

# Interim Condensed Financial Statements

**Chimimport AD**

31 March 2014



# 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	31.03.2014	31.12.2013	31.03.2013
		BGN'000	BGN'000	BGN'000
<b>Assets</b>				
<b>Non – current assets</b>				
Property, plant and equipment	4	15 907	15 888	15 891
Investment property	5	50 155	50 155	31 555
Investment in subsidiaries	6	705 152	704 386	701 000
Investment in associates	7	-	-	8 317
Long – term financial assets		522	42	103
Long – term related party receivables	15	94 878	90 572	90 633
Long – term receivables		102 960	86 561	99 102
Long – term other receivables		-	-	65
Other intangible assets		3	3	
		<b>969 577</b>	<b>947 607</b>	<b>946 666</b>
<b>Current assets</b>				
Short – term related party receivables	15	186 861	173 302	172 283
Loans granted	8	142 331	159 837	135 639
Trade receivables		93 253	92 676	93 329
Short – term financial assets		78 090	78 090	51 401
Other receivables		4 619	4 628	4 622
Inventories		367	367	370
Cash and cash equivalents		85 737	86 096	79 569
		<b>591 258</b>	<b>594 996</b>	<b>537 213</b>
<b>Total assets</b>		<b>1 560 835</b>	<b>1 542 603</b>	<b>1 483 879</b>

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

/A. Kerezov/

Date: 28 April 2014




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

/I. Kamenov/


## Interim condensed statement of financial position (continued)

Equity and liabilities	Notes	31.03.2014 BGN'000	31.12.2013 BGN'000	31.03.2013 BGN'000
<b>Equity</b>				
Share capital	9	239 646	239 646	239 646
Share premium		260 615	260 615	260 615
Other reserves		59 872	59 872	59 845
Retained earnings		584 442	530 020	530 022
Net profit for the period		16 438	54 422	17 771
<b>Total equity</b>		<b>1 161 013</b>	<b>1 144 575</b>	<b>1 107 899</b>
<b>Liabilities</b>				
<b>Non – current liabilities</b>				
Long – term related party payables	15	154 349	156 424	158 095
Long – term dividend liabilities	10	35 843	34 851	47 458
Long – term bank and other loans	11	19 035	19 017	18 233
Long - term financial lease liabilities		-	3	-
Pension and other employee obligations		44	44	72
Deferred tax liabilities		16 892	15 708	12 371
		<b>226 163</b>	<b>226 047</b>	<b>236 229</b>
<b>Current liabilities</b>				
Short – term related party payables	15	81 502	92 061	66 419
Short – term dividend liabilities	10	17 246	16 770	17 247
Short – term bank and other loans	11	27 383	16 117	21 798
Trade and other payables		44 438	44 267	31 363
Financial lease liabilities		20	24	41
Pension and other party payables		81	81	88
Tax liabilities		2 989	2 661	2 795
		<b>173 659</b>	<b>171 981</b>	<b>139 751</b>
<b>Total liabilities</b>		<b>399 822</b>	<b>398 028</b>	<b>375 980</b>
<b>Total equity and liabilities</b>		<b>1 560 835</b>	<b>1 542 603</b>	<b>1 483 879</b>

Prepared by:  /A.Kerezov/


Date: 28 April 2014



Executive Director:  /I. Kamenov/

## Interim condensed statement of comprehensive income

Notes	3 months to 31.03.2014 BGN'000	3 months to 31.03.2013 BGN'000
Gains from transactions with financial instruments and noncurrent assets	11 852	10 635
Losses from transactions with financial instruments	-	(2)
<b>Net profit from transactions with financial instruments</b>	<b>11 852</b>	<b>10 633</b>
Interest income	12 831	13 728
Interest expense	(6 086)	(6 386)
<b>Net profit from interest</b>	<b>6 745</b>	<b>7 342</b>
Gains from foreign exchange differences	819	1 740
Losses from foreign exchange differences	(819)	(866)
<b>Net loss from foreign exchange differences</b>	<b>-</b>	<b>874</b>
Other financial expenses	(33)	(22)
<b>Other financial income/(expenses)</b>	<b>(33)</b>	<b>(22)</b>
Dividend income	-	1 725
Operating revenue	557	682
Gain on sale of non-current assets	-	3
Operating expenses	(856)	(1 684)
<b>Result from operating activities</b>	<b>(299)</b>	<b>(999)</b>
<b>Profit for the period before tax</b>	<b>18 265</b>	<b>19 553</b>
Tax expense	12 (1 827)	(1 782)
<b>Net profit for the period</b>	<b>16 438</b>	<b>17 771</b>
<b>Total comprehensive income</b>	<b>16 438</b>	<b>17 771</b>
Earnings per share in BGN	13 0.11	0.118
Diluted earnings per share in BGN	13 0.07	0.082

Prepared by:   
/A. Kerezov/

Date: 28 April 2014




Executive Director:   
/I. Kamenov/

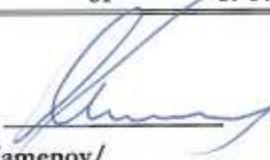
## Interim condensed statement of changes in equity

All amounts are presented in BGN '000

	Share capital	Share premium	Reserve from remeasurements including actuarial gains or losses	Other reserves	Retained earnings	Total equity
Balance at 1 January 2014	239 646	260 615	31	59 841	584 442	1 144 575
Net profit for the period, ending at 31 March 2014	-	-	-	-	16 438	16 438
<b>Total comprehensive income</b>	-	-	-	-	16 438	16 438
Other changes in equity						
<b>Balance at 31 March 2014</b>	<b>239 646</b>	<b>260 615</b>	<b>31</b>	<b>59 841</b>	<b>600 880</b>	<b>1 161 013</b>

Prepared by:   
/A. Kerezov/  
Date: 28 April 2014



Executive Director:   
/I. Kamenov/

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

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

All amounts are presented in BGN '000

	Share capital	Share premium	Remeasurements of defined benefit liability	Other reserves	Retained earnings	Total equity
Adjusted balance at 1 January 2013	239 646	260 615	-	59 849	530 022	1 090 132
Net profit for the year	-	-	-	-	54 422	54 422
Other comprehensive income	-	-	31	-	-	31
<b>Total comprehensive income</b>	-	-	<b>31</b>	-	<b>54 422</b>	<b>54 453</b>
Other changes in equity	-	-	-	(8)	(2)	(10)
<b>Balance at 31 December 2013</b>	<b>239 646</b>	<b>260 615</b>	<b>31</b>	<b>59 841</b>	<b>584 442</b>	<b>1 144 575</b>

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

/A. Kerezov/

Date: 28 April 2014



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

/I. Kamenov/

## Interim condensed statement of changes in equity

All amounts are presented in BGN '000

	Share capital	Share premium	Other reserves	Retained earnings	Total equity
Balance at 1 January 2013	239 646	260 615	59 849	530 022	1 090 132
Net profit for the period, ending at 31 March 2013	-	-	-	17 771	17 771
<b>Total comprehensive income</b>	-	-	-	17 771	17 771
Other changes in equity			(4)		(4)
<b>Balance at 31 March 2013</b>	<b>239 646</b>	<b>260 615</b>	<b>59 845</b>	<b>547 793</b>	<b>1 107 899</b>

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

/A. Kerezov/

Date: 28 April 2014



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

/I. Kamenov/



## Interim condensed statement of cash flows

	Note	31.03.2013 BGN '000	31.03.2012 BGN '000
<b>Operating activities</b>			
Proceeds from short-term loans		68 113	30 252
Payments for short-term loans		(62 996)	(27 837)
Proceeds from sale of short-term financial assets		-	1 560
Receipts from customers		756	1 413
Payments to suppliers		(511)	(1 026)
Interest received		4 047	2 600
Interest paid		(6 006)	(3 144)
Cash paid to employees and social security institutions		(231)	(860)
Taxes paid		(43)	(64)
Other (payments)/proceeds, net		(4 146)	-
<b>Net cash flow from operating activities</b>		<b>(1 017)</b>	<b>2 894</b>
<b>Investing activities</b>			
Repayments of long-term loans granted		1 821	4 917
Long-term loans granted		(1 163)	(184)
<b>Net cash flow from investing activities</b>		<b>658</b>	<b>4 733</b>
<b>Financing activities</b>			
Long-term loans received		-	49 523
Payments for long-term and bank loans received		-	(87 033)
Interest paid		-	(3 843)
Discharge of finance lease liability		(3)	(4)
<b>Net cash flow from financing activities</b>		<b>(3)</b>	<b>(41 357)</b>
Net change in cash and cash equivalents		(362)	(33 730)
<b>Cash and cash equivalents, beginning of period</b>		<b>86 096</b>	<b>112 721</b>
Exchange gains from cash and cash equivalents		3	578
<b>Cash and cash equivalents, end of period</b>		<b>85 737</b>	<b>79 569</b>

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

/A. Kerezov/

Date: 28 April 2014



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

/I. Kamenov/



## 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:**

Chimimport Invest AD  
CCB Group EAD  
Mariana Bazhdarova

#### **The members of the Managing Board are as follows:**

Alexander Kerezov  
Ivo Kamenov  
Marin Mitev  
Nikola Mishev  
Miroljub 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 2014 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 2013, 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 and significant changes during the period

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 2013 except for the adoption of the following new standards, amendments and interpretations to existing standards, which are mandatory for the first time for the financial year beginning 1 January 2013 and are relevant to the Company:

### **IFRS 7 “Financial Instruments: Disclosures” – Offsetting Financial Assets and Financial Liabilities, effective from 1 January 2013.**

The new disclosures focus on quantitative information about recognised financial instruments that are offset in the statement of financial position, as well as those recognised financial instruments that are subject to master netting or similar arrangements irrespective of whether they are offset.

### **IFRS 9 “Financial Instruments” effective from 1 January 2013, adopted by the EU**

IFRS 9 “Financial instruments” represents the first milestone in the comprehensive IASB project to replace IAS 39 “Financial instruments: Recognition and measurement” by the end of 2010. It replaces multiple measurement categories in IAS 39 with a single principle-based approach to classification. IFRS 9 requires all financial assets to be measured at either amortised cost or full fair value. Amortised cost provides decision-useful information for financial assets that are held primarily to collect cash flows that represent the payment of principal and interest. For all other financial assets, including those held for trading, fair value represents the most relevant measurement basis. IFRS 9 eliminates the need for multiple impairment models; such that only one impairment model for financial assets carried at amortised cost will be required.

### **IFRS 10 “Consolidated Financial Statements” effective from 1 January 2013**

IFRS 10 “Consolidated Financial Statements” introduces a new, principle-based definition of control which will apply to all investees to determine the scope of consolidation.

### **IFRS 11 “Joint Arrangements” effective from 1 January 2013.**

IFRS 11 “Joint Arrangements” supersedes IAS 31 “Interests in Joint Ventures”. It replaces IAS 31's three categories of 'jointly controlled entities', 'jointly controlled operations' and 'jointly controlled assets' with two new categories - 'joint operations' and 'joint ventures'. The option of using proportionate consolidation for joint ventures that was previously included in IAS 31 has been eliminated (equity accounting is now required for all joint ventures).

#### **IFRS 12 “Disclosure of Interests in Other Entities” effective from 1 January 2013**

IFRS 12 “Disclosure of Interests in Other Entities” is a new standard on disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other unconsolidated structured entities.

#### **IFRS 13 “Fair Value Measurement” effective from 1 January 2013.**

IFRS 13 “Fair Value Measurement” defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Standard clarifies that fair value is based on a transaction taking place in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. The principal market is the market with the greatest volume and level of activity for the asset or liability.

#### **IAS 1 “Financial Statement Presentation” – Other Comprehensive Income, effective from 1 July 2012.**

The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be recycled to profit or loss in the future. Items that will not be recycled such as revaluation gains on property, plant and equipment will be presented separately from items that may be recycled in the future, such as deferred gains and losses on cash flow hedges. Entities that choose to present other comprehensive income items before tax will be required to show the amount of tax related to the two groups separately.

The title used by IAS 1 for the statement of comprehensive income has changed to ‘statement of profit or loss and other comprehensive income’. However IAS 1 still permits entities to use other titles. Early adoption is permitted and full retrospective application is required.

#### **IAS 19 “Employee Benefits” effective from 1 January 2013**

These amendments eliminate the corridor approach and calculate finance costs on a net funding basis. ‘Actuarial gains and losses’ are renamed ‘remeasurements’ and will be recognised immediately in ‘other comprehensive income’. Remeasurements recognised in other comprehensive income will not be recycled through profit or loss in subsequent periods. The amendments should be applied retrospectively in accordance with IAS 8 ‘Accounting policies, changes in accounting estimates and errors’.

#### **IAS 27 “Separate Financial Statements” (Revised) effective from 1 January 2013**

IAS 27 “Separate Financial Statements” (Revised) will now solely address separate financial statements, the requirements for which are substantially unchanged.

#### **IAS 28 “Investments in Associates and Joint Ventures” (Revised) effective from 1 January 2013**

IAS 28 “Investments in Associates and Joint Ventures” (Revised) continues to prescribe the mechanics of equity accounting. Changes to its scope have however been made as a result of the publication of IFRS 11 “Joint Arrangements”.



**IAS 32 “Financial Instruments: Presentation” (amended) effective from 1 January 2014**

The amendment clarifies that the right of set-off must be available today – that is, it is not contingent on a future event. It also must be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy.

#### 4. 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:

	Land	Buildings	Machines and equipment	Vehicles	Other	Assets in process of acquisition	Total
	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
<b>Gross carrying amount</b>							
Balance at 1 January 2014	8 178	26	220	203	1 342	6 370	16 339
Additions	-	-	-	-	40	-	40
Disposals	-	-	-	-	-	-	-
Balance at 31 March 2014	<b>8 178</b>	<b>26</b>	<b>220</b>	<b>203</b>	<b>1 382</b>	<b>6 370</b>	<b>16 379</b>
<b>Depreciation</b>							
Balance at 1 January 2014	-	(19)	(174)	(179)	(79)	-	(451)
Disposals	-	-	-	-	-	-	-
Depreciation	-	-	(11)	(6)	(4)	-	(21)
Balance at 31 March 2014	-	<b>(19)</b>	<b>(185)</b>	<b>(185)</b>	<b>(83)</b>	-	<b>(472)</b>
<b>Carrying amount as at 31 March 2014</b>	<b>8 178</b>	<b>7</b>	<b>35</b>	<b>18</b>	<b>1 299</b>	<b>6 370</b>	<b>15 907</b>

The carrying amount as at 31 December 2013 can be analyzed as follows:

	Land	Buildings	Machines and equipment	Vehicles	Other	Assets in process of acquisition	Total
	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
<b>Gross carrying amount</b>							
Balance at 1 January 2013	8 178	26	183	206	1 325	6 370	16 288
Additions	-	-	37	-	80	-	117
Disposals	-	-	-	(3)	(63)	-	(66)
Balance at 31 December 2013	<b>8 178</b>	<b>26</b>	<b>220</b>	<b>203</b>	<b>1 342</b>	<b>6 370</b>	<b>16 339</b>
<b>Depreciation</b>							
Balance at 1 January 2013	-	(18)	(140)	(159)	(66)	-	(383)
Disposals	-	-	-	3	-	-	3
Depreciation	-	(1)	(34)	(23)	(13)	-	(71)
Balance at 31 December 2013	-	<b>(19)</b>	<b>(174)</b>	<b>(179)</b>	<b>(79)</b>	-	<b>(451)</b>
<b>Carrying amount as at 31 December 2013</b>	<b>8 178</b>	<b>7</b>	<b>46</b>	<b>24</b>	<b>1 263</b>	<b>6 370</b>	<b>15 888</b>

The carrying amount as at 31 March 2013 can be analyzed as follows:

	Land	Buildings	Machines and equipment	Vehicles	Other	Assets in process of acquisition	Total
	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
<b>Gross carrying amount</b>							
Balance at 1 January 2013	8 178	26	183	206	1 325	6 370	16 288
Additions	-	-	3	-	-	-	3
Disposals				(3)			(3)
Balance at 31 March 2013	<b>8 178</b>	<b>26</b>	<b>186</b>	<b>203</b>	<b>1 325</b>	<b>6 370</b>	<b>16 288</b>
<b>Depreciation</b>							
Balance at 1 January 2013	-	(18)	(140)	(159)	(66)	-	(383)
Disposals	-	-	-	3	-	-	3
Depreciation	-	-	(8)	(6)	(3)	-	(17)
Balance at 31 March 2013	-	<b>(18)</b>	<b>(148)</b>	<b>(162)</b>	<b>(69)</b>	-	<b>(397)</b>
<b>Carrying amount as at 31 March 2013</b>	<b>8 178</b>	<b>8</b>	<b>38</b>	<b>41</b>	<b>1 256</b>	<b>6 370</b>	<b>15 891</b>



## 5. Investment property

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

The fair value was determined by an independent certified valuation specialist based on current active market prices.

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 2013</b>	<b>31 555</b>
Net gain from fair value adjustments	-
<b>Carrying amount at 31 March 2013</b>	<b>31 555</b>
Additions	3 600
Net gain from fair value adjustments	15 000
<b>Carrying amount at 31 December 2013</b>	<b>50 155</b>
<b>Carrying amount at 31 March 2014</b>	<b>50 155</b>

## 6. Investments in subsidiaries

The Company has the following investments in subsidiaries:

Name of subsidiary	Country of incorporation	Main activities	31.03.2014 BGN '000	share %	31.12.2013 BGN '000	share %	31.03.2013 BGN '000	share %
CCB Group EAD	Bulgaria	Financial services	210 270	100.00%	210 270	100.00%	210 270	100.00%
Zarneni Hrani Bulgaria AD	Bulgaria	Manufacturing and trade	165 443	63.68%	165 443	63.68%	163 188	57.79%
Bulgarian Airways Group EAD	Bulgaria	Aviation Services	158 699	100.00%	158 699	100.00%	158 699	100.00%
Bulgarian Shipping Company EAD	Bulgaria	Sea and river transport	44 393	100.00%	44 393	100.00%	44 393	100.00%
CCB AD	Bulgaria	Financial services	33 707	9.90%	33 707	9.90%	33 707	9.90%
Airport services-Bulgaria EAD	Bulgaria	Aviation Services	31 114	100.00%	31 114	100.00%	31 387	100.00%
Sport Complex Varna AD	Bulgaria	Real estate	22 474	65.00%	22 474	65.00%	22 474	65.00%
Port Lesport AD	Bulgaria	Sea and river transport	16 380	99.00%	16 380	99.00%	16 380	99.00%
ZAD Armeec	Bulgaria	Financial services	9 492	4.30%	9 492	4.30%	9 492	4.30%
Bulchimex GmbH	Germany	Manufacturing and trade	2 500	100.00%	2 500	100.00%	2 500	100.00%
Energoproekt AD	Bulgaria	Engineering sector	2 166	83.20%	2 166	83.20%	2 166	83.20%
Trans Intercar EOOD	Bulgaria	Transportation	2 095	100.00%	2 095	100.00%	2 095	100.00%
Plovdivska stokova borsa AD	Bulgaria	Manufacturing and trade	1 879	0.00%	1 879	67.00%	1 879	67.00%
AKB Tatinvestbank	Russia	Financial services	1 409	3.55%	1 409	3.55%	-	-
Chimimport Holland B.V.	The Netherlands	Financial services	1 294	100.00%	1 294	100.00%	1 294	100.00%
Oil and Gas Exploration and Production AD	Bulgaria	Manufacturing and trade	1 722	4.28%	956	3.65%	956	3.65%
HGH Consult Co. OOD	Bulgaria	Services	111	59.34%	111	59.34%	111	59.34%
Prime Lega Consult OOD	Bulgaria	Services	4	70.00%	4	70.00%	4	70.00%
Anitas 2003 EOOD	Bulgaria	Manufacturing and trade	-	-	-	-	5	100.00%
			<b>705 152</b>		<b>704 386</b>		<b>701 000</b>	

On 17 February 2014 Chimimport AD acquired 76 836 shares of the company Oil and Gas Exploration and Production AD resulting in increase of its participation 0.63%. The total acquisition cost amounted to BGN 766 thousand.



## 7. Investments in associates

The Company has shares from the share capital of the following companies:

Name of the associate	31.03.2013 BGN '000	share %
Konor GmbH	21	20.00%
PIC Saglasie Co. Ltd.	8 296	24.45%
	<u>8 317</u>	

## 8. Loans granted

	31.03.2014 BGN '000	31.12.2013 BGN '000	31.03.2013 BGN '000
Abas EOOD	41 221	41 280	42 157
PFK Chernomore AD	28 774	27 585	22 970
General Stock Investment EOOD	15 800	19 932	18 202
Franchise Development OOD	8 563	8 442	-
Citisime Trade EOOD	6 798	6 628	6 117
Neftena Targovska Compania EOOD	6 659	6 782	-
Orka AD	3 519	3 149	2 282
Hamur 2003 EOOD	2 841	2 421	4 397
Dar Trade EOOD	2 657	2 603	2 440
Rentapark EOOD	2 469	2 408	1 485
Deniz 2001 EOOD	2 021	1 790	1 012
Office 1 Superstore – Ukraine	1 786	1 756	1 664
Transcar Servis EOOD	1 615	-	-
Bulgaria On Air	1 556	1 526	1 373
Armi Group EOOD	1 470	1 423	3 455
AKS 77 EOOD	1 434	1 402	3 017
Primahim EOOD	1 269	1 242	1 160
Nordius EOOD	1 237	1 205	1 087
Sparg EOOD	1 052	1 028	1 140
Noviko Nord EOOD	-	8 355	-
Miladjio EOOD	-	7 360	-
Invest Capital Consult EOOD	-	3 255	3 601
Zurneni Hrani Plovdiv OOD	-	-	1 288
Others	9 590	8 265	16 792
	<u>142 331</u>	<u>159 837</u>	<u>135 639</u>



## 9. Share capital

The share capital of the Company as at 31 March 2014 consists of 150 875 596 ordinary shares with a par value of BGN 1 and 88 770 671 preferred 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. The preferred shares do not entitle voting rights. They give the owner the right to a cumulative guaranteed dividend and to a guaranteed liquidation quota of the Company's estate.

	Number of Shares as at 31.03.2014 BGN'000	Number of Shares as at 31.03.2013 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>
<b>Shares of Chimimport AD, acquired by its subsidiaries</b>		
CCB Group EAD	(5 160 005)	(5 160 005)
ZAD Armeec AD	(745 400)	(463 100)
POAD CCB Sila	(483 070)	(255 070)
CCB AD	(95 510)	(78 000)

On 12 June 2009 the Company issued mandatory convertible preferred shares with 9% guaranteed fixed annual dividend and guaranteed liquidation quota. 89 646 283 preferred shares are issued and paid with issue value amounting to BGN 2.22 each, representing 99.61% of the offered shares. The accumulated during the public offering capital amounts to BGN 199 014 748.26. The obligatory conversion of the shares occurs at the end of the seventh year after the registration of the capital increase in the Trade register.

The accumulated on 12 June 2009 funds above the nominal value of the share capital amounting to BGN 109 369 thousand are allocated as follows:

- BGN 27 622 thousand – share premium
- BGN 8 348 thousand – short-term dividend liabilities
- BGN 70 008 thousand – long-term dividend liabilities
- BGN 3 391 thousand – share issue expenses

The dividend liabilities and share premium, as a result of the conversion of 858 825 preference shares into ordinary shares, are allocated as follows:

- BGN 28 271 thousand – share premium
- BGN 17 246 thousand – short-term dividend liabilities
- BGN 35 843 thousand – long-term dividend liabilities

The major shareholder Chimimport Invest AD has fulfilled the undertaken obligation and inscribed preferred shares corresponding to rights. More than 51% of the new shares are inscribed by local investors including 32% by institutions.



The list of the principal shareholders, holding ordinary shares, is as follows:

	As at 31.03.2014	As at 31.03.2014	As at 31.03.2013	As at 31.03.2013
	Number of shares	%	Number of shares	%
Chimimport Invest AD	111 539 365	73.93%	111 769 615	74.08%
Other legal entities and private individuals	39 336 231	26.07%	39 105 981	25.92%
	<b>150 875 596</b>	<b>100.00%</b>	<b>150 875 596</b>	<b>100.00%</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 31.03.2014	As at 31.03.2014	As at 31.03.2013	As at 31.03.2013
	Number of shares /common stock and preferred shares/	%	Number of shares /common stock and preferred shares/	%
Chimimport Invest AD	182 079 587	75.98%	179 929 137	75.08%
Other legal entities and private individuals	57 566 680	24.02%	59 717 130	24.92%
	<b>239 646 267</b>	<b>100.00%</b>	<b>239 646 267</b>	<b>100.00%</b>

## 10. Dividend liabilities

As at 31 March 2014 dividend liabilities for the preferred shares are as follows:

	Current			Non-current		
	31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.12.2013	31.03.2013
	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Dividend liabilities	17 246	16 770	17 247	35 843	34 851	47 458
	<b>17 246</b>	<b>16 770</b>	<b>17 247</b>	<b>35 843</b>	<b>34 851</b>	<b>47 458</b>

## 11. Financial liabilities

Borrowings include financial liabilities at amortized cost as follows:

	Current			Non - current		
	31 March 2014 BGN'000	31 December 2013 BGN'000	31 March 2013 BGN'000	31 March 2014 BGN'000	31 December 2013 BGN'000	31 March 2013 BGN'000
Bank loans	4 369	4 369	4 369	16 820	16 820	18 189
Other borrowings	23 014	11 748	17 429	2 215	2 197	44
<b>Total carrying amount</b>	<b>27 383</b>	<b>16 117</b>	<b>21 798</b>	<b>19 035</b>	<b>19 017</b>	<b>18 233</b>

### 11.1. Borrowings, measured at amortized cost, other than borrowings from banking activities

Changes in borrowings other than borrowings from banking activities during the period are presented as follows:

	BGN'000
<b>For the period ended 31 March 2014</b>	
Opening balance 1 January 2014	35 134
Received during the period	13 955
Repaid during the period	(2 671)
<b>Closing balance 31 March 2014</b>	<b>46 418</b>
<b>For the period ended 31 March 2013</b>	
Opening balance 1 January 2013	48 093
Received during the period	33 454
Repaid during the period	(41 516)
<b>Closing balance March 2013</b>	<b>40 031</b>

## 12. 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 2014 of 10 % applied to the financial result for the period ended as at 31 December 2013 (the estimated annual tax rate for the period ended 31 March 2013 was 10 %).



### 13. 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 31.03.2014	As at 31.03.2013
Profit attributable to the shareholders (BGN)	16 438 000	17 771 000
Weighted average number of outstanding shares	150 875 596	150 875 596
<b>Basic earnings per share (BGN per share)</b>	<b>0,11</b>	<b>0.118</b>

The weighted average number of shares outstanding /ordinary and preferred, used for the calculation of diluted earnings per share as well as the net profit decreased by the dividend liabilities attributable to shareholders are as follows:

	As at 31.03.2014	As at 31.03.2013
Net profit in BGN, adjusted with dividend expenses	17 380 030	19 559 078
Weighted average number of shares	239 646 267	239 646 267
<b>Diluted earnings per share (BGN per share)</b>	<b>0,07</b>	<b>0.082</b>

### 14. 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.

#### 14.1. Transactions with owners

<b>Sales</b>	<b>31.03.2014</b>	<b>31.03.2013</b>
	<b>BGN'000</b>	<b>BGN'000</b>
<i>Sale of services, interest income and other income</i>		
Chimimport Invest AD – owner	1 492	1 603
 <b>Purchases</b>	 <b>31.03.2014</b>	 <b>31.03.2013</b>
	<b>BGN'000</b>	<b>BGN'000</b>
<i>Purchase of services, interest income and other income</i>		
Chimimport Invest AD – owner	-	101



## 14.2. Transactions with subsidiaries and associates

	31.03.2014 BGN'000	31.03.2013 BGN'000
<i>- sales of goods</i>		
Bulchimtrade OOD	-	3
CCB AD	-	-
	<hr/>	<hr/>
	-	3
<i>sale of services, rental income and interest income</i>		
CCB Group EAD	1 462	1 457
Omega Finance OOD	850	865
Bulgarian Airways Group EAD	384	177
Trans Intercar EOOD	249	230
Konor OOD	207	23
Zyrneni hrani Bulgaria AD	203	429
Energoproekt AD	132	141
Bulgarian Shipping Company EAD	117	80
CCB AD	114	119
Port Balchik AD	21	21
PDNG AD	8	3
MC Health Medica	4	-
Chimceltex OOD	3	2
POAD CCB	1	-
Parachodstvo BRP AD	1	-
Other	-	3
	<hr/>	<hr/>
	3 756	3 550

### Purchases

	31.03.2014 BGN '000	31.03.2013 BGN '000
<i>- purchase of services, goods and interest income(subsidiaries)</i>		
Chimimport Holland	3 541	3 422
CCB AD	389	622
Port Lesport AD	79	75
HGH Consult OOD	70	70
ZEAD CCB Life	62	61
PDNG AD	56	69
Niko Commers	44	-
Bulgarska Petrolna Rafineriya OOD	38	33
Omega Finance OOD	28	-
Prime lega Consult OOD	27	27
Plovdivska Stokova Borsa AD	25	25
ZAD Armeec	12	11





Trans Intercar EOOD	6	61
Other	-	12
	<b>4 377</b>	<b>4 488</b>

### 14.3. 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 2014 BGN'000	31 March 2013 BGN'000
Short-term employee benefits:		
Salaries, including bonuses	99	747
Social security costs	5	7
Company car allowance	-	3
Total short-term employee benefits	<b>104</b>	<b>757</b>

### 15. Related party balances

	31.03.2014 BGN'000	31.12.2013 BGN'000	31.03.2013 BGN'000
<b>Long-term receivables from</b>			
- <i>subsidiaries</i>			
CCB Group EAD	82 078	78 932	77 380
Trans Intercar EOOD	11 842	11 640	11 579
Port Balchik AD	958	-	875
Bulgarian Shipping Company EAD	-	-	799
	<b>94 878</b>	<b>90 572</b>	<b>90 633</b>
<i>Including interest receivables</i>	<i>5 604</i>	<i>4 109</i>	<i>3 302</i>

#### Short-term receivables from:

- *parent company*

Chimimport Invest AD	<b>104 853</b>	<b>91 437</b>	<b>94 614</b>
----------------------	----------------	---------------	---------------

- *subsidiaries*

CCB Group EAD	25 569	25 569	25 569
Bulgarian Shipping Company EAD	14 530	14 439	11 826
Bulgarian Airways Group EAD	11 812	9 659	545
Zarneni Hrani Bulgaria AD	8 688	8 486	17 511
Energoproekt AD	7 733	8 553	8 122
Trans Intercar EOOD	900	900	900
Bulhimex EOOD	837	903	1 171
Airport Services-Bulgaria EAD /Molet/	-	695	339
MC Health Medica	188	184	-
Chimcelteks OOD	172	169	164
Bulchimtrade OOD	81	81	-
Rubber Trade OOD	19	19	-
HGH Consult OOD	15	15	-
Prime Lega Consult OOD	13	13	-
Oil and Gas Exploration and production Plc.	9	-	-
CCB AD	8	1	-



	31.03.2014 BGN'000	31.12.2013 BGN '000	31.03.2013 BGN'000
Parahodstvo BRP AD	7	6	-
IT Systems Consult EOOD	2	2	-
Port Balchik AD	-	937	-
ZAD Armeec	-	14	-
Other	47	46	430
	<b>70 630</b>	<b>70 691</b>	<b>66 577</b>
<i>Including trade receivables</i>	2 104	3 534	2 906
<i>Including interest receivables</i>	3 443	3 398	2 461
- associates			
Lufthansa Technik Sofia OOD	5	5	5
	<b>5</b>	<b>5</b>	<b>5</b>
- other related parties under common control			
Konor OOD	10 032	9 828	9 624
Aviation Company Hemus Air AD	1 341	1 341	1 463
	<b>11 373</b>	<b>11 169</b>	<b>11 087</b>
<i>Including trade receivables</i>	1 341	1 341	1 463
<i>Including interest receivables</i>	2 089	1 887	1 076
<b>Total short-term related party receivables</b>	<b>186 861</b>	<b>173 302</b>	<b>172 283</b>
<b>Long-term payables to:</b>			
- subsidiaries			
Chimimport Holland B.V.	140 579	142 654	141 714
ZAD Armeec	8 434	8 434	7 453
CCB AD	3 630	3 630	-
Sport Complex Varna AD	959	959	-
Port Lesport AD	696	696	8 877
Plovdivska Stokova Borsa AD	51	51	51
	<b>154 349</b>	<b>156 424</b>	<b>158 095</b>
<i>Including interest payables</i>	566	2 706	11 537
<b>Total long-term related party payables</b>	<b>154 349</b>	<b>156 424</b>	<b>158 095</b>
<b>Short-term payables to:</b>			
- parent company			
Chiminvest Institute	494	494	494
Chimimport Invest AD	-	-	121
	<b>494</b>	<b>494</b>	<b>615</b>
- subsidiaries			
CCB AD	22 209	26 017	26 544
Omega Finance OOD	13 548	10 569	3 490
ZAD Armeec AD	9 001	19 596	16 468
Port Lesport AD	8 190	8 112	-
Chimimport Holland B.V.	6 066	5 038	-
CCB Life EAD	4 448	4 363	7 915
Oil and Gas Exploration and production Plc.	4 416	4 360	3 736
Plovdivska Stokova Borsa AD	1 781	1 756	1 681
Bulgarska Petrolna Rafineriya EOOD	1 341	1 963	1 685



	<b>31.03.2014</b>	<b>31.12.2013</b>	<b>31.03.2013</b>
	<b>BGN'000</b>	<b>BGN'000</b>	<b>BGN'000</b>
Airport Services Bulgaria EAD	278	-	-
Chimoil Trade OOD	170	170	170
Bulgaria Air AD	168	168	168
Parahodstvo BRP AD	57	57	110
HGH Consult OOD	53	49	-
Sport Complex Varna AD	48	49	975
Dializa Bulgaria OOD	42	42	-
Zarneni Hrani Bulgaria AD	37	37	-
Trans Intercar EOOD	27	27	-
Prime Lega Consult OOD	5	5	-
Besatur EAD	-	-	1 558
ZOK CCB AD	-	-	624
Anitas 2003 EOOD	-	-	492
Others	7 361	7 361	188
	<b>79 246</b>	<b>89 739</b>	<b>65 804</b>
<i>Including trade payables</i>	<i>72</i>	<i>51</i>	<i>371</i>
<i>Including interest payables</i>	<i>12 159</i>	<i>11 202</i>	<i>-</i>
<i>- other related parties under common control</i>			
Nico Commers AD	1 761	1 827	-
M Car EOOD	<b>1</b>	<b>1</b>	<b>-</b>
	<b>1 761</b>	<b>1 828</b>	<b>-</b>
<i>Including trade payables</i>	<i>1</i>	<i>1</i>	<i>-</i>
<i>Including interest payables</i>	<i>343</i>	<i>409</i>	<i>-</i>
<b>Total short-term related party payables</b>	<b>81 502</b>	<b>92 061</b>	<b>66 419</b>

## 16. Post-reporting date events

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

## 17. Authorization of the interim condensed financial statements

The interim condensed financial statements as of 31 March 2014 (including comparatives) were approved for issue by the managing board on 28 April 2014.