

# Interim Condensed Financial Statements

**Chimimport AD**

**31 March 2020**




# Contents

	<b>Page</b>
<b>Interim condensed statement of financial position</b>	<b>1</b>
<b>Interim condensed statement of comprehensive income</b>	<b>3</b>
<b>Interim condensed statement of changes in equity</b>	<b>4</b>
<b>Interim condensed statement of cash flows</b>	<b>6</b>
<b>Notes to the interim condensed financial statements</b>	<b>7</b>

## Interim condensed statement of financial position

	Notes	31.03.2020 BGN'000	31.12.2019 BGN'000
<b>Assets</b>			
<b>Non – current assets</b>			
Property, plant and equipment	9	3 206	3 295
Investment property	10	35 831	35 831
Investment in subsidiaries	11	789 057	779 397
Long – term financial assets	12	111 042	111 806
Long – term related party receivables	19	105 501	93 497
		<b>1 044 637</b>	<b>1 023 826</b>
<b>Current assets</b>			
Short – term financial assets	13	224 011	225 166
Trade and other receivables		44 417	46 015
Short – term related party receivables	19	125 013	131 683
Prepayments and other assets		172	164
Cash and cash equivalents		70 429	70 469
		<b>464 042</b>	<b>473 497</b>
<b>Total assets</b>		<b>1 508 679</b>	<b>1 497 323</b>

Prepared by:   
/A.Kerezov/

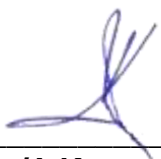
Executive Director:   
/I. Kamenov/

Date: 30 September 2020



## Interim condensed statement of financial position (continued)

Equity and liabilities	Notes	31.03.2020	31.12.2019
		BGN'000	BGN'000
<b>Equity</b>			
Share capital	13	239 646	239 646
Share premium		260 615	260 615
Remeasurement of defined benefit liability		60	60
Other reserves		59 824	59 824
Retained earnings		681 466	644 785
Net profit for the period		9 162	36 681
<b>Total equity</b>		<b>1 250 773</b>	<b>1 241 611</b>
<b>Liabilities</b>			
<b>Non – current liabilities</b>			
Long – term bank and other loans	15	49 869	39 802
Long – term related party payables	19	20 559	20 955
Pension and other employee obligations		45	45
Provisions		1 772	1 848
Deferred tax liabilities		12 883	12 883
		<b>85 128</b>	<b>75 533</b>
<b>Current liabilities</b>			
Short – term bank and other loans	15	7 801	17 482
Trade and other payables		5 043	5 109
Short – term related party payables	19	159 128	157 468
Pension and other party payables		690	4
Tax liabilities		116	116
		<b>172 778</b>	<b>180 179</b>
<b>Total liabilities</b>		<b>257 906</b>	<b>255 712</b>
<b>Total equity and liabilities</b>		<b>1 508 679</b>	<b>1 497 323</b>

Prepared by:   
/A.Kerezov/


Executive Director:   
/I. Kamenov/


Date: 30 September 2020



## Interim condensed statement of comprehensive income

	Notes	31.03.2020	31.03.2019
		BGN'000	BGN'000
Gains from transactions with financial instruments		13 513	28 723
Losses from transactions with financial instruments		(3 209)	(2 700)
<b>Net profit from transactions with financial instruments</b>		<b>10 304</b>	<b>26 023</b>
Interest income		1 793	3 025
Interest expense		(747)	(1 107)
<b>Net profit from interest</b>		<b>(1 046)</b>	<b>1 918</b>
Gains from foreign exchange differences			
Losses from foreign exchange differences		4	3
<b>Net loss from foreign exchange differences</b>		<b>-</b>	<b>(1)</b>
		<b>4</b>	<b>2</b>
<b>Other financial expenses</b>		<b>(30)</b>	<b>(89)</b>
Dividend income		-	-
Operating revenue		357	367
Operating expenses		(1 829)	(553)
<b>Profit for the period before tax</b>		<b>9 852</b>	<b>27 668</b>
Tax expense	16	(690)	(1 785)
<b>Net profit for the period</b>		<b>9 162</b>	<b>25 883</b>
<b>Other comprehensive loss:</b>		<b>-</b>	<b>-</b>
<b>Items that will not be reclassified subsequently to profit or loss:</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income</b>		<b>9 162</b>	<b>25 883</b>
<b>Earnings per share in BGN</b>	17	<b>0,04</b>	<b>0.11</b>

Prepared by:   
/A. Kerezov/

Executive Director:   
/I. Kamenov/

Date: 30 September 2020



## Interim condensed statement of changes in equity

All amounts are presented in BGN '000

	Share capital	Share premium	Remeasurements of defined benefit liability	Other reserves	Retained earnings	Total equity
Balance at 1 January 2020	239 646	260 615	60	59 824	681 466	1 241 611
Dividends	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-
Net profit for the period, ending at 31 March 2020	-	-	-	-	9 162	9 162
<b>Total comprehensive income</b>	-	-	-	-	<b>9 162</b>	<b>9 162</b>
<b>Balance at 31 March 2020</b>	<b>239 646</b>	<b>260 615</b>	<b>60</b>	<b>59 824</b>	<b>690 628</b>	<b>1 250 773</b>

Prepared by: \_\_\_\_\_

/A.Kerezov/

Date: 30 September 2020



Executive Director: \_\_\_\_\_

/I. Kamenov/

## Interim condensed statement of changes in equity (continued)

All amounts are presented in BGN '000

	Share capital	Share premium	Remeasurement of defined benefit liability	Other reserves	Retained earnings	Total equity
<b>Balance at 1 January 2019</b>	<b>239 646</b>	<b>260 615</b>	<b>68</b>	<b>59 824</b>	<b>701 762</b>	<b>1 261 915</b>
Dividends	-	-	-	-	(14 991)	(14 991)
Transactions with owners	-	-	-	-	(14 991)	(14 991)
Profit for the year 2019	-	-	-	-	36 681	36 681
Other comprehensive loss	-	-	(8)	-	-	(8)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(8)</b>	<b>-</b>	<b>36 681</b>	<b>36 673</b>
<b>Balance at 31 December 2019</b>	<b>239 646</b>	<b>260 615</b>	<b>60</b>	<b>59 824</b>	<b>681 466</b>	<b>1 241 611</b>

Prepared by: 

/A. Kerezov/

Date: 30 January 2020




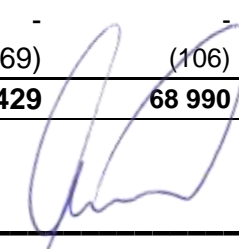
Executive Director: 

/I. Kamenov/

## Interim condensed statement of cash flows

	31.03.2020 BGN '000	31.03.2019 BGN '000
<b>Operating activities</b>		
Proceeds from short-term loans	1 608	7 318
Payments for short-term loans	(4 899)	(6 788)
Proceeds/(payments) from operations with short-term financial assets, net	-	162
Receipts from customers	1 026	146
Payments to suppliers	(445)	(395)
Interest received	1 739	451
Interest paid	(77)	(218)
Cash paid to employees and social security institutions	(1 201)	(174)
Taxes paid	(286)	(10)
Other proceeds, net	2 900	447
Other payments	(352)	-
<b>Net cash flow from operating activities</b>	<b>13</b>	<b>939</b>
<b>Investing activities</b>		
Acquisition of long - term financial assets	-	-
Proceeds from sale of interests in subsidiaries and associates	-	-
Acquisition of interests in subsidiaries and associates	-	-
Acquisition of long-term financial assets	-	-
Proceeds from the sale of long - term financial assets	-	-
Proceeds from loans	-	-
Long-term loans provided	-	-
<b>Net cash flow from investing activities</b>	<b>-</b>	<b>-</b>
<b>Financing activities</b>		
Dividend paid	-	-
Long-term loans received	-	-
Payments for long-term and bank loans received	16	(152)
Interest paid	-	(489)
<b>Net cash flow from financing activities</b>	<b>16</b>	<b>(641)</b>
Net change in cash and cash equivalents	29	298
<b>Cash and cash equivalents, beginning of period</b>	<b>70 469</b>	<b>68 798</b>
Exchange gains on cash and cash equivalents	-	-
Effect from expected credit losses	(69)	(106)
<b>Cash and cash equivalents, end of period</b>	<b>70 429</b>	<b>68 990</b>

Prepared by:   
/A.Kerezov/

Executive Director:   
/I. Kamenov/

Date: 30 September 2020





## Notes to the 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.

The Company 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 financial statements as of 31 March 2020 have been prepared in accordance with IAS 34 “Interim Financial Reporting”. They do not include all of the information and disclosures required in annual financial statements, and should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2019, 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).

The interim condensed 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 Company also prepares interim condensed consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) developed and published by the International Accounting Standards Board (IASB) and approved by EU. Investments in subsidiaries are accounted for and disclosed in accordance with IFR 10 “Consolidated Financial Statements”.

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

## 3. Accounting policies

These interim condensed financial statements (the interim financial statements) have been prepared in accordance with the accounting policies adopted in the last annual financial statements for the year ended 31 December 2019.

## 4. Accounting estimates

For the purposes of preparing these interim condensed financial statements, the Company's management has applied accounting estimates and assumptions in valuing its assets, liabilities, income and expenses.

Actual results may differ from management's assumptions, estimates and assumptions and, in rare cases, are consistent with previously estimated results.

In preparing the presented interim condensed financial statements, the significant judgments of management in applying the Company's accounting policies and the main sources of uncertainty of accounting estimates do not differ from those disclosed in the annual financial statements of the Company as of December 31, 2019, except changes in the estimate of income tax liability.

## 5. New standards, amendments and interpretations to existing standards that are effective for annual periods beginning on or after 1 January 2020

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

### **IFRS 3 (amended) - Definition of a Business, effective from 1 January 2020, adopted by the EU**

The amended definition of a business requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The

definition of the term “outputs” is amended to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits. The amendments will likely result in more acquisitions being accounted for as asset acquisitions.

**Amendments to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform (issued on 26 September 2019) , effective from 1 January 2020, adopted by the EU**

The proposed update includes elements to reflect the new disclosure requirements introduced by the amendments to IFRS 9, IAS 39 and IFRS 7. The changes in Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7) can be summarised as follows:

- modify specific hedge accounting requirements so that entities would apply those hedge accounting requirements assuming that the interest rate benchmark on which the hedged cash flows and cash flows from the hedging instrument are based will not be altered as a result of interest rate benchmark reform;
- are mandatory for all hedging relationships that are directly affected by the interest rate benchmark reform;
- are not intended to provide relief from any other consequences arising from interest rate benchmark reform (if a hedging relationship no longer meets the requirements for hedge accounting for reasons other than those specified by the amendments, discontinuation of hedge accounting is required); and
- require specific disclosures about the extent to which the entities' hedging relationships are affected by the amendments.

**IAS 1 and IAS 8 (amended) - Definition of Material, effective from 1 January 2020, adopted by the EU**

The amendments aim to use a consistent definition of materiality throughout International Financial Reporting Standards and the Conceptual Framework for Financial Reporting. The amendments clarify:

- that the reference to obscuring information addresses situations in which the effect is similar to omitting or misstating that information, and that an entity assesses materiality in the context of the financial statements as a whole, and
- the meaning of ‘primary users of general-purpose financial statements’ to whom those financial statements are directed, by defining them as ‘existing and potential investors, lenders and other creditors’ that must rely on general purpose financial statements for much of the financial information they need.

**Amendments to References to the Conceptual Framework in IFRS Standards, effective from 1 January 2020, adopted by the EU**

The IASB has issued a revised Conceptual Framework which will be used in standard-setting decisions with immediate effect. No changes will be made to any of the current accounting standards. However, entities that rely on the Framework in determining their accounting policies for transactions, events or conditions that are not otherwise dealt with under the accounting standards will need to apply the revised Framework from 1 January 2020. These entities will need to consider whether their accounting policies are still appropriate under the revised Framework. Key changes include:

- increasing the prominence of stewardship in the objective of financial reporting
- reinstating prudence as a component of neutrality
- defining a reporting entity, which may be a legal entity, or a portion of an entity
- revising the definitions of an asset and a liability

- removing the probability threshold for recognition and adding guidance on derecognition
- adding guidance on different measurement basis, and
- stating that profit or loss is the primary performance indicator and that, in principle, income and expenses in other comprehensive income should be recycled where this enhances the relevance or faithful representation of the financial statements.

## **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 2019 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 16 Leases - Covid-19-Related Rent Concessions, effective from 1 June 2020, not adopted by the EU
- IAS 1 Presentation of financial statements: Classification of Liabilities as Current or Non-Current, effective from 1 January 2023, not adopted by the EU
- Annual Improvements to IFRS Standards 2018–2020, effective from 1 January 2022, not adopted by the EU
- IAS 16 Property, Plant and Equipment — Proceeds before Intended Use, effective from 1 January 2022, not adopted by the EU
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts — Cost of Fulfilling a Contract, effective from 1 January 2022, not adopted by the EU
- IFRS 14 “Regulatory deferral accounts” effective from 1 January 2016, not adopted by the EU
- IFRS 17 “Insurance Contracts” effective from 1 January 2021, not yet adopted by the EU

## **7. Risk management regarding financial instruments**

The Company is exposed to various types of risks with respect to its financial instruments. The most significant financial risks to which the Company is exposed are market risk, credit risk and liquidity risk.

The interim condensed financial statements do not include all the information on risk management and disclosures required in the preparation of annual financial statements and should be read in conjunction with the annual financial statements of the Company as of December 31, 2019. The objectives and policies of the Company for capital management, credit and liquidity risk are described in the last annual financial statements. There were no changes in the risk management policy for financial instruments during the period.

## **8. Significant events and transactions**

At the beginning of 2020, due to the spread of a new corona virus (Covid-19) worldwide, difficulties arose in the business and economic activities of a number of enterprises and entire economic sectors. On March 11, 2020, the World Health Organization also announced the presence of a coronavirus pandemic (Covid-19). On March 13, the National Assembly of

the Republic of Bulgaria declared a state of emergency for a period of 1 month - until April 13, 2020.

In the first weeks of April 2020, the number of new unemployed rose to 4,000 per day, which peaked as a result of the bans imposed and the suspension of many economic sectors.

On April 3, 2020, the National Assembly extended the term of the state of emergency by another month until May 13, 2020.

The state of emergency expired on 13 May 2020, and the Council of Ministers declared a state of emergency from 14 May 2020 to 14 June 2020.

Despite the repeal of anti-epidemiological measures and the resumption of companies, many economic sectors remained affected by the effects of the corona virus pandemic. The macroeconomic forecasts of the world institutions expect a general reduction of Bulgaria's GDP by up to 7% on an annual basis and a recovery of the pre-crisis levels of growth (stabilization) of the economy in 2-3 quarters of 2021.

The transport, tourism, entertainment and leisure sectors, as well as companies in entirely export-oriented industries, which are unable to send their supplies due to restrictions on free movement, are still severely affected.

The impact of the Corona virus pandemic on the financial condition and results of the Company's operations in the first quarter of 2020 is unfavourable, envisages continuation of the pandemic establishment and extraction of aviation business;

- Decrease in net profit in the amount of BGN 16,721 thousand.

In general, the perception has a negative effect on the activities of the Company, but this group continues to offer court decisions to expand the activities and support the business in this case. Take measures on the part of the Company and the GROUP, generally focusing on restructuring loans and receivables.

As a result of taking measures as a whole, the Company is in a strong position and has sufficient capital and liquidity to service its operating activities for a long time.

## 9. Property, plant and equipment

Property, plant and equipment of the Company include land, buildings, plant and equipment, vehicles, assets in process of acquisition, etc. The carrying amount can be analyzed as follows:

	<b>Buildings</b>	<b>Machines and equipment</b>	<b>Vehicles</b>	<b>Other</b>	<b>Assets in process of acquisition</b>	<b>Total</b>
	<b>BGN '000</b>	<b>BGN '000</b>	<b>BGN '000</b>	<b>BGN '000</b>	<b>BGN '000</b>	<b>BGN '000</b>
<b>Gross carrying amount</b>						
<b>Balance at 1 January 2020</b>	26	249	113	3 772	-	4 160
Newly acquired assets						
Depreciated assets	-	4	-	-	-	4
	-	-	-	-	-	-
<b>Balance at 31 March 2020</b>	<b>26</b>	<b>249</b>	<b>113</b>	<b>3 772</b>	<b>-</b>	<b>4 160</b>
<b>Depreciation</b>						
<b>Balance at 1 January 2020</b>	(24)	(242)	(113)	(486)	-	(865)
<b>Depreciation</b>	-	(2)	-	(87)	-	(89)
<b>Balance at 31 March 2020</b>	<b>(24)</b>	<b>(244)</b>	<b>(113)</b>	<b>(573)</b>	<b>-</b>	<b>(954)</b>
<b>Carrying amount as at 31 March 2020</b>	<b>2</b>	<b>5</b>	<b>-</b>	<b>3 199</b>	<b>-</b>	<b>3 206</b>

The carrying amount as at 31 December 2019 can be analyzed as follows:

	<b>Buildings</b>	<b>Machines and equipment</b>	<b>Vehicles</b>	<b>Other</b>	<b>Acquisition costs</b>	<b>Total</b>
	<b>BGN'000</b>	<b>BGN'000</b>	<b>BGN'000</b>	<b>BGN'000</b>	<b>BGN'000</b>	<b>BGN'000</b>
<b>Gross carrying amount</b>						
Balance at 1 January 2019	26	245	113	1 453	2 318	4 156
Newly acquired assets	-	13	-	-	-	4
Transfers	-	-	-	2 318	(2 318)	-
<b>Balance at 31 December 2019</b>	<b>26</b>	<b>245</b>	<b>113</b>	<b>1 454</b>	<b>2 318</b>	<b>4 156</b>
<b>Depreciation</b>						
Balance at 1 January 2019	(24)	(230)	(113)	(137)	-	(504)
Depreciation	-	(12)	-	(349)	-	(361)
<b>Balance at 31 December 2019</b>	<b>(24)</b>	<b>(242)</b>	<b>(113)</b>	<b>(486)</b>	<b>-</b>	<b>(865)</b>
<b>Carrying amount at 31 December 2019</b>	<b>2</b>	<b>7</b>	<b>-</b>	<b>3 286</b>	<b>-</b>	<b>3 295</b>

### 10. Investment property

Investment property includes land and buildings, which are located at 1, Battenberg Str., Sofia, and which are owned for capital appreciation.

Changes to the carrying amounts presented in the statement of financial position can be summarized as follows:

	<b>Investment property BGN '000</b>
<b>Carrying amount at 1 January 2019</b>	<b>35 831</b>
<b>Carrying amount at 31 December 2019</b>	<b>35 831</b>
<b>Carrying amount at 31 March 2020</b>	<b>35 831</b>



## 11. Investments in subsidiaries

The Company has the following investments in subsidiaries:

Name of subsidiary	Country	Main activities	31.03.2020 BGN '000	share %	31.12.2019 BGN '000	share %
CCB Group EAD	Bulgaria	Financial services	249 339	100.00%	249 339	100.00%
Zarneni Hrani Bulgaria AD	Bulgaria	Manufacturing and trade	165 363	63.65%	165 363	63.65%
Bulgarian Airways Group EAD	Bulgaria	Aviation Services	209 612	100.00%	209 611	100.00%
Bulgarian Shipping Company EAD	Bulgaria	Sea and river transport	44 393	100.00%	44 393	100.00%
CCB AD	Bulgaria	Financial services	32 152	8.24%	22 492	5.88%
Sport Complex Varna AD	Bulgaria	Real estate	22 474	65.00%	22 474	65.00%
Oil and Gas Exploration and Production AD	Bulgaria	Manufacturing and trade	16 928	13.84%	16 929	13.84%
Port Lesport AD	Bulgaria	Sea and river transport	16 380	99.00%	16 380	99.00%
ZAD Armeec	Bulgaria	Financial services	20 419	9.74%	20 419	9.74%
Bulchimex GmbH	Germany	Manufacturing and trade	2 500	100.00%	2 500	100.00%
Energoproekt AD	Bulgaria	Engineering sector	2 168	%	2 168	98.69%
Trans Intercar EAD	Bulgaria	Transport	4 855	100.00%	4 855	100.00%
Natsionalna stokova borsa AD	Bulgaria	Manufacturing and trade	1 879	67.00%	1 879	67.00%
TI AD	Bulgaria	Manufacturing and trade	480	87.67%	480	87.67%
HGH Consult OOD	Bulgaria	Services	111	59.34%	111	59.34%
Asela AD	Bulgaria	Services	-	10.00%	-	0.00%
Prime Lega Consult EOOD	Bulgaria	Services	4	100.00%	4	100.00%
			<b>789 057</b>		<b>779 397</b>	

## 12. Non-current financial assets

	<b>31.03.2020</b>	<b>31.12.2019</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Debt instruments at amortized cost		
Loans granted and deposits	75 647	76 411
	<u>75 647</u>	<u>76 411</u>
Equity instruments at fair value through other comprehensive income		
Unquoted equity instruments	15 837	15 837
	<u>15 837</u>	<u>15 837</u>
Financial assets at fair value through profit or loss		
Unquoted instruments	19 558	19 558
	<u>19 558</u>	<u>19 558</u>
	<u>111 042</u>	<u>111 806</u>

## 13. Current financial assets

	<b>31.03.2020</b>	<b>31.12.2019</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Debt instruments at amortized cost		
Loans granted and deposits	17 214	18 369
	<u>17 214</u>	<u>18 369</u>
Financial assets at fair value through profit or loss		
Unquoted instruments	206 788	206 788
	<u>206 788</u>	<u>206 788</u>
Equity instruments at fair value through other comprehensive income		
Unquoted equity instruments	9	9
	<u>9</u>	<u>9</u>
	<u>224 011</u>	<u>225 166</u>

## 14. Share capital

The share capital of the Company as at 31 March 2020 consists of 239 646 267 ordinary shares with a par value of BGN 1. The shares of the Company are ordinary, registered and subject to unrestricted transfers and entitle 1 voting right and liquidation quota.

	Number of Shares as at 31.03.2020 BGN'000	Number of Shares as at 31.12.2019 BGN'000
Shares issued and fully paid: - beginning of the year	239 646 267	239 646 267
<b>Shares issued and fully paid at the end of the period</b>	<b>239 646 267</b>	<b>239 646 267</b>

The list of principle shareholders, holding more than 10% of the total shares (ordinary shares and preferred shares) of the Company's capital is presented as follows:

	As at 31.03.2020 Number of shares	As at 31.03.2020 %	As at 31.12.2019 Number of shares	As at 31.12.2019 %
Invest Capital AD	173 487 247	72.39 %	173 487 247	72.39 %
Other legal entities	50 126 772	20.92 %	50 126 772	20.92 %
Other private individuals	16 032 248	6.69 %	16 032 248	6.69 %
	<b>239 646 267</b>	<b>100.00 %</b>	<b>239 646 267</b>	<b>100.00 %</b>

## 15. Financial liabilities

Borrowings include financial liabilities at amortized cost as follows:

	Current		Non - current	
	31.03.2020 BGN'000	31.12.2019 BGN'000	31.03.2020 BGN'000	31.12.2019 BGN'000
Bank loans	7 801	17 482	28 517	18 986
Other borrowings	-	-	21 352	20 816
<b>Total carrying amount</b>	<b>7 801</b>	<b>17 482</b>	<b>49 869</b>	<b>39 802</b>

## 16. Income tax expenses

Income tax expense is recognized based on management's best estimate of the annual income tax rate expected for the full financial year 2019 of 10 % applied to the financial result for the period ended as at 31 March 2020.

## 17. Earnings per share

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 is:

	As at 31.03.2020	As at 31.03.2019
Profit attributable to the shareholders (BGN)	9 162 000	25 883 000
Weighted average number of outstanding shares	239 646 267	239 646 267
<b>Basic earnings per share (BGN per share)</b>	<b>0.04</b>	<b>0.11</b>

## 18. Related parties transactions

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantee was given or received. Outstanding balances are usually settled through bank transfer.

### 18.1. Transactions with owners

	31.03.2020 BGN'000	31.03.2019 BGN'000
<b>Purchases</b>		
<i>purchase of services, goods and interest income</i>		
- owners	(74)	-

### 18.2. Transactions with subsidiaries and associates

	31.03.2020 BGN'000	31.03.2019 BGN'000
<b>Sales</b>		
<i>sale of services, rental income and interest income</i>		
- subsidiaries	1 535	1 870
- other	11	-
<b>Purchases</b>		
<i>purchase of services, goods and interest income</i>		
- subsidiaries	(535)	(676)
- others	-	-

### 18.3. Transactions with key management personnel

Key management personnel of the Company include members of the Managing board and Supervisory board. Key management personnel remuneration consists of salaries and bonuses as follows:

	<b>31 March 2020 BGN'000</b>	<b>31 March 2019 BGN'000</b>
Short-term employee benefits:		
Salaries, including bonuses	(1 153)	(42)
Social security costs	(5)	(6)
<b>Total short-term employee benefits</b>	<b>(1 158)</b>	<b>(48)</b>

### 19. Related party balances

	<b>31.03.2020 BGN'000</b>	<b>31.12.2019 BGN'000</b>
<b>Non-current receivables from:</b>		
- subsidiaries	62 413	59 859
- other related parties	38 624	38 624
Expected credit losses and impairment losses	(5 536)	(4 986)
<b>Total</b>	<b>105 501</b>	<b>93 497</b>

	<b>31.03.2020 BGN'000</b>	<b>31.12.2019 BGN'000</b>
<b>Current receivables from:</b>		
- owners	20 083	20 083
- subsidiaries	89 972	89 571
- associated	-	-
- other related parties	49 899	61 912
Expected credit losses and impairment losses	(34 941)	(39 883)
<b>Total</b>	<b>120 500</b>	<b>131 683</b>

	<b>31.03.2020 BGN'000</b>	<b>31.12.2019 BGN'000</b>
<b>Non-current payables to:</b>		
- subsidiaries	20 559	20 955
<b>Total</b>	<b>20 559</b>	<b>20 955</b>



	31.03.2020	31.12.2019
	BGN'000	BGN'000
<b>Current payables to:</b>		
- owners	11 790	20 803
- subsidiaries	138 737	128 062
- associated	-	-
- other related parties	8 601	8 603
<b>Total</b>	<b>159 128</b>	<b>157 468</b>

## 20. Post-reporting date events

No significant events have occurred between the reporting date and the date of authorization.

## 21. Authorization of the interim condensed financial statements

The interim condensed financial statements as of 31 March 2020 (including comparatives) were approved for issue by the managing board on 30 September 2020.