investing activities	(125 065)	70 862
Financing activities		
Purchase of own shares	(99)	(689)
Proceeds from loans received	(38 093)	26 765
Payments for loans received	29 226	(76 472)
Interest paid	(1 789)	(5 155)
Payments for finance leases	(657)	(745)
Other cash outflows	(1 543)	(5 197)
Net cash flow from financing activities	(12 955)	(61 493)
Net change in cash and cash equivalents	(142 537)	149 960
Cash and cash equivalents, beginning of year	2 204 904	1 767 126
Exchange profit on cash and cash equivalents	420	(1 782)
Cash and cash equivalents, end of the period	2 062 787	1 915 304

Prepared by: _____

/A. Kerezov/

Date: 29 August 2018



Executive director: _____

/I. Kamenev/

The accompanying notes on pages from 9 to 23 form an integral part of the interim condensed consolidated financial statements.

Notes to the interim condensed consolidated financial statements

1. Nature of operations

Chimimport AD was registered as a joint-stock company at Sofia city court on 24 January 1990. The address of the Company's registered office is 2 St. Karadja Str., Sofia, Bulgaria.

The Company is registered on the Bulgarian Stock Exchange – Sofia on 30 October 2006.

Chimimport AD (The Group) includes the parent company and all subsidiaries.

The Group is engaged in the following business activities:

- Acquisition, management and sale of shares in Bulgarian and foreign companies;
- Financing of companies in which interest is held;
- Bank services, finance, insurance and pension insurance;
- Securitization of real estate and receivables;
- Extraction of oil and natural gas;
- Construction of output capacity in the area of oil-processing industry, production of biodiesel and production of rubber items;
- Production and trading with oil and chemical products;
- Production of vegetable oil, purchasing, processing and trading with grain foods;
- Aviation transport and ground activities on servicing and repairing of aircrafts and aircraft engines;
- River and sea transport and port infrastructure;
- Commercial agency and brokerage;
- Commission, forwarding and warehouse activity.

The Company has a two-tier management structure consisting of a Supervisory Board and a Managing Board.

The members of the Supervisory Board are as follows:

Invest Capital AD
CCB Group EAD
Mariana Bazhdarova

The members of the Managing Board are as follows:

Alexander Kerezov
Ivo Kamenov
Marin Mitev
Nikola Mishev
Miroliub Ivanov
Tzvetan Botev

The Company is represented by its executive directors Ivo Kamenov and Marin Mitev, together and separately.

2. Basis for the preparation of the interim condensed financial statements

These interim condensed consolidated financial statements as of 30 June 2018 have been prepared in accordance with IAS 34 “Interim Financial Reporting”. They do not include all of the information and disclosures required in annual consolidated financial statements, and should be read in conjunction with the annual consolidated financial statements of the Company for the year ended 31 December 2017, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and approved by the European Union (EU). Investments in subsidiaries are accounted for and disclosed in accordance with IFR 10 “Consolidated Financial Statements”.

Elements of the interim consolidated financial statement of the Group are in the currency of the primary economic environment in which the Group companies carry out their activities (“functional currency”). The interim consolidated financial statements are presented in BGN, which is the functional currency of the parent-company. This is the functional currency of the parent company and subsidiaries, exception from the subsidiaries operating in the Netherlands, Germany, and Slovakia, whose functional currency is the euro, the subsidiaries operating in Macedonia, whose functional currency is the Macedonian denar and subsidiaries operating in Russia, whose functional currency is the Russian ruble. The currency of the Group is the BGN.

The interim condensed consolidated financial statements are presented in Bulgarian leva (BGN), which is also the functional currency of the Company. All amounts are presented in thousand Bulgarian leva (BGN’000) unless otherwise stated.

The interim condensed consolidated financial statements are prepared under the going concern principle.

3. Accounting policies and significant changes during the period

3.1. Accounting policy

These interim condensed consolidated financial statements (the interim consolidated financial statements) have been prepared in accordance with the accounting policies adopted in the last annual consolidated financial statements for the year ended 31 December 2017.

3.2. Estimates

When preparing the interim condensed consolidated financial statements management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses.

The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual consolidated financial statements for the year ended 31 December 2017.

3.3. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk.

The interim condensed consolidated financial statements do not include all financial risk management information and disclosures required in the annual consolidated financial statements; they should be read in conjunction with the annual financial statements as at 31 December 2017. There have been no changes in the risk management policies since year end.

4. Accounting estimates

For the purpose of preparing these interim condensed financial statements, management has applied accounting estimates and assumptions in the assessment of its assets, liabilities, income and expenses. Actual results may differ from these estimates and management assumptions. Accounting estimates and assumptions applied in this interim condensed financial statements do not differ from the last annual financial statements of the Company as of 31 December 2017.

5. Effect of initial application of IFRS 9

Initial Effect from the Application of IFRS 9 "Financial Instruments" IFRS 9 "Financial Instruments" replaces IAS 39 "Financial Instruments: Recognition and Measurement" and is effective from January 1, 2018. The new standard introduces significant changes in the classification, subsequent measurement, and a new pattern of expected credit losses for impairment financial actives. IFRS 9 also includes a new guidance on hedge accounting.

The management of the company identifies a few areas that are expected to have effect from the application of IFRS 9:

- the classification and measurement of the financial assets of the Company assesses the new criteria that take attention on the agreed cash flows for the assets and the business model under which they are managed. The management holds most of the financial assets to collect the relevant cash flows and estimates the types of cash flows to properly classify the financial assets.

The management of the company expects the majority of held-to-maturity financial assets to continue to be carried at amortized cost.

Position on financial statement	Category of IAS 39	Category of IFRS 9	Business model
Long-term financial assets	Available-for-sale financial instruments	Equity instruments measured at fair value through other comprehensive income	Held for collection an sale
Bonds	Investments held to maturity	Debt instruments measured at amortized cost	Held for collection
Receivables from related parties	Credits and receivables	Debt instruments measured at amortized cost	Held for collection
Loans granted	Credits and receivables	Debt instruments measured at	Held for collection

		amortized cost	
Trade payables	Credits and receivables	Debt instruments measured at amortized cost	Held for collection
Cash and cash equivalents	Credits and receivables	Debt instruments measured at amortized cost	Held for collection

All financial assets held by the Company are eligible for payment only for principal and interest.

The main effects that the Company recognizes in the application of IFRS 9 Financial Instruments are related to the application of the effect of the recognition of a credit correction for credit losses accrued in accordance with the requirements of the expected credit loss model. The scope of the model includes debt instruments managed by the company with a business model held for collection.

The Company applies an individual approach to impairment of the borrowed funds, taking into account the respective risks associated with the counterparty.

6. Significant events and transactions during the reporting period

In general the Group condition is stable, in spite the current economic environment and has enough capital and liquidity to proceed with its operational activities and debt.

7. Investments accounted for using equity method

7.1. Investments in associates

The Group owns shares in the share capital of the following associated companies:

Name	30.06.2018 BGN'000	Share %	30.06.2017 BGN'000	Share %
Lufthansa Technik Sofia OOD	9 149	24.90%	7 612	24.90%
VTC AD	3 378	41.00%	2 969	41.00%
Amadeus Bulgaria OOD	3 166	45.00%	3 275	45.00%
Silver Wings Bulgaria Ltd.	4 898	42.50%	4 885	42.50%
Swissport Bulgaria	5 058	49.00%	5 086	49.00%
Dobrich fair AD	-	-	745	39.98%
Kavarna Gas OOD	560	35.00%	497	35.00%
	26 209		25 069	

Investments in associates are presented in the interim condensed consolidated financial statements of the Group using the equity method. Associates have a reporting date as at 30 June 2018.

7.2. Investments in joint ventures

The Group holds shares in the capital of these joint ventures:

Name	30.06.2018 BGN '000	Share %	30.06.2017 BGN '000	Share %
Nuance BG AD	1 444	50.00%	805	50.00%
Varna ferry OOD	5 007	50.00%	5 007	50.00%
	<u>6 451</u>		<u>5 812</u>	

8. Segment reporting

The management responsible for making the business decisions determines the business segments on the grounds of the types of activities, the main products and services rendered by the Group. The activities of the Group are analyzed as a whole of business segments that may vary depending on the nature and development of a certain segment by considering the influence of the risk factors, cash flows, products and market requirements.

Each business segment is managed separately as long as it requires different technologies and resources or marketing approaches. The adoption of IFRS 8 had no influence on the identification of the main business segments of the Group in comparison with those determined in the last consolidated financial statements.

According to IFRS 8 the profits reported by segments are based on the information used for the needs of the internal management reporting and is regularly reviewed from those responsible for the business decisions.

According to IFRS 8 the Group applies the same evaluation policy as in the last consolidated financial statements.

The operating segments of the Group are as follows:

- Production, trade and services
- Finance sector
- Transport sector
- Real estate sector
- Construction and engineering sector

Information about the operating segments of the Group is summarized as follows:



Operating segments 30 June 2018	Production, trade and services	Financial sector	Transport sector	Real estate sector	Construction and engineering sector	Elimination	Consolidated
	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Income from non-financial activities from external customers	44 637	11 242	139 859	4 033	62	(3 159)	196 674
Change in fair value of investment property	-	-	-	-	-	-	-
Gain from sale of non-current assets	13	76	156	1	-	(54)	192
Inter-segment income from non-financial activities	4 584	408	1 329	160	21	(6 502)	-
Total income from non-financial activities	49 234	11 726	141 344	4 194	83	(9 715)	196 866
Result from non-financial activities	5 812	11 726	6 291	862	(280)	(4 066)	20 345
Insurance income from external customers	-	233 087	-	-	-	-	233 087
Inter-segment insurance income	-	2 227	-	-	-	(2 227)	-
Total insurance income	-	235 314	-	-	-	(2 227)	233 087
Result from insurance	-	10 701	-	-	-	(1 477)	9 224
Interest income	2 941	93 361	466	318	77	(5 547)	91 616
Interest expenses	(3 730)	(16 222)	(2 826)	(1 291)	(172)	5 546	(18 695)
Result from interest	(789)	77 139	(2 360)	(973)	(95)	(1)	72 921
Gains from transactions with financial instruments	4 684	236 258	3 288	699	-	(11 619)	233 310
Total Gains from transactions with financial instruments	4 684	236 258	3 288	699	-	(11 619)	233 310
Result from transactions with financial instruments	4 681	31 839	3 288	699	-	(11 619)	28 888
Administrative expenses	(2 295)	(98 489)	(4 808)	-	-	2 718	(102 874)
Net result from equity accounted investments in associates	42	-	1 639	-	-	-	1 681
Other financial income/ expense	(2 532)	37 299	1 594	(1)	(15)	2 762	39 107
Profit for allocating insurance batches	-	(435)	-	-	-	-	(435)
Profit for the period before tax	4 919	69 780	5 644	587	(390)	(11 683)	68 857
Tax expenses	(486)	(4 948)	-	(13)	-	-	(5 447)
Net profit for the period	4 433	64 832	5 644	574	(390)	(11 683)	63 410



Operating segments	Production, trade and services	Financial sector	Transport sector	Real estate Sector	Construction and engineering sector	Elimination	Consolidated
30 June 2018	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Assets of the segment	681 926	9 404 920	806 896	280 407	15 403	(2 262 480)	8 927 072
Equity accounted investments in associates	3 819	10	23 475	-	2	5 354	32 660
Total consolidated assets	685 745	9 404 930	830 371	280 407	15 405	(2 257 126)	8 959 732
Specialized reserves	-	292 510	-	-	-		292 510
Liabilities of the segment	221 894	6 986 293	383 120	116 822	9 032	(733 099)	6 984 062
Total consolidated liabilities	221 894	6 986 293	383 120	116 822	9 032	(733 099)	6 984 062



Operating segments 30 June 2017	Production, trade and services	Financial sector	Transport sector	Real estate sector	Construction and engineering sector	Elimination	Consolidated
	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Income from non-financial activities from external customers	45 922	8 289	147 457	458	2 365		204 491
Change in fair value of investment property	-	11	-	-	-	1 474	1 485
Gain from sale of non-current assets	(59)	-	(881)	-	-	(2)	(942)
Inter-segment income from non-financial activities	2 601	1 178	2 649	-	857	(7 285)	-
Total income from non-financial activities	48 464	9 478	149 225	458	3 222	(5 813)	205 034
Result from non-financial activities	4 370	9 478	3 667	(137)	(37)	143	17 484
Insurance income from external customers	-	221 621	-	-	-	-	221 621
Inter-segment insurance income	-	2 211	-	-	-	(2 211)	-
Total insurance income	-	223 832	-	-	-	(2 211)	221 621
Result from insurance	-	12 728	-	-	-	(1 567)	11161
Interest income	3 183	103 068	1 781	319	15	(7 658)	100 708
Interest expenses	(4 106)	(20 851)	(3 724)	(9)	(266)	7 658	(21 298)
Result from interest	(923)	82 217	(1 943)	310	(251)	-	79 410
Gains from transactions with financial instruments	2 759	277 832	1 583	-	-	(6 567)	275 607
Total Gains from transactions with financial instruments	2 759	277 832	1 583	-	-	(6 567)	275 607
Result from transactions with financial instruments	2 746	50 319	1582	-	-	(5 311)	49 336
Administrative expenses	(2 598)	(102 656)	(4 794)	-	-	3 314	(106 734)
Net result from equity accounted investments in associates	33	-	1956	-	-	-	1989
Other financial income/ expense	(256)	19 180	(1 657)	-	(28)	(366)	16 864
Profit for allocating insurance batches	-	(16 667)	-	-	-	-	(16 667)
Profit for the period before tax	3 363	54 599	(1189)	173	(316)	(3 787)	52 843
Tax expenses	(447)	2 606	(1)	(16)	-	-	2 142
Net profit for the period	2 916	57 205	(1190)	157	(316)	(3 787)	54 985



Operating segments	Production, trade and services	Financial sector	Transport sector	Real estate Sector	Construction and engineering sector	Elimination	Consolidated
30 June 2017	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Assets of the segment	697 684	8 737 421	950 175	76 973	16 450	(2 093 884)	8 384 819
Equity accounted investments in associates	4 027	10	23 351	-	2	3 491	30 881
Total consolidated assets	701 711	8 737 431	973 526	76 973	16 452	(2 090 393)	8 415 700
Specialized reserves	-	284 358	-	-	-	-	284 358
Liabilities of the segment	241 485	6 370 968	435 272	6 636	10 489	(587 457)	6 477 393
Total consolidated liabilities	241 485	6 370 968	435 272	6 636	10 489	(587 457)	6 477 393



9. Property, plant and equipment

Property, plant and equipment of the Group include land, buildings, plant and equipment, vehicles, repairs of rented fixed assets, assets in process of acquisition, etc. presented in the consolidated interim financial statements as at March 31, 2018. Their carrying amount can be analyzed as follows:

	Land	Building	Machines	Equipment and spare parts	Vehicles	Repairs	Others	Advances and assets in process of acquisition	Total
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Balance at 1 January 2018	51 382	132 104	182 354	85 229	125 850	24 368	74 401	40 731	716 419
Additions:									
-business combinations	-	-	82	-	73	-	17	321	493
- separately acquired	-	-	3 533	381	1 852	1 995	63	5 569	13 393
- reclassified									
Disposals	(2)	(208)	(393)	(348)	(994)	-	(1)	(4 862)	(6 808)
- separately disposed	-	-	(182)	(1)	(363)	-	-	-	(546)
Balance at 30 June 2018	51 380	131 896	185 394	85 261	126 418	26 363	74 480	41 759	722 951
Depreciation									
Balance at 1 January 2018	-	(24 873)	(117 446)	(33 741)	(55 439)	(24 164)	(37 578)	-	(293 241)
Business combinations	-	-	(75)	-	(62)	-	(17)	-	(154)
Disposals Business combinations	-	-	142	1	336	-	-	-	479
Disposals depreciation	-	53	351	298	746	-	-	-	1 448
Depreciation	-	(2 027)	(4 880)	(739)	(2 558)	(729)	(1 294)	-	(12 227)
Balance at 31 March 2018	-	(26 847)	(121 908)	(34 181)	(56 977)	(24 893)	(38 889)	-	(303 695)
Carrying amount at 30 June 2018	51 380	105 049	63 486	51 080	69 441	1 470	35 591	41 759	419 256

- as at 31 December 2017

	Land	Building	Machines	Equipment	Vehicles	Repairs	Others	Assets in process of acquisition	Total
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Balance at 1 January 2017	52 651	124 769	176 066	84 989	128 159	23 487	73 462	60 258	723 841
Additions:									
- separately acquired	-	9 155	8 298	821	4 263	881	1 608	9 027	34 053
- reclassified	-	3 556	-	-	-	-	-	-	3 556
Disposals									
- separately disposed	(1 050)	(1 796)	(1 997)	(581)	(4 470)	-	(660)	(23 366)	(33 920)
- business combinations	-	-	-	-	(2 102)	-	-	(5 188)	(7 290)
- reclassified	(219)	(3 580)	(13)	-	-	-	(9)	-	(3 821)
Balance at 31 December 2017	51 382	132 104	182 354	85 229	125 850	24 368	74 401	40 731	716 419
Depreciation									
Balance at 1 January 2017	-	(21 921)	(109 076)	(32 332)	(52 122)	(22 621)	(35 567)	-	(273 639)
Business combinations	-	201	-	-	-	-	-	-	201
Disposal depreciation - reclassified	-	456	1 697	162	1 619	-	393	-	4 327
Depreciation	-	(3 609)	(10 067)	(1 571)	(4 936)	(1 543)	(2 404)	-	(24 130)
Balance at 31 December 2017	-	(24 873)	(117 446)	(33 741)	(55 439)	(24 164)	(37 578)	-	(293 241)
Carrying amount at 31 December 2017	51 382	107 231	64 908	51 488	70 411	204	36 823	40 731	423 178



- as at 30 June 2017

	Land	Building	Machines	Equipment and spare parts	Vehicles	Repairs	Others	Advances and assets in process of acquisition	Total
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Balance at 1 January 2017	52 651	124 769	176 066	84 989	128 159	23 487	73 462	60 258	723 841
Additions:									
-business combinations	-	-	-	-	2 523	-	-	-	2 523
- separately acquired	-	8 713	4 281	333	983	22	5	3 890	18 227
- reclassified	(5)	(834)	(100)	-	(193)		339		-
Disposals									
- separately disposed	(7)	(280)	(278)	(224)	(3 540)	-	(25)	(14 135)	(18 489)
Balance at 30 June 2017	52 644	133 202	180 069	85 098	128 125	23 509	73 442	50 013	726 102
Depreciation									
Balance at 1 January 2017		(21 921)	(109 076)	(32 332)	(52 122)	(22 621)	(35 567)		(273 639)
Business combinations	-	(12)	(100)	-	-	(2)	-	-	(114)
Disposals Business combinations			144		19				163
Disposals depreciation		63	82	109	1 156		24		1 434
Depreciation	-	(1 951)	(5 305)	(845)	(2 052)	(799)	(1 590)		(12 542)
Balance at 30 June 2017	-	(23 821)	(114 255)	(33 068)	(52 999)	(23 422)	(37 133)	-	(284 698)
Carrying amount at 30 June 2017	52 644	109 381	65 814	52 030	75 126	87	36 309	50 013	441 404

10. Long-term financial assets

Financial assets, recognized in the interim condensed consolidated statement of financial position, include the following financial asset categories:

	30.06.2018	30.06.2017
	BGN '000	BGN '000
Financial assets at fair value through profit or loss	4 564	6 874
Held-to-maturity financial assets	177 046	-
Loans and receivables	2 215 256	2 009 646
Available-for-sale financial assets	509 280	539 576
	2 906 146	2 556 096
Impairment	(75 175)	(75 427)
	2 830 971	2 480 669

11. Short-term financial assets

Financial assets, recognized in the interim condensed consolidated statement of financial position, include the following financial asset categories:

	30.06.2018	30.06.2017
	BGN '000	BGN '000
Financial assets at fair value through profit or loss	1 477 418	1 398 090
Held-to-maturity financial assets	35 801	36 634
Loans and receivables	959 203	842 239
Held for sale financial assets	91 757	144 194
	2 564 179	2 421 157
Impairment	(82 710)	(33 586)
	2 481 469	2 387 571

12. Share capital

The share capital of Chimimport as at 30 June 2018 consists of 239 646 267 ordinary shares with a par value of BGN 1, including 12 405 220 ordinary shares acquired by companies of Chimimport Group. The shares of the Company are ordinary, registered and subject to unrestricted transfers and entitle 1 voting right and liquidation quota.

Shares issued and fully paid:	30.06.2018	30.06.2017
- beginning of the year	227 235 748	226 914 228
- treasury shares /ordinary and preferred/, acquired by subsidiaries during the year	(44 240)	326 819
Shares issued and fully paid as at period end	227 191 508	227 241 047

All privilege shares, issued on 12 June 2009, were converted into ordinary shares on 15 June 2016, as per the Memorandum:

The list of principle shareholders, holding shares /ordinary and preferred/ of the capital of Chimimport AD is presented as follows:

	30.06.2018	30.06.2018	30.06.2017	30.06.2017
	Number of ordinary shares	%	Number of ordinary shares	%
Invest Capital AD	174 847 247	72.96%	174 847 247	72.96%
Other legal entities and private individuals	64 799 020	26.97%	64 799 020	26.97%
	239 646 267	100.00%	239 646 267	100.00%
Shares of the Group, acquired by subsidiaries				
CCB Group AD	(1 296 606)	0.54%	(1 296 606)	0.54%
ZAD Armeec	(3 236 507)	1.35%	(3 236 507)	1.35%
CCB AD	(7 919 306)	3.30%	-	-%
POAD CCB Sila	(2 340)	-	(7 872 107)	3.28%
Trans Inter-car EAD	(12 454 759)	5.20%	-	-
Net number of shares	227 191 508		(12 405 220)	5.18%
			227 241 047	

Withholding tax for dividends due from individuals and foreign legal entities, registered in countries that are not members of EU for 2017 and 2018 amounts to 5% and the tax is deducted from the gross amount of dividends.

13. Borrowings

Borrowings include financial liabilities as follows:

	Current		Non-current	
	30.06.2018 BGN'000	30.06.2017 BGN'000	30.06.2018 BGN'000	30.06.2017 BGN'000
Financial liabilities measured at amortized cost:				
Liabilities to depositors	3 725 907	3 655 739	1 376 672	1 083 231
Liabilities for dividends	14 313	30 207	-	-
Bonds and debenture loan	2 741	2 896	30 265	38 734
Bank loans	69 536	55 904	117 284	103 258
Other borrowings	18 100	33 684	4 947	4 050
Derivatives, held-for-trading	-	-	-	-
Deposits from banks	10 494	11 746	-	-
Cession liabilities	10 361	21 009	17 906	4 206
Liabilities under repurchase agreements	10 549	2 047	-	-
Total carrying amount	3 862 001	3 813 232	1 547 074	1 233 479

During the period the Group of Chimimport received borrowings other than borrowings from banking activities under long-term and short-term loans agreements for cash at interest rates between 3% - 8%

14. Income tax expenses

Recognized tax expenses are based on management's best estimate of the expected annual tax rate. The tax rate, valid for 2018 is 10% corporate tax (the expected annual tax rate for the period ended on 31 December 2017 was 10%).

15. Earnings per shares

The basic earnings per share have been calculated using the net results attributable to shareholders of the Company as the numerator.

The weighted average number of outstanding shares used for basic earnings per share as well as profit attributable to shareholders, as at March 2018, is:

	30.06.2018	30.06.2017
Profit attributable to the shareholders (BGN)	53 503 000	47 586 000
Weighted average number of outstanding shares	227 191 508	227 241 047
Basic earnings per share (BGN per share)	0.24	0.21

16. Related party transactions

The Group's related parties include its owners, associates and key management personnel.

16.1. Transaction with owners

Sale of goods and services, interest income and other income	30.06.2018	30.06.2017
	BGN'000	BGN'000
<i>- interest income</i>		
Oweners	163	437
<i>- sale of services and others</i>		
Oweners	6	4
Purchase of goods and services, interest expense and other expense		
<i>- purchase of services</i>		
Oweners	-	(43)
<i>- interest expense</i>		
Oweners	-	-

16.2. Transaction with associates and other related parties under common control

Sale of goods and services, interest income and other income	30.06.2018	30.06.2017
	BGN'000	BGN'000
<i>- sale of finished goods</i>		
- associated parties	392	364
- other related parties	177	228
<i>- sale of goods</i>		
- associated parties	212	201
- other related parties	489	473
<i>- sale of services</i>		
- associated parties	3 117	2 577
- other related parties	1 039	1 066

Sale of goods and services, interest income and other income	30.06.2018	30.06.2017
	BGN'000	BGN'000
<i>- interest income</i>		
- joint ventures	162	15
- other related parties	315	1 076
 <i>- other income</i>		
- associated parties	170	43
- other related parties	43	-
 Purchase of services and interest expense	30.06.2018	30.06.2017
	BGN'000	BGN'000
<i>- purchase of services</i>		
- associated parties	(6 624)	(6 614)
- other related parties	(2 119)	(2 033)
 <i>- interest expense and other expenses</i>		
- associated parties	(1)	(16)
- other related parties joint ventures	(26)	(46)

16.3. Transaction with key management personnel

Key management of the Group includes members of the Managing Board and Supervisory Board. Key management personnel remuneration includes the following expenses:

	30.06.2018	30.06.2017
	BGN'000	BGN'000
Short-term employee benefits:		
Salaries, including bonuses	(484)	(82)
Social security costs	(8)	(10)
Total:	(492)	(92)

17. Related party balances

	30.06.2018	31.12.2017	30.06..2017
	BGN'000	BGN'000	BGN'000
Non-current receivables from:			
-owners	-	-	909
-associated parties	2 034	2 295	2 317
-joint- ventures	1 530	3 266	37
- other related parties	2 889	3 197	4 670
Total	6 453	8 758	7 933

Current receivables from:			
-owners	26 901	28 362	39 047
- associates	763	580	631
-joint- ventures	6 112	3 446	1 022
- other related parties	15 406	36 532	28 217
Total	49 182	68 920	68 917

	30.06.2018	31.12.2017	30.06.2017
	BGN'000	BGN'000	BGN'000
Non-current payables to:			
-owners	15	-	1 613
- associates and joint ventures	2 072	1 043	2 187
-joint- ventures	270	379	198
- other related parties	2 317	2 893	1 670
Total	4 674	4 315	5 668

Current payables to:			
-owners	7 576	8 894	3
- associates	9 192	12 164	12 844
-joint- ventures	763	262	327
- other related parties	11 133	16 099	5 927
Total	28 664	37 419	19 101

18. Post - reporting date events

No significant events occurred after the reporting date.

19. Autorization of the interim condensed financial statements

The interim condensed consolidated financial statements as of 30 June 2018 (including comparatives) were approved for issue by the Managing board on 29 August 2018.