

Interim Consolidated Activity Report
Interim Condensed Consolidated Financial
Statements

CHIMIMPORT AD

31 March 2019




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Interim condensed consolidated statement of financial position


	Notes	31.03.2019 BGN'000	31.12.2018 BGN'000
Assets			
Property, plant and equipment	10	416 027	420 897
Investment property		420 464	422 174
Goodwill		28 425	28 425
Other intangible assets		156 502	157 731
Deferred tax assets		7 593	8 035
Investments accounted for using the equity method	8	35 498	35 126
Loans and receivables to bank customers		2 449 371	2 417 517
Equity instruments at fair value through profit or loss		1 793 083	1 685 078
Debt instruments at fair value through other comprehensive income		406 484	422 916
Equity instruments at fair value through other comprehensive income		78 453	70 983
Other financial assets		1 051 674	1 105 426
Receivables from insurance and reinsurance contracts		50 801	51 071
Reinsurance assets		90 834	87 218
Tax receivables		1 230	1 854
Other receivables		79 644	93 471
Inventories		45 933	45 923
Cash and cash equivalents		2 176 401	2 045 224
Total assets		9 288 417	9 099 069

Prepared by:



/A. Kerezov/

Executive director:




/I. Kamenov/

Date: 31 May 2019

Interim condensed consolidated statement of financial position (continued)

	Notes	31.03.2019 BGN'000	31.12.2018 BGN'000
Equity and liabilities			
Equity			
Share capital	0	230 043	227 191
Share premium		250 338	247 070
Other reserves		173 474	145 477
Retained earnings		693 976	660 715
Profit for the period		40 423	70 309
Equity attributed to the shareholders of parent company		1 388 254	1 350 762
Non-controlling interests		274 889	293 931
Total equity		1 663 143	1 644 693
Liabilities			
Liabilities to depositors	13	5 353 054	5 259 602
Other financial liabilities	14	505 374	502 819
Payables to secured persons		1 339 510	1 295 894
Pension and other employee obligations		17 499	18 478
Deferred tax liabilities		37 129	23 841
Liabilities to insurance and reinsurance contracts		275 593	269 782
Finance lease liabilities		28 490	28 490
Tax liabilities		4 948	5 349
Other liabilities		5 522	4 530
Total liabilities		7 625 274	7 454 376
Total equity, reserves and liabilities		9 288 417	9 099 069

Prepared by:


/I.A. Kerezov/

Executive director:


/I.I. Kamenov/

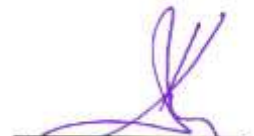


Date: 31 May 2019

Interim condensed consolidated statement of comprehensive income

	Notes	31.03.2019 BGN'000	31.03.2018 BGN'000
Income from non-financial activities		87 014	89 906
Gain on sale of non-current assets		-	14
Net result from non-financial activities		87 014	89 920
Insurance income		160 157	153 341
Insurance expense		(151 823)	(148 597)
Net insurance result		8 334	4 744
Interest income		46 197	45 479
Interest expense		(5 974)	(8 587)
Net interest income		40 223	36 892
Net result from transactions with financial instruments		40 978	24 329
Other non - financial and administrative expenses		(123 719)	(129 605)
Share of profit from equity accounted investments		370	271
Other financial income		16 743	11 264
Allocation of income to secured persons		(21 904)	5 464
Profit before tax		48 039	43 279
Tax expense, revenue	15	(3 417)	(4 412)
Net profit for the period		44 622	38 867
Other comprehensive income			
Revaluation of obligations under defined benefit plans, net		2 591	(729)
Total comprehensive income		47 213	38 138
Profit for the year attributable to:			
the shareholders of Chimimport AD		40 423	32 409
non-controlling interests		4 199	6 458
Total comprehensive income attributable to:			
the shareholders of Chimimport AD		42 418	31 839
non-controlling interests		4 795	6 299
Basic earnings per share in BGN		0,17	0,14

Prepared by:


/I.A. Kerezov/

Executive director:


/I. Kamenov/

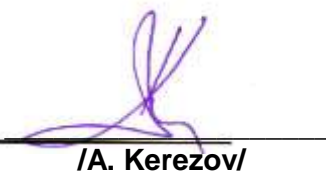
Date: 31 May 2019

Interim condensed consolidated statement of changes in equity

All amounts are presented in BGN'000

	Equity attributable to the shareholders of Chimimport AD				Total	Non-controlling interests	Total equity
	Share capital	Share premium	Other reserves	Retained earnings			
Balance at 1 January 2019	227 191	247 070	145 477	731 024	1 350 762	293 931	1 644 693
	2 852	3 268	-	-	6 120	-	6 120
Increase in share capital and reserves resulting from change in own shares held by subsidiaries	-	-	-	(11 046)	(11 046)	(23 837)	(34 883)
Business combinations	2 852	3 268	-	(11 046)	(4 926)	(23 837)	(28 763)
Transactions with owners	227 191	247 070	145 477	731 024	1 350 762	293 931	1 644 693
Profit for the period	-	-	-	40 423	40 423	4 199	44 622
Other comprehensive loss	-	-	1 995	-	1 995	596	2 591
Total comprehensive income for the year	-	-	1 995	40 423	42 418	4 795	47 213
Transfer of retained earnings to other reserves	-	-	26 002	(26 002)	-	-	-
Balance at 31 March 2019	230 043	250 338	173 474	734 399	1 388 254	274 889	1 663 143

Prepared by:



/A. Kerezov/

Date: 31 May 2019



Executive director:



/I. Kamenov/

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 interests	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
Balance at 1 January 2018	227 236	247 129	124 926	806 551	1 405 842	282 955	1 688 797
Adjustments from the adoption of IFRS 9 and other adjustments	-	-	(7 047)	(79 447)	(86 494)	(16 686)	(103 180)
Balance at 1 January 2018 (restated)	227 236	247 129	117 879	727 104	1 319 348	266 269	1 585 617
Increase in share capital and reserves resulting from change in own shares held by subsidiaries	(45)	(59)	-	-	(104)	-	(104)
Business combinations	-	-	(4 442)	(16 325)	(20 767)	16 793	(3 974)
Dividends	-	-	-	(14 313)	(14 313)	(2 430)	(16 743)
Transactions with owners	(45)	(59)	(4 442)	(30 638)	(35 184)	14 363	(20 821)
Profit for the year	-	-	-	70 309	70 309	14 043	84 352
Other comprehensive loss	-	-	(3 711)	-	(3 711)	(744)	(4 455)
Total comprehensive income for the year	-	-	(3 711)	70 309	66 598	13 299	79 897
Transfer of retained earnings to other reserves	-	-	36 641	(36 641)	-	-	-
Change in specialized reserves	-	-	(890)	890	-	-	-
Balance at 31 December 2018	227 191	247 070	145 477	731 024	1 350 762	293 931	1 644 693

Prepared by:


/A. Kerezov/

Date: 31 May 2019

Executive director:


/I. Kamenov/



Interim condensed consolidated statement of cash flows

	31.03.2019	31.03.2018
	BGN'000	BGN'000
Proceeds from short-term loans	6 445	9 667
Payments for short-term loans	(10 424)	(7 664)
Proceeds from sale of short-term financial assets	65 588	95 672
Purchase of short-term financial assets	(84 873)	(142 830)
Cash receipt from customers	86 370	93 057
Cash paid to suppliers	(70 334)	(74 366)
Proceeds from secured persons	39 430	36 625
Payments to secured persons	(12 374)	(6 301)
Payments to employees and social security institutions	(27 417)	(28 316)
Cash receipts from banking operations	11 863 402	10 803 316
Cash paid for banking operations	(11 762 942)	(10 719 923)
Cash receipts from insurance operations	34 612	46 410
Cash paid for insurance operations	(29 287)	(40 552)
Income taxes paid	(1 436)	(945)
Other cash outflows	(3 574)	(5)
Net cash flow from operating activities	93 186	63 845
Investing activities		
Sale of subsidiaries, net of cash	-	2 170
Dividends received	246	163
Sale of property, plant and equipment	12	12
Purchase of property, plant and equipment	(1 477)	(2 327)
Purchase of intangible assets	(55)	(51)
Sale of investment property	210	6 389
Purchase of investment property	(316)	(10 608)
Sale of non-current financial assets	133 782	260 542
Purchase of non-current financial assets	(118 457)	(196 502)
Interest payments received	14 862	13 236
Proceeds from loans granted	1 216	1 253
Payments for loans granted	(3 971)	(1 891)
Other cash (outflows)/inflows	(692)	9 423
Net cash flow from investing activities	25 360	81 809
Financing activities		
Sale/(purchase) of own shares	5 190	(99)
Proceeds from loans received	14 377	11 176
Payments for loans received	(9 695)	(22 057)
Interest paid	(2 390)	(2 360)
Payments for finance leases	(375)	(296)
Other cash inflows/(outflows)	5 261	(576)
Net cash flow from financing activities	12 368	(14 212)
Net change in cash and cash equivalents	130 914	131 442
Cash and cash equivalents, beginning of year	2 045 224	2 204 904
Exchange profit on cash and cash equivalents	263	(482)
Cash and cash equivalents, end of the period	2 176 401	2 335 864

Prepared by: _____

/A. Kerezov/

Executive director: _____

/I. Kamenov/

Date: 31 May 2019

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 31 March 2019 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 2018, 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 2018.

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 2018.

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 2018. 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 2018.

5. New standards, amendments and interpretations to existing standards that are effective for annual periods beginning on or after 1 January 2018

A list of the changes in the standards is provided below:

- IFRS 9 “Financial Instruments” (amended) – Prepayment features with negative compensation, effective from 1 January 2019, adopted by the EU
- IFRS 16 “Leases” effective from 1 January 2019, adopted by the EU

6. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company

At the date of authorisation of these financial statements, certain new standards, amendments and interpretations to existing standards have been issued, but are not effective or adopted by the EU for the financial year beginning on 1 January 2018 and have not been applied early by the Company. They are not expected to have a material impact on the Company’s financial statements. Management anticipates that all relevant pronouncements will be adopted in the Company’s accounting policies for the first period beginning after the effective date of the pronouncement.

A list of the changes in the standards is provided below:

- IFRS 14 “Regulatory deferral accounts” effective from 1 January 2016, not yet adopted by the EU
- IFRS 17 “Insurance Contracts” effective from 1 January 2021, not yet adopted by the EU
- IAS 19 “Employee benefits” (amended) – Plan amendment, curtailment or settlement - effective from 1 January 2019, not yet adopted by the EU
- IAS 28 “Investments in associates and joint ventures” (amended) – Long-term interests in associates and joint ventures effective from 1 January 2019, not yet adopted by the EU
- IFRIC 23 “Uncertainty over income tax treatments” effective from 1 January 2019, not yet adopted by the EU
- Annual Improvements to IFRSs 2015-2017 effective from 1 January 2019, not yet adopted by the EU

7. 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.

8. Investments accounted for using equity method

8.1. Investments in associates

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

Name	31.03.2019 BGN'000	Share %	31.12.2018 BGN'000	Share %
Lufthansa Technik Sofia OOD	8 965	24.90%	8 945	24.90%
Swissport Bulgaria	6 050	49.00%	5 671	49.00%
Silver Wings Bulgaria Ltd.	5 257	42.50%	5 170	42.50%
Amadeus Bulgaria OOD	3 411	44.99%	3 294	44.99%
VTC AD	4 034	41.00%	4 034	41.00%
Kavarna Gas OOD	591	35.00%	552	35.00%
Port Ppristis OOD	19	19.00%	19	19.00%
	<u>28 327</u>		<u>27 685</u>	

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 31 March 2019.

8.2. Investments in joint ventures

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

Name	31.03.2019 BGN'000	Share %	31.12.2018 BGN'000	Share %
Nuance BG AD	2 164	50.00%	2 434	50.00%
Varna ferry OOD	5 007	50.00%	5 007	50.00%
	<u>7 171</u>		<u>7 441</u>	

9. 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, engineering and real estate sector

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

Operating segments
31 March 2019

	Production, trade and services	Financial sector	Transport sector	Real estate and engineering sector	Elimination	Consolidated
	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Income from non-financial activities from external customers	18 461	7 810	57 480	2 895	368	87 014
Inter-segment income from non-financial activities	2 646	566	717	-	(3 929)	-
Total income from non-financial activities	21 107	8 376	58 197	2 895	(3 561)	87 014
Insurance income from external customers	-	160 157	-	-	-	160 157
Inter-segment insurance income	-	2	-	-	(2)	-
Total insurance income	-	160 159	-	-	(2)	160 157
Result from insurance	-	8 209	-	-	125	8 334
Interest income	1 352	48 000	201	106	(3 462)	46 197
Interest expenses	(1 693)	(5 876)	(1 247)	(620)	3 462	(5 974)
Result from interest	(341)	42 124	(1 046)	(514)	-	40 223
Gains from transactions with financial instruments	(10)	36 990	952	-	3 046	40 978
Other non - financial and administrative expenses	(20 484)	(49 212)	(59 247)	(2 168)	7 392	(123 719)
Net result from equity accounted investments in associates	20	-	350	-	-	370
Other financial income/ expense	(114)	20 720	92	(3)	(3 952)	16 743
Profit for allocating insurance batches	-	(21 904)	-	-	-	(21 904)
Profit for the period before tax	178	45 303	(702)	210	3 050	48 039
Tax expenses	(63)	(3 354)	-	-	-	(3 417)
Net profit for the period	115	41 949	(702)	210	3 050	44 622

Operating segments	Production, trade and services	Financial sector	Transport sector	Real estate and engineering Sector	Elimination	Consolidated
31 March 2019	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Assets of the segment	655 063	9 723 729	812 609	269 365	(2 207 847)	9 252 919
Equity accounted investments in associates	3 819	-	23 494	-	8 185	35 498
Total consolidated assets	658 882	9 723 729	836 103	269 365	(2 199 662)	9 288 417
Liabilities of the segment	220 642	7 577 647	348 115	104 693	(625 823)	7 625 274
Total consolidated liabilities	220 642	7 577 647	348 115	104 693	(625 823)	7 625 274

Chimimport AD
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Operating segment	Production, trade and services BGN'000	Finance BGN'000	Transport BGN'000	Real estate and engineering BGN'000	Eliminations BGN'000	Consolidated BGN'000
31.12.2018						
Income from non-financial activities from external customers	91 671	48 158	313 965	10 441	(2 798)	461 437
Change in fair value of investment property	(149)	2 481	-	471	-	2 803
Gain from sale of non-current assets	104	126	936	1	(61)	1 106
Inter-segment income from non-financial activities	11 075	3 168	2 775	725	(17 743)	-
Total income from non-financial activities	102 701	53 933	317 676	11 638	(20 602)	465 346
Insurance income from external customers	-	377 484	-	-	-	377 484
Inter-segment insurance income	-	4 271	-	-	(4 271)	-
Total insurance income	-	381 755	-	-	(4 271)	377 484
Result from insurance	-	31 600	-	-	(3 801)	27 799
Interest income	5 382	197 627	1 124	1 813	(16 339)	189 607
Interest expenses	(7 646)	(33 140)	(6 701)	(3 089)	16 342	(34 234)
Result from interest	(2 264)	164 487	(5 577)	(1 276)	3	155 373
Result from transactions with financial instruments, net	6 156	24 877	4 906	(308)	(14 715)	20 916
Other operating and administrative expenses	(92 165)	(237 851)	(320 363)	(9 145)	22 737	(636 787)
Net result from equity accounted investments in associates	42	-	5 258	-	-	5 300
Other financial income/ (expenses)	(2 765)	69 488	(441)	(174)	(593)	65 515
Profit for allocating insurance batches	-	(10 544)	-	-	-	(10 544)
Profit for the period before tax	11 705	95 990	1 459	735	(16 971)	92 918
Tax expense	(428)	(8 637)	1 061	(109)	(453)	(8 566)
Net profit for the year	11 277	87 353	2 520	626	(17 424)	84 352

Chimimport AD
Interim Condensed Consolidated Financial Statements
31 March 2019



Operating segments 31 December 2018	Production, trade and services BGN'000	Finance BGN'000	Transport BGN'000	Real estate and engineering BGN'000	Eliminations BGN'000	Consolidated BGN'000
Assets of the segment	649 562	9 521 296	767 905	291 768	(2 166 588)	9 063 943
Equity accounted investments	3 819	-	23 494	-	7 813	35 126
Total consolidated assets	653 381	9 521 296	791 399	291 768	(2 158 775)	9 099 069
Liabilities of the segment	215 237	7 385 436	366 097	124 860	(637 254)	7 454 376
Total consolidated liabilities	215 237	7 385 436	366 097	124 860	(637 254)	7 454 376



10. 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, 2019. 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
2019									
Balance at 1 January 2019	51 543	139 880	184 325	85 637	125 760	26 830	77 035	40 461	731 471
Additions:									
-business combinations	3	346	750	285	326	248	11	598	2 567
Disposals									
- separately disposed		(12)	(29)	(188)	-	-	(114)	(405)	(748)
Balance at 31 March 2019	51 546	140 214	185 046	85 734	126 086	27 078	76 932	40 654	733 290
Depreciation									
Balance at 1 January 2019	-	(28 637)	(122 671)	(34 680)	(58 574)	(25 715)	(40 297)	-	(310 574)
Depreciation	-	(1 153)	(2 886)	(378)	(923)	(434)	(915)	-	(6 689)
Balance at 31 March 2019	-	(29 790)	(125 557)	(35 058)	(59 497)	(26 149)	(41 212)	-	(317 263)
Carrying amount at 31 March 2019	51 546	110 424	59 489	50 676	66 589	929	35 720	40 654	416 027



- as at 31 December 2018
2018

	Land	Building	Plant and equipment	Equipment and spare parts	Vehicles	Improvement on leased assets	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 2018	51 382	132 104	182 354	85 229	125 850	24 368	74 401	40 731	716 419
Additions:									
- separately acquired	-	-	82	-	73	-	17	321	493
- reclassification	166	8 299	6 834	1 183	5 887	2 478	2 712	17 606	45 165
Disposals									
- separately disposed	(5)	(523)	(4 763)	(774)	(3 164)	(16)	(95)	(18 197)	(27 537)
- business combinations	-	-	(182)	(1)	(2 886)	-	-	-	(3 069)
Balance at 31 December 2018	51 543	139 880	184 325	85 637	125 760	26 830	77 035	40 461	731 471
Depreciation									
Balance at 1 January 2018	-	(24 873)	(117 446)	(33 741)	(55 439)	(24 164)	(37 578)	-	(293 241)
Additions - business combinations	-	-	(75)	-	(62)	-	(17)	-	(154)
Disposals - business combinations	-	-	142	1	340	-	-	-	483
Disposals	-	133	4 705	570	2 120	19	94	-	7 641
Depreciation for the period	-	(3 897)	(9 997)	(1 510)	(5 533)	(1 570)	(2 796)	-	(25 303)
Balance at 31 December 2018	-	(28 637)	(122 671)	(34 680)	(58 574)	(25 715)	(40 297)	-	(310 574)
Carrying amount at 31 December 2018	51 543	111 243	61 654	50 957	67 186	1 115	36 738	40 461	420 897

11. Financial assets

Amounts recognized in the interim condensed consolidated statement of financial position are attributable to the following categories of financial assets:

	31.03.2019	31.12.2018
	BGN '000	BGN '000
Loans and advances to bank customers	2 449 371	2 417 517
Financial assets at fair value through profit or loss	1 793 083	1 685 078
Debt instruments measured at fair value through other comprehensive income	406 484	422 916
Equity instruments measured at fair value through other comprehensive income	78 453	70 983
	4 727 391	4 596 494

12. Other financial assets at amortized cost

Amounts recognized in the consolidated statement of financial position are attributable to other financial assets measured at amortized cost are as follows:

	31.03.2019	31.12.2018
	BGN '000	BGN '000
Loans granted	364 855	363 099
Receivables under repurchase agreements	297 302	297 105
Debt instruments measured at amortized cost	256 164	302 516
Receivables from related parties	71 353	50 215
Trade receivables	120 247	96 620
Other	23 132	75 249
Less impairment	(81 379)	(79 378)
	1 051 674	1 105 426

13. Share capital

The share capital of Chimimport as at 31 March 2019 consists of 239 646 267 ordinary shares with a par value of BGN 1, including 9 602 720 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.

	31.03.2019	31.12.2018
Shares issued and fully paid:		
- beginning of the year	227 191 647	227 235 748
- treasury shares /ordinary and preferred/, acquired by subsidiaries during the year	2 851 900	(44 101)
Shares issued and fully paid as at period end	230 043 547	227 191 647

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

	31.03.2019	31.03.2019	31.12.2018	31.12.2018
	Number of ordinary shares	%	Number of ordinary shares	%
Invest Capital AD	173 487 247	72.39 %	174 847 247	72.96 %
Other legal entities and private individuals	66 159 020	27.61 %	64 799 020	27.04 %
	239 646 267	100.00 %	239 646 267	100.00 %
Shares of the Group, acquired by subsidiaries				

Withholding tax for dividends due from individuals and foreign legal entities, registered in countries that are not members of EU for 2018 and 2019 amounts to 5% and the tax is deducted from the gross amount of dividends.

14. Borrowings

Borrowings include financial liabilities as follows:

	31.03.2019	31.12.2018
	BGN'000	BGN'000
Financial liabilities at fair value:		
Derivatives, held-for-trading	-	1 272
Financial liabilities measured at amortized cost:		
Liabilities to depositors	5 353 054	5 259 602
Bonds and debenture loan	45 628	45 178
Bank loans	183 989	189 200
Other borrowings	12 718	25 523
Deposits from banks	16 260	14 452
Cession liabilities	39 241	39 852
Liabilities under repurchase agreements	14 266	13 559
Trade obligations	145 951	121 400
Payables to related parties	47 321	52 383
Total carrying amount	5 858 428	5 762 421

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%

15. Income tax expenses

Recognized tax expenses are based on management's best estimate of the expected annual tax rate. The tax rate, valid for 2019 is 10% corporate tax (the expected annual tax rate for the period ended on 31 December 2018 was 10%).

16. 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 shares (ordinary and preferred) used for the calculation of basic earnings per share as well as the net profit less the dividend expense to be distributed are as follows:

	31.03.2019	31.03.2018
Profit attributable to the shareholders (BGN)	40 423 000	32 409 000
Weighted average number of outstanding shares	230 043 547	227 191 648
Basic earnings per share (BGN per share)	0.17	0.14

17. Related party transactions

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

17.1. Transaction with owners

Sale of goods and services, interest income and other income	31.03.2019	31.03.2018
	BGN'000	BGN'000
<i>- interest income</i>		
Owners	37	36
<i>- sale of services and others</i>		
Owners	3	4
Purchase of goods and services, interest expense and other expense		
<i>- purchase of services</i>		
Owners	-	-
<i>- interest expense</i>		
Owners		

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

Sale of goods and services, interest income and other income	31.03.2019	31.03.2018
	BGN'000	BGN'000
<i>- sale of finished goods</i>		
- enterprises accounted using the equity method	373	307
- other related parties	427	76
<i>- sale of goods</i>		
- enterprises accounted using the equity method	76	127
- other related parties	58	256
<i>- sale of services</i>		
- enterprises accounted using the equity method	4 890	1 553
- other related parties	467	528
<i>- interest income</i>		
- enterprises accounted using the equity method	114	78
- other related parties	247	132
<i>- other income</i>		
- enterprises accounted using the equity method	32	18
- other related parties	24	12
Purchase of services and interest expense	31.03.2019	31.03.2018
	BGN'000	BGN'000
<i>- purchase of services</i>		
- enterprises accounted using the equity method	(5 999)	(2 855)
- other related parties	(530)	(163)
<i>- interest expense and other expenses</i>		
- enterprises accounted using the equity method	-	(1)
- other related parties joint ventures	(8)	(8)

17.3. 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:

	31.03.2019	31.03.2018
	BGN'000	BGN'000
Short-term employee benefits:		
Salaries, including bonuses	(42)	(207)
Social security costs	(6)	(5)
Total:	(48)	(212)

18. Related party balances

	31.03.2019	31.12.2018
	BGN'000	BGN'000
Non-current receivables from:		
<i>-owners</i>	-	47
<i>-associated parties</i>	403	2 339
<i>-joint- ventures</i>	38	38
<i>- other related parties</i>	5 406	4 032
Total	5 847	6 456

Current receivables from:		
<i>-owners</i>	26 554	26 473
<i>- associates</i>	1 111	6 423
<i>-joint- ventures</i>	4 160	7 082
<i>- other related parties</i>	33 681	3 781
Total	65 506	43 759

	31.03.2019	31.03.2018
	BGN'000	BGN'000
Non-current payables to:		
<i>-owners</i>	-	-
<i>- associates and joint ventures</i>	-	2 864
<i>-joint- ventures</i>	-	422
<i>- other related parties</i>	57	2 312
Total	57	5 598

Current payables to:		
<i>-owners</i>	19 092	22 170
<i>- associates</i>	8 007	8 602
<i>-joint- ventures</i>	-	43
<i>- other related parties</i>	20 165	15 970
Total	47 264	46 785

19. Post - reporting date events

No significant events occurred after the reporting date.

20. Autorization of the interim condensed financial statements

The interim condensed consolidated financial statements as of 31 March 2019 (including comparatives) were approved for issue by the Managing board on 31 May 2019.