

Interim Activity Report
Interim Condensed Consolidated Financial
Statements

CHIMIMPORT AD

30 June 2017



Contents

	Page
Interim condensed consolidated statement of financial position	2
Interim condensed consolidated statement of comprehensive income	4
Interim condensed consolidated statement of changes in equity	5
Interim condensed consolidated statement of cash flows	8
Notes to the interim condensed consolidated financial statements	9

Interim condensed consolidated statement of financial position

	Notes	30.06.2017	31.12.2016	30.06.2016
		BGN'000	BGN'000	BGN'000
Assets				
Non-current assets				
Property, plant and equipment	7	441 404	450 202	485 884
Investment property		372 011	337 574	319 851
Investments accounted for using the equity method	5	30 881	30 475	28 366
Goodwill		33 042	33 042	33 317
Other intangible assets		166 093	172 032	181 411
Long-term financial assets	8	2 480 669	2 452 621	2 246 543
Long-term related party receivables	15	7 933	8 747	7 257
Other long-term receivables		1 889	1 890	4 095
Deferred tax assets		3 881	5 009	5 187
Non-current assets		3 537 803	3 491 592	3 311 911
Current assets				
Inventories		43 881	47 434	39 967
Short-term financial assets	9	2 387 571	2 423 363	2 466 230
Related party receivables	15	68 917	65 143	202 305
Trade receivables		92 071	90 204	116 426
Tax receivables		7 175	1 380	3 779
Other receivables		227 795	166 660	175 872
Receivables from insurance and reinsurance contracts		44 864	47 373	68 889
Reinsurance assets		85 289	76 829	90 710
Cash and cash equivalents		1 915 304	1 767 126	1 498 213
Current assets		4 872 867	4 685 512	4 662 391
Assets classified as held for sale		5 030	7 384	9 182
Total assets		8 415 700	8 184 488	7 983 484

Prepared by:


/A. Kerezov/

Executive director:


/I. Kamenov/

Date: 29 August 2017



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	30.06.2017 BGN'000	31.12.2016 BGN'000	30.06.2016 BGN'000
Equity and liabilities				
Equity				
Share capital	10	227 241	226 914	224 987
Share premium		247 052	246 838	218 774
Other reserves		116 555	85 174	80 642
Retained earnings		745 898	731 056	746 712
Profit for the period		47 586	52 008	42 177
Equity attributed to the shareholders of parent company		1 384 332	1 341 990	1 313 292
Non-controlling interests		269 617	261 170	241 988
Total equity		1 653 949	1 603 160	1 555 280
Specialized reserves		284 358	276 016	305 141
Liabilities				
Non-current liabilities				
Long-term financial liabilities	11	1 233 479	1 124 021	1 086 429
Payables to secured persons		1 117 862	1 057 762	981 081
Long-term trade payables		35 970	36 490	43 103
Long-term related party payables	15	5 668	4 493	2 842
Finance lease liabilities		3 066	3 582	4 856
Pension and other employee obligations		2 506	2 766	2 510
Other liabilities		1 893	1 856	5 264
Provisions		598	598	598
Deferred tax liabilities		22 634	30 626	29 440
Non-current liabilities		2 423 676	2 262 194	2 156 123
Current liabilities				
Short-term financial liabilities	11	3 813 232	3 785 564	3 702 302
Trade payables		115 292	115 966	135 651
Short-term related party payables	15	19 101	17 692	13 323
Finance lease liabilities		1 150	1 355	1 118
Liabilities to insurance and reinsurance contracts		24 433	25 719	42 481
Pension and other employee obligations		11 902	13 107	11 857
Tax liabilities		7 294	12 071	3 472
Other liabilities		61 313	71 644	56 736
Current liabilities		4 053 717	4 043 118	3 966 940
Total liabilities		6 477 393	6 305 312	6 123 063
Total equity, reserves and liabilities		8 415 700	8 184 488	7 983 484

Prepared by:

/A. Kerezov/

Executive director:

/I. Kamenov/

Date: 29 August 2017



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 comprehensive income

	Notes			
	6 months to 30.06.2017 BGN'000	3 months to 30.06.2017 BGN'000	6 months to 30.06.2016 BGN'000	3 months to 30.06.2016 BGN'000
Income from non-financial activities	204 491	113 163	232 958	120 308
Expenses for non-financial activities	(187 550)	(106 255)	(204 640)	(110 158)
Change in fair value of investment property	1 485	763	1 157	680
Gain on sale of non-current assets	(942)	(59)	4 014	4 232
Net result from non-financial activities	17 484	7 612	33 489	15 062
Insurance income	221 621	88 173	275 500	96 919
Insurance expense	(210 460)	(78 346)	(252 802)	(87 272)
Net insurance result	11 161	4 827	22 698	9 647
Interest income	100 708	50 466	105 745	52 657
Interest expense	(21 298)	(9 173)	(33 269)	(14 655)
Net interest income	79 410	41 293	72 476	38 002
Gains from transactions with financial instruments	275 607	134 531	253 928	123 642
Losses from transactions with financial instruments	(226 271)	(111 760)	(219 754)	(107 237)
Net result from transactions with financial instruments	49 336	22 771	34 174	16 405
Administrative expenses	(106 734)	(53 463)	(121 317)	(59 706)
Share of profit from equity accounted investments	1 989	777	981	182
Other financial income	16 864	7 921	19 656	13 686
Allocation of income to secured persons	(16 667)	(3 973)	(10 020)	(4 262)
Profit before tax	52 843	27 765	52 137	29 016
Tax expense	12 2 142	(1 581)	(4 955)	(4 241)
Net profit for the period	54 985	26 184	47 182	24 775
Other comprehensive income				
Revaluation of obligations under defined benefit plans, net	-	-	-	-
Gains from financial assets	7 751	4 496	4 517	4 707
Total comprehensive income	62 736	30 680	51 699	29 482
Profit for the year attributable to:				
the shareholders of Chimimport AD	47 586	20 919	42 177	21 216
non-controlling interests	7 399	5 265	5 005	3 559
Total comprehensive income attributable to:				
the shareholders of Chimimport AD	52 857	23 977	45 499	24 887
non-controlling interests	9 879	6 703	6 200	4 595
Basic earnings per share in BGN	13 0,21	0,09	0,19	0,14
Diluted earnings per share in BGN	13 -	-	-	(0,10)

Prepared by:

/A. Kerezov/

Executive director:

/I. Kamenov/

Date: 29 August 2017



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				Total	Non-controlling interest	Total equity
	Share capital	Share premium	Other reserves	Retained earnings			
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)
Dividends	-	-	-	-	-	-	-
Transactions with owners	327	214	7 038	(18 094)	(10 515)	(1 432)	(11 947)
Profit for the period, ended at 30 June 2017	-	-	-	47 586	47 586	7 399	54 985
Other comprehensive income	-	-	5 271	-	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

Prepared by: _____

/A. Kerezov/



Executive director: _____

/I. Kamenov/

Date: 29 August 2017

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				Total	Non-controlling interest	Total equity
	Share capital	Share premium	Other reserves	Retained earnings			
Balance at 1 January 2016	225 092	218 469	71 581	762 910	1 278 052	239 083	1 517 135
Decrease in share capital and reserves resulting from purchase of treasury shares by subsidiaries	1 822	28 369	-	-	30 191	-	30 191
Business combinations	-	-	(1 936)	(19 059)	(20 995)	8 459	(12 536)
Dividends	-	-	-	(7 258)	(7 258)	(2 343)	(9 601)
Transactions with owners	1 822	28 369	(1 936)	(26 317)	1 938	6 116	8 054
Profit for the year	-	-	-	52 008	52 008	13 876	65 884
Other comprehensive income	-	-	9 992	-	9 992	2 095	12 087
Total comprehensive income for the year	-	-	9 992	52 008	62 000	15 971	77 971
Transfer of retained earnings to other reserves	-	-	5 537	(5 537)	-	-	-
Balance at 31 December 2016	226 914	246 838	85 174	783 064	1 341 990	261 170	1 603 160

Prepared by:


/A. Kerezov/

Date: 29 August 2017



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				Total	Non-controlling interest	Total equity
	Share capital	Share premium	Other reserves	Retained earnings			
Balance at 1 January 2016	225 092	218 469	71 581	762 910	1 278 052	239 083	1 517 135
Decrease in share capital and reserves resulting from purchase of treasury shares by subsidiaries	(105)	305	-	-	200	-	200
Business combinations	-	-	202	(10 661)	(10 459)	(3 295)	(13 754)
Transactions with owners	(105)	305	202	(10 661)	(10 259)	(3 295)	(13 554)
Profit for the period, ended at 30 June 2016	-	-	-	42 177	42 177	5 005	47 182
Other comprehensive income	-	-	3 322	-	3 322	1 195	4 517
Total comprehensive income for the year	-	-	3 322	42 177	45 499	6 200	51 699
Transfer of retained earnings to other reserves	-	-	5 537	(5 537)	-	-	-
Balance at 30 June 2016	224 987	218 774	80 642	788 889	1 313 292	241 988	1 555 280

Prepared by:


/A. Kerezov/

Date: 29 August 2017



Executive director:


/I. Kamenov/

Interim condensed consolidated statement of cash flows

	30.06.2017	30.06.2016
	BGN'000	BGN'000
Proceeds from short-term loans	25 422	55 583
Payments for short-term loans	(14 328)	(60 360)
Proceeds from sale of short-term financial assets	281 471	332 935
Purchase of short-term financial assets	(326 813)	(313 919)
Cash receipt from customers	215 723	238 213
Cash paid to suppliers	(178 974)	(212 883)
Proceeds from secured persons	67 537	65 532
Payments to secured persons	(21 690)	(15 805)
Payments to employees and social security institutions	(44 774)	(61 387)
Cash receipts from banking operations	20 879 362	20 113 304
Cash paid for banking operations	(20 754 917)	(20 044 715)
Cash receipts from insurance operations	99 896	117 545
Cash paid for insurance operations	(78 364)	(108 501)
Income taxes paid	(3 853)	(1 308)
Other cash inflows/(outflows)	(5 107)	553
Net cash flow from operating activities	140 591	104 787
Investing activities		
Dividends received	1 111	4 010
Sale of property, plant and equipment	267	2 344
Purchase of property, plant and equipment	(2 499)	(19 863)
Sale of of intangible assets	-	16
Purchase of intangible assets	(301)	(1 184)
Sale of investment property	-	5 621
Purchase of investment property	(38 968)	(22 398)
Sale of non-current financial assets	224 153	302 037
Purchase of non-current financial assets	(171 777)	(99 243)
Interest payments received	28 813	36 428
Proceeds from loans granted	35 547	32 070
Payments for loans granted	(5 104)	(39 016)
Other cash outflows	(380)	180
Net cash flow from investing activities	70 862	201 002
Financing activities		
Purchase of own shares	(689)	(69)
Proceeds from loans received	26 765	32 481
Payments for loans received	(76 472)	(43 430)
Interest paid	(5 155)	(10 953)
Payments for finance leases	(745)	(732)
Other cash(outflows) inflows	(5 197)	(13 572)
Net cash flow from financing activities	(61 493)	(36 275)
Net change in cash and cash equivalents	149 960	269 514
Cash and cash equivalents, beginning of year	1 767 126	1 229 113
Exchange profit on cash and cash equivalents	(1 782)	(414)
Cash and cash equivalents, end of the period	1 915 304	1 498 213

Prepared by: _____

/A. Kerezov/

Date: 29 August 2017

Executive director: _____

/I. Kamenov/

The accompanying notes on pages from 9 to 27 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.

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

These interim condensed consolidated financial statements as of 30 June 2017 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 2016, 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 2016.

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 2016.

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 2016. There have been no changes in the risk management policies since year end.

4. 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.

5. Investments accounted for using equity method

5.1. Investments in associates

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

Name	30.06.2017 BGN'000	Share %	31.12.2016 BGN'000	Share %	30.06.2016 BGN'000	Share %
Lufthansa Technik Sofia OOD	7 612	24.90%	6 777	24.90%	6 156	24.90%
VTC AD	2 969	41.00%	3 214	41.00%	2 633	41.00%
Amadeus Bulgaria OOD	3 275	45.00%	3 182	45.00%	3 343	45.00%
Silver Wings Bulgaria Ltd.	4 885	42.50%	4 817	42.50%	4 123	42.50%
Swissport Bulgaria	5 086	49.00%	4 959	49.00%	4 470	49.00%
Dobrich fair AD	745	39.98%	745	39.98%	759	39.98%
Kavarna Gas OOD	497	35.00%	464	35.00%	493	35.00%
	25 069		24 158		21 781	



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 2017.

5.2. Investments in joint ventures

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

Name	30.06.2017 BGN '000	Share %	31.12.2016 BGN '000	Share %	30.06.2016 BGN '000	Share %
Nuance BG AD	805	50.00%	1 310	50.00%	1 036	50.00%
Varna ferry OOD	5 007	50.00%	5 007	50.00%	5 007	50.00%
	5 812		6 317		6 043	

6. 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 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)	11 161
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
Result from transactions with financial instruments	2 746	50 319	1 582	-	-	(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	-	1 956	-	-	-	1 989
Other financial income/ expense	(265)	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	(1 189)	173	(316)	(3 787)	52 843
Tax expenses	(447)	2 606	(1)	(16)	-	-	2 142
Net profit for the period	2 916	57 205	(1 190)	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



Operating segments 30 June 2016	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	63 531	12 342	147 669	166	7 896	1 354	232 958
Change in fair value of investment property	-	(17)	-	-	-	1 174	1 157
Gain from sale of non-current assets	4 199	25	1 465	-	-	(1 675)	4 014
Inter-segment income from non-financial activities	2 041	314	4 490	-	617	(7 462)	-
Total income from non-financial activities	69 771	12 664	153 624	166	8 513	(6 609)	238 129
Result from non-financial activities	6 011	12 664	12 099	(337)	324	2 728	33 489
Insurance income from external customers	-	275 500	-	-	-	-	275 500
Inter-segment insurance income	-	2 920	-	-	-	(2 920)	-
Total insurance income	-	278 420	-	-	-	(2 920)	275 500
Result from insurance	-	25 228	-	-	-	(2 530)	22 698
Interest income	2 327	107 626	1 758	127	84	(6 177)	105 745
Interest expenses	(3 976)	(30 014)	(5 121)	(23)	(312)	6 177	(33 269)
Result from interest	(1 649)	77 612	(3 363)	104	(228)	-	72 476
Gains from transactions with financial instruments	278	261 384	861	-	-	(8 595)	253 928
Result from transactions with financial instruments	278	261 384	861	-	-	(8 595)	253 928
Administrative expenses	(3 135)	(116 425)	(5 102)	-	-	3 345	(121 317)
Net result from equity accounted investments in associates	23	-	958	-	-	-	981
Other financial income/ expense	(310)	27 581	(607)	(1)	(16)	(6 991)	19 656
Profit for allocating insurance batches	-	(10 020)	-	-	-	-	(10 020)
Profit for the period before tax	1 197	55 142	4 844	(234)	80	(8 892)	52 137
Tax expenses	(547)	(4 909)	(63)	-	-	564	(4 955)
Net profit for the period	650	50 233	4 781	(234)	80	(8 328)	47 182



Operating segments	Production, trade and services	Financial sector	Transport sector	Real estate Sector	Construction and engineering sector	Elimination	Consolidated
30 June 2016	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Assets of the segment	667 741	8 524 281	913 803	72 300	21 023	(2 244 030)	7 955 118
Equity accounted investments in associates	4 207	370	23 178	-	2	609	28 366
Total consolidated assets	671 948	8 524 651	936 981	72 300	21 025	(2 243 421)	7 983 484
Specialized reserves	-	287 713	-	-	-	-	305 141
Liabilities of the segment	209 631	6 190 828	390 406	4 107	16 399	(688 308)	6 123 063
Total consolidated liabilities	209 631	6 190 828	390 406	4 107	107 16 399	(688 308)	6 123 063



7. 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 June 30, 2016. 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 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 depreciation - business combinations			144		19				163
Disposals depreciation - reclassified		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



- as at 31 December 2016

	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 2016	60 243	93 717	179 443	82 107	132 098	22 140	71 577	84 723	726 048
Additions:									
- separately acquired	3 114	38 295	1 802	3 086	5 200	1 035	52	22 697	75 281
- reclassified	-	-	200	-	1	390	2 508	-	3 099
Disposals									
- separately disposed	(10 701)	(6 409)	(5 279)	(204)	(8 947)	(78)	(336)	(39 795)	(71 749)
- business combinations	(5)	(834)	(100)	-	(193)	-	(339)	-	(1 471)
- reclassified	-	-	-	-	-	-	-	(7 367)	(7 367)
Balance at 31 December 2016	52 651	124 769	176 066	84 989	128 159	23 487	73 462	60 258	723 841
Depreciation									
Balance at 1 January 2016	-	(19 068)	(104 706)	(29 338)	(50 426)	(20 848)	(33 215)	-	(257 601)
Business combinations	-	635	425		137		91		1 288
Disposal depreciation - reclassified	-	269	3 072	13	4 214	78	337		7 983
Depreciation	-	(3 757)	(7 867)	(3 007)	(6 047)	(1 851)	(2 780)	-	(25 309)
Balance at 31 December 2016	-	(21 921)	(109 076)	(32 332)	(52 122)	(22 621)	(35 567)	-	(273 639)
Carrying amount at 31 December 2016	52 651	102 848	66 990	52 657	76 037	866	37 895	60 258	450 202



- as at 30 June 2016

	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 2016	60 243	93 717	179 443	82 107	132 098	22 140	71 577	84 723	726 048
Additions:									
- separately acquired	13	5 569	2 996	577	1 795	1 379	4 609	26 158	43 096
- reclassified	-	-	-	-	-	-	-	(5 325)	(5 325)
Disposals									
- separately disposed	-	(4)	(2 252)	(7)	(2 380)	-	(16)	(4 403)	(9 062)
Balance at 30 June 2016	60 256	99 282	180 187	82 677	131 513	23 519	76 170	101 153	754 757
Depreciation									
Balance at 1 January 2016	-	(19 068)	(104 706)	(29 338)	(50 426)	(20 848)	(33 215)	-	(257 601)
Disposals depreciation - reclassified	-	239	1 680	4	1 916	-	16	-	3 855
Depreciation	-	(3 411)	(4 250)	(1 924)	(3 304)	(885)	(1 353)	-	(15 127)
Balance at 30 June 2016	-	(22 240)	(107 276)	(31 258)	(51 814)	(21 733)	(34 552)	-	(268 873)
Carrying amount at 30 June 2016	60 256	77 042	72 911	51 419	79 699	1 786	41 618	101 153	485 884

8. Long-term financial assets

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

	30.06.2017	31.12.2016	30.06.2016
	BGN '000	BGN '000	BGN '000
Financial assets at fair value through profit or loss	6 874	13 184	10 948
Held-to-maturity financial assets	-	-	418 535
Loans and receivables	2 009 646	1 980 609	1 686 212
Available-for-sale financial assets	539 576	525 167	181 090
	2 556 096	2 518 960	2 296 785
Impairment	(75 427)	(66 339)	(50 242)
	2 480 669	2 452 621	2 246 543

9. Short-term financial assets

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

	30.06.2017	31.12.2016	30.06.2016
	BGN '000	BGN '000	BGN '000
Financial assets at fair value through profit or loss	1 398 090	1 332 561	1 335 116
Held-to-maturity financial assets	36 634	30 188	30 953
Loans and receivables	842 239	942 034	1 058 130
Held for sale financial assets	144 194	148 916	74 611
	2 421 157	2 453 699	2 498 810
Impairment	(33 586)	(30 336)	(32 580)
	2 387 571	2 423 363	2 466 230

10. Share capital

The share capital of Chimimport as at 30 June 2017 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.

	30.06.2017	31.12.2016	30.06.2016
Shares issued and fully paid:			
- beginning of the year	226 914 228	225 092 055	225 092 055
- treasury shares /ordinary and preferred/, acquired by subsidiaries during the year	326 819	1 822 173	(105 407)
Shares issued and fully paid as at period end	227 241 047	226 914 228	224 986 648

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:

	30.06.2017	30.06.2017	31.12.2016	31.12.2016	30.06.2016	30.06.2016
	Number of ordinary shares	%	Number of ordinary shares	%	Number of ordinary shares	%
Invest Capital AD	174 847 247	72.96%	175 002 247	73.03%	175 804 547	73.36%
Other legal entities and private individuals	64 799 020	26.97%	64 644 020	26.97%	63 841 720	26.64%
	239 646 267	100.00%	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%	(1 863 605)	0.78%	(5 160 005)	2.15%
ZAD Armeec	(3 236 507)	1.35%	(3 211 507)	1.34%	(3 211 507)	1.34%
CCB AD	-	-	(192 620)	0.08%	(188 100)	0.08%
POAD CCB Sila	(7 872 107)	3.28%	(7 464 307)	3.11%	(6 100 007)	2.55%
	(12 405 220)	5.18%	(12 732 039)	5.31%	(14 659 619)	6.12%
Net number of shares	227 241 047		226 914 228		224 986 648	

Withholding tax for dividends due from individuals and foreign legal entities, registered in countries that are not members of EU for 2016 and 2017 amounts to 5% and the tax is deducted from the gross amount of dividends.



11. Borrowings

Borrowings include financial liabilities as follows:

	Current			Non-current		
	30.06.2017	31.12.2016	30.06.2016	30.06.2017	31.12.2016	30.06.2016
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Financial liabilities measured at amortized cost:						
Liabilities to depositors	3 655 739	3 633 088	3 570 095	1 083 231	998 430	813 884
Liabilities for dividends	30 207	6 506	14 733	-	-	7 142
Bonds and debenture loan	2 896	2 895	315	38 734	34 587	162 714
Bank loans	55 904	67 239	60 201	103 258	83 278	93 723
Other borrowings	33 684	31 268	33 525	4 050	3 520	554
Derivatives, held-for-trading	-	209	578	-	-	-
Deposits from banks	11 746	8 359	5 336	-	-	-
Cession liabilities	21 009	18 591	12 905	4 206	4 206	8 412
Liabilities under repurchase agreements	2 047	17 409	4 614	-	-	-
Total carrying amount	3 813 232	3 785 564	3 702 302	1 233 479	1 124 021	1 086 429

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%

12. Income tax expenses

Recognized tax expenses are based on management's best estimate of the expected annual tax rate. The tax rate, valid for 2017 is 10% corporate tax (the expected annual tax rate for the period ended on 31 December 2016 was 10%).

13. 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 30 June 2017, is:

	30 June 2017	30 June 2016
Profit attributable to the shareholders (BGN)	47 586 000	42 177 000
Weighted average number of outstanding shares	227 241 047	224 986 648
Basic earnings per share (BGN per share)	0.21	0.19

14. Related party transactions

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

14.1. Transaction with owners

Sale of goods and services, interest income and other income	30.06.2017	30.06.2016
	BGN'000	BGN'000
<i>- interest income</i>		
Oweners	437	990
<i>- sale of services and others</i>		
Oweners	4	8
Purchase of goods and services, interest expense and other expense		
<i>- purchase of services</i>		
Oweners	(43)	-
<i>- interest expense</i>		
Oweners	-	(1)

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

Sale of goods and services, interest income and other income	30.06.2017	30.06.2016
	BGN'000	BGN'000
<i>- sale of finished goods</i>		
- associated parties	364	351
- other related parties	228	241
<i>- sale of goods</i>		
- associated parties	201	195
- other related parties	473	1 006
<i>- sale of services</i>		
- associated parties	2 577	3 298
- joint ventures	-	1
- other related parties	1 066	1 182
<i>- interest income</i>		
- associated parties	15	-
- joint ventures	-	12



Sale of goods and services, interest income and other income	30.06.2017	30.06.2016
	BGN'000	BGN'000
- other related parties	1 076	353
- <i>other income</i>		
- associated parties	43	16
- joint ventures	-	3
- other related parties	-	1
Purchase of services and interest expense	30.06.2017	30.06.2016
	BGN'000	BGN'000
- <i>purchase of services</i>		
- associated parties	(6 614)	(7 659)
- other related parties	(2 033)	(2 256)
- <i>interest expense and other expenses</i>		
- associated parties	(16)	(8)
- other related parties joint ventures	(46)	(35)

14.3. 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:

	30.06.2017	30.06.2016
	BGN'000	BGN'000
Short-term employee benefits:		
Salaries, including bonuses	(82)	(82)
Social security costs	(10)	(10)
Group car allowance	-	-
Total:	(92)	(92)

15. Related party balances

	30.06.2017	31.12.2016	30.06.2016
	BGN'000	BGN'000	BGN'000
Non-current receivables from:			
- <i>owners</i>	909	3 056	3 797
- <i>associated parties</i>	2 317	2 317	-
- <i>joint-ventures</i>	37	40	38
- <i>other related parties</i>	4 670	3 334	3 422
Total	7 933	8 747	7 257

	30.06.2017	31.12.2016	30.06.2016
	BGN'000	BGN'000	BGN'000
Current receivables from:			
<i>-owners</i>	39 047	37 827	161 291
<i>- associates</i>	631	834	1 308
<i>-joint- ventures</i>	1 022	698	528
<i>- other related parties</i>	28 217	25 784	39 178
Total	68 917	65 143	202 305
	30.06.2017	31.12.2016	30.06.2016
	BGN'000	BGN'000	BGN'000
Non-current payables to:			
<i>-owners</i>	1 613	10	1
<i>- associates and joint ventures</i>	2 187	2 934	1 723
<i>-joint- ventures</i>	198	130	94
<i>- other related parties</i>	1 670	1 419	1 024
Total	5 668	4 493	2 842
Current payables to:			
<i>-owners</i>	3	580	500
<i>- associates</i>	12 844	13 914	6 208
<i>-joint- ventures</i>	327	3	120
<i>- other related parties</i>	5 927	3 195	6 495
Total	19 101	17 692	13 323

16. Post - reporting date events

No significant events occurred after the reporting date.

17. Autorization of the interim condensed financial statements

The interim condensed consolidated financial statements as of 30 June 2017 (including comparatives) were approved for issue by the Managing board on 29 August 2017.