

Interim Condensed Financial Statements

Chimimport AD

31 March 2022



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Interim condensed statement of financial position

	Notes	31.03.2022 BGN'000	31.12.2021 BGN'000
Assets			
Non – current assets			
Property, plant and equipment	8	2 501	2 591
Investment property	9	35 831	35 831
Investment in subsidiaries	10	789 057	789 057
Long – term financial assets	11	128 173	127 846
Long – term related party receivables	18	169 566	160 234
		1 125 128	1 115 559
Current assets			
Short – term financial assets	12	260 935	227 380
Trade and other receivables		54 527	48 027
Short – term related party receivables	18	64 442	64 429
Prepayments and other assets		193	185
Cash and cash equivalents		66 862	70 075
		446 959	410 096
Total assets		1 572 087	1 525 655

Prepared by: 
/A.Kerezov/

Executive Director: 
/I. Kamenov/

Date: 29 April 2022

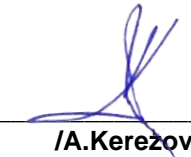


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Interim condensed statement of financial position (continued)

Equity and liabilities	Notes	31.03.2022	31.12.2021
		BGN'000	BGN'000
Equity			
Share capital	12	239 646	239 646
Share premium		260 615	260 615
Remeasurement of defined benefit liability		78	78
Other reserves		59 824	59 824
Retained earnings		723 598	702 280
Net profit for the period		7 748	21 318
Total equity		1 291 509	1 283 761
Liabilities			
Non – current liabilities			
Long – term bank and other loans	14	31 079	31 139
Long – term related party payables	18	21 907	21 833
Pension and other employee obligations		36	36
Provisions		1 246	1 246
Deferred tax liabilities		16 463	16 463
Non – current liabilities		70 731	70 717
Current liabilities			
Short – term bank and other loans	14	486	486
Trade and other payables		3 458	3 487
Short – term related party payables	18	205 806	167 103
Pension and other party payables		-	-
Tax liabilities		97	101
Current liabilities		209 847	171 177
Total liabilities		280 578	241 894
Total equity and liabilities		1 572 087	1 525 655

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/A.Kerezov/

Date: 29 April 2022



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/I. Kamenov/

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Interim condensed statement of comprehensive income

	Notes	31.03.2022	31.03.2021
		BGN'000	BGN'000
Gains from transactions with financial instruments		9 050	7 772
Losses from transactions with financial instruments		(1 189)	-
Net profit from transactions with financial instruments		7 861	7 772
Interest income		766	1 466
Interest expense		(837)	(686)
Net profit from interest		(71)	780
Gains from foreign exchange differences		3	6
Losses from foreign exchange differences		(1)	-
Net loss from foreign exchange differences		2	
Other financial expenses		(36)	(12)
Dividend income			
Operating revenue		488	363
Operating expenses		(604)	(679)
Profit for the period before tax		7 640	8 230
Tax expense	15	108	(725)
Net profit for the period		7 748	7 505
Other comprehensive loss:			
Items that will not be reclassified subsequently to profit or loss:			-
Total comprehensive income		7 748	7 505
Earnings per share in BGN	16	0.03	0.03

Prepared by: _____

/A.Kerezov/

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/I. Kamenov/

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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 2022	239 646	260 615	67	59 824	702 280	1 262 432
Net profit for the period, ending at 31 March 2022	-	-	-	-	7 748	7 748
Total comprehensive income	-	-	-	-	7 748	7 748
Balance at 31 March 2022	239 646	260 615	78	59 824	731 346	1 291 509

Prepared by: _____

/A.Kerezov/

Date: 29 April 2021



Executive Director: _____

/I. Kamenov/

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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
Balance at 1 January 2021	239 646	260 615	67	59 824	702 280	1 262 432
Profit for the year ending 31 December 2021	-	-	-	-	21 318	21 318
Other comprehensive income	-	-	11	-	-	11
Total comprehensive income	-	-	11	-	21 318	21 329
Other changes	-	-	-	-	7	7
Balance at 31 December 2021	239 646	260 615	67	59 824	702 280	1 262 432
Balance at 1 January 2021	239 646	260 615	67	59 824	702 280	1 262 432
Profit for the year ending 31 March 2021	-	-	-	-	7 505	7 505
Total comprehensive income	-	-	-	-	7 505	7 505
Balance at 31 December 2021	239 646	260 615	67	59 824	709 785	1 269 937

Prepared by: _____

/A.Kerezov/

Date: 29 April 2022



Executive Director: _____

/I. Kamenov/

Interim condensed statement of cash flows

	31.03.2022 BGN '000	31.03.2021 BGN '000
Operating activities		
Proceeds from short-term loans	9 928	6 586
Payments for short-term loans	(11 567)	(9 981)
Proceeds/(payments) from operations with short-term financial assets, net	(2 934)	(587)
Receipts from customers	325	385
Payments to suppliers	(303)	(427)
Interest received	202	3 147
Interest paid	(81)	(141)
Cash paid to employees and social security institutions	(183)	(134)
Taxes paid	(89)	(16)
Other proceeds, net	1 489	651
Net cash flow from operating activities	(3 213)	(517)
Investing activities		
Net cash flow from investing activities	-	-
Financing activities		
Dividend paid	-	-
Long-term loans received	-	-
Payments for long-term and bank loans received	-	-
Interest paid	-	-
Net cash flow from financing activities	-	-
Net change in cash and cash equivalents	(3 213)	(517)
Cash and cash equivalents, beginning of period	70 075	70 472
Exchange gains on cash and cash equivalents	-	-
Effect from expected credit losses	-	(69)
Cash and cash equivalents, end of period	66 862	69 886

Prepared by: _____
/A. Kerezov/

Executive Director: _____
/I. Kamenov/

Date: 29 April 2022



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 2022 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 2021, 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 2021.

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 31 December 2021, 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 2022

The Company has adopted the new accounting pronouncements which have become effective this year, and are as follows:

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2 effective from 1 January 2021 adopted by the EU

Amendments proposed are such that address issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. Phase 2 of the project dealt with replacement issues, therefore, the amendments published address issues that might affect financial reporting when an existing interest rate benchmark is actually replaced.

Amendments to IFRS 16 Leases: Covid-19- Related Rent Concessions beyond 30 June 2021 effective from 1 April 2021 adopted by the EU

'Covid-19-Related Rent Concessions extends by one year, beyond 30 June 2021, the May 2020 amendment that provides lessees with an exemption from assessing whether a Covid-19-related rent concession is a lease modification. The Changes in Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16) amend IFRS 16 to

- permit a lessee to apply the practical expedient regarding COVID-19-related rent concessions to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022 (rather than only payments originally due on or before 30 June 2021);
- require a lessee applying the amendment to do so for annual reporting periods beginning on or after 1 April 2021;
- require a lessee applying the amendment to do so retrospectively, recognizing the cumulative effect of initially applying the amendment as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the lessee first applies the amendment;

and specify that, in the reporting period in which a lessee first applies the amendment, a lessee is not required to disclose the information required by paragraph 28(f) of IAS 8.

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 authorization 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 2021 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:

Amendments IFRS 3 Business Combinations, IAS 16 Property, Plant and Equipment IAS 37 Provisions, Contingent Liabilities and Contingent Assets effective from 1 January 2022 adopted by the EU

Annual Improvements 2018-2020 effective from 1 January 2022 adopted by the EU

IFRS 17 "Insurance Contracts" effective from 1 January 2023, adopted by the EU

Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current effective from 1 January 2023 not yet adopted by the EU

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies effective from 1 January 2023 not yet adopted by the EU

Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates effective from 1 January 2023 not yet adopted by the EU

Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction effective from 1 January 2023 not yet adopted by the EU

Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information effective from 1 January 2023 not yet adopted by the EU

IFRS 14 "Regulatory deferral accounts" effective from 1 January 2016, not adopted by the EU

7. Significant events and transactions

No significant adjusting or non-adjusting events occurred between the date of the separate financial statements and the date of its approval by management on 31 March 2022 for publication, except for the following non-adjusting events:

In connection with the ongoing global pandemic of Covid-19, described in Note 2 to these separate financial statements, the duration of the emergency epidemic situation in Bulgaria was extended until 31 March 2022.

In view of the ongoing coronavirus pandemic, the Company's management is unable to assess the impact of a potential new wave or strain on its future financial condition and performance, but considers that with a fading effect, the potential impact could lead to more -weak volatility of the market and price risk related to the financial assets of the Company and less likelihood of negative effects on its activities. The abolition of the imposed emergency measures and restrictions by the various countries and governments will have a positive effect on economic activity.

On 21 February 2022, by decree of the President of the Russian Federation, the Donetsk People's Republic and the Luhansk People's Republic were recognized as independent states. On 24 February 2022, the Ministry of Defense of the Russian Federation announced a "special military operation" on the territory of the Republic of Ukraine.

The military actions started on the territory of the Republic of Ukraine and the related measures, which were introduced by the countries of the European Union, incl. Bulgaria vis-à-vis Russia (Russian Federation) and reciprocally - create geopolitical, macroeconomic and market tensions, which are expressed in high prices of goods, energy resources, inflation and market fluctuations.

The economic consequences of the military conflict in Ukraine cannot be assessed, but they are already indicating extremely serious effects on the overall global economy. Energy and raw material prices - including wheat and other cereals - have risen sharply, further exacerbating inflationary pressures from supply chain disruptions and the recovery from the Covid-19 pandemic. Price

shocks are expected to have an impact worldwide. If the conflict develops negatively or lasts for a longer period of time, the economic damage will be significant and is expected to affect all sectors of the economy, both Bulgaria and the EU.

As of the date of preparation of this report, a contract has been concluded for finalization of a transaction with a related party for the acquisition of equity instruments registered in the Russian Federation, which requires additional fulfillment of certain conditions to finalized it..

The management of the Company will continue to monitor the potential impact and will take all possible measures to mitigate any potential effects.

The management of the Company has taken a set of organizational measures in order for the Company to meet all restrictions and sanctions imposed on the transfer of funds to and from Russia and / or sanctioned persons and institutions, including activities to increase and strengthen protection against potential malicious acts. and attacks on information resources and infrastructure.

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8. 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:

	Buildings	Machines and equipment	Vehicles	Other	Total
	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Gross carrying amount					
Balance at 1 January 2022	26	249	113	3 774	4 162
Balance at 31 March 2022	26	249	113	3 774	4 162
Depreciation					
Balance at 1 January 2022	(24)	(249)	(113)	(835)	(1 221)
Depreciation	-	-	-	(350)	(350)
Balance at 31 March 2022	(24)	(249)	(113)	(1 185)	(1 571)
Carrying amount as at 31 March 2022	2	-	-	2 589	2 591

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The carrying amount as at 31 December 2021 can be analyzed as follows:

	Buildings	Machines and equipment	Vehicles	Other	Total
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Gross carrying amount					
Balance at 1 January 2021	26	249	113	3 774	4 162
Balance at 31 December 2021	26	249	113	3 774	4 162
Depreciation					
Balance at 1 January 2021	(24)	(249)	(113)	(1 185)	(1 571)
Depreciation	-	-	-	(88)	(88)
Balance at 31 December 2021	(24)	(249)	(113)	(1 273)	(1 659)
Carrying amount at 31 December 2021	2	-	-	2 501	2 503

9. 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:

	Investment property BGN '000
Carrying amount at 1 January 2021	35 831
Carrying amount at 31 December 2021	35 831
Carrying amount at 31 March 2022	35 831

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10. Investments in subsidiaries

The Company has the following investments in subsidiaries:

Name of subsidiary	Country	Main activities	31.03.2022 BGN '000	share %	31.12.2021 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	209 611	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%	32 152	8.24%
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	16 929	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	98.69%	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%
Prime Lega Consult EOOD	Bulgaria	Services	4	100.00%	4	100.00%
			789 057		789 057	

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11. Non-current financial assets

	31.03.2022	31.12.2021
	BGN'000	BGN'000
Debt instruments at amortized cost		
Loans granted and deposits	93 718	94 215
	93 718	94 215
Equity instruments at fair value through other comprehensive income		
Unquoted equity instruments	14 074	14 073
	14 074	14 073
Financial assets at fair value through profit or loss		
Unquoted instruments	19 558	19 558
	19 558	19 558
	127 350	127 021

12. Current financial assets

	31.03.2022	31.12.2021
	BGN'000	BGN'000
Debt instruments at amortized cost		
Loans granted and deposits	12 832	12 722
	12 832	12 722
Financial assets at fair value through profit or loss		
Unquoted instruments	248 094	214 649
	248 094	214 649
Equity instruments at fair value through other comprehensive income		
Unquoted equity instruments	9	9
	9	9
	260 935	227 380

13. Share capital

The share capital of the Company as at 31 March 2022 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 31.03.2022 BGN'000	Number of Shares as at 31.12.2021 BGN'000
Shares issued and fully paid: - beginning of the year	239 646 267	239 646 267
Shares issued and fully paid at the end of the period	239 646 267	239 646 267

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 31.03.2022 Number of shares	As at 31.03.2022 %	As at 31.12.2021 Number of shares	As at 31.12.2021 %
Invest Capital AD	173 487 247	72.39 %	173 487 247	72.39 %
Other legal entities	47 682 274	19.60 %	49 019 954	20.46 %
Other private individuals	19 196 993	8.01 %	17 139 066	7.15 %
	239 646 267	100.00 %	239 646 267	100.00 %

14. Financial liabilities

Borrowings include financial liabilities at amortized cost as follows:

	Current		Non - current	
	31.03.2022 BGN'000	31.12.2021 BGN'000	31.03.2022 BGN'000	31.12.2021 BGN'000
Bank loans	486	486	10 669	10 756
Other borrowings	-	-	20 410	20 383
Total carrying amount	486	486	31 079	31 139

15. Income tax expenses

Recognized tax expense is based on management's best estimate of the expected annual corporate tax rate applied to the financial result for the current interim period to 31 March 2022. The annual corporate tax rate used for 2021 is 10%.

16. 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 31.03.2022	As at 31.03.2021
Profit attributable to the shareholders (BGN)	7 748 000	7 505 000
Weighted average number of outstanding shares	239 646 267	239 646 267
Basic earnings per share (BGN per share)	0.03	0.03

17. 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.

17.1. Transactions with owners

	31.03.2022 BGN'000	31.03.2021 BGN'000
Purchases		
<i>purchase of services, goods and interest income</i>		
- owners	(245)	(61)

17.2. Transactions with subsidiaries and associates

	31.03.2022 BGN'000	31.03.2021 BGN'000
Sales		
<i>sale of services, rental income and interest income</i>		
- subsidiaries	1 328	1 226
- other	143	125
Purchases		
<i>purchase of services, goods and interest income</i>		
- subsidiaries		
- others	(642)	(672)
	-	(4)

17.3. 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:

	31 March 2022 BGN'000	31 March 2021 BGN'000
Short-term employee benefits:		

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Salaries, including bonuses	(42)	(42)
Social security costs	(4)	(4)
Total short-term employee benefits	(44)	(44)

18. Related party balances

	31.03.2022	31.12.2021
	BGN'000	BGN'000
Non-current receivables from:		
- subsidiaries	136 294	126 962
- other related parties	43 181	43 181
Expected credit losses and impairment losses	(9 909)	(9 909)
Total	169 566	160 234

	31.03.2022	31.12.2021
	BGN'000	BGN'000
Current receivables from:		
- owners	20 083	20 083
- subsidiaries	39 667	39 632
- other related parties	24 369	24 391
Expected credit losses and impairment losses	(19 677)	(19 677)
Total	64 442	64 429

	31.03.2022	31.12.2021
	BGN'000	BGN'000
Non-current payables to:		
- subsidiaries	21 907	21 833
Total	21 907	21 833

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	31.03.2022	31.12.2021
	BGN'000	BGN'000
Current payables to:		
- owners	19 206	20 804
- subsidiaries	185 998	145 687
- other related parties	612	612
Total	205 806	167 103

19. Post-reporting date events

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

20. Authorization of the interim condensed financial statements

The interim condensed financial statements as of 31 March 2022 (including comparatives) were approved for issue by the managing board on 29 April 2022.