

Interim Consolidated Activity Report
Interim Condensed Consolidated Financial
Statements

CHIMIMPORT AD

31 March 2018



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Interim condensed consolidated statement of financial position

	Notes	31.03.2018 BGN'000	31.12.2017 BGN'000	31.03.2017 BGN'000
Assets				
Non-current assets				
Property, plant and equipment	9	419 822	423 178	445 080
Investment property		409 976	405 502	350 174
Investments accounted for using the equity method	7	34 292	34 420	31 679
Goodwill		32 307	32 307	33 042
Other intangible assets		169 769	171 741	169 503
Long-term financial assets	10	2 570 119	2 606 120	2 464 059
Long-term related party receivables	17	4 887	8 758	4 514
Other long-term receivables		1 887	1 787	1 890
Deferred tax assets		6 460	6 720	3 489
Non-current assets		3 649 519	3 690 533	3 503 430
Current assets				
Inventories		45 221	47 175	48 713
Short-term financial assets	11	2 413 423	2 425 516	2 404 064
Related party receivables	17	65 466	68 920	73 117
Trade receivables		103 501	102 302	85 910
Tax receivables		2 632	1 756	5 364
Other receivables		180 909	179 285	192 274
Receivables from insurance and reinsurance contracts		45 085	43 645	42 337
Reinsurance assets		84 600	81 280	72 387
Cash and cash equivalents		2 335 864	2 204 904	1 880 349
Current assets		5 276 701	5 154 783	4 804 515
Assets classified as held for sale		-	-	6 892
Total assets		8 926 220	8 845 316	8 314 837

Prepared by:

/A. Kerezov/



Executive director:

/I. Kamenov/

Date: 30 May 2018

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)

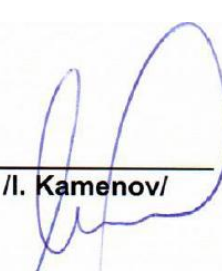
	Notes	31.03.2018 BGN'000	31.12.2017 BGN'000	31.03.2017 BGN'000
Equity and liabilities				
Equity				
Share capital	12	227 192	227 236	227 053
Share premium		247 074	247 129	246 921
Other reserves		142 359	118 444	114 852
Retained earnings		752 875	735 323	758 454
Profit for the period		32 409	68 370	26 667
Equity attributed to the shareholders of parent company		1 401 909	1 396 502	1 373 947
Non-controlling interests		275 055	276 746	264 312
Total equity		1 676 964	1 673 248	1 638 259
Specialized reserves		285 368	278 459	269 673
Liabilities				
Non-current liabilities				
Long-term financial liabilities	13	1 397 179	1 262 699	1 185 809
Payables to secured persons		1 214 279	1 195 555	1 089 872
Long-term trade payables		47 511	47 599	35 964
Long-term related party payables	17	5 546	4 315	4 392
Finance lease liabilities		2 654	2 806	3 340
Pension and other employee obligations		3 540	3 651	2 497
Other liabilities		7 885	4 476	1 899
Provisions		598	598	598
Deferred tax liabilities		30 558	28 210	22 753
Non-current liabilities		2 709 750	2 549 909	2 347 124
Current liabilities				
Short-term financial liabilities	13	4 025 185	4 116 152	3 815 083
Trade payables		87 217	97 372	126 268
Short-term related party payables	17	30 302	37 419	19 259
Finance lease liabilities		1 038	1 133	1 188
Liabilities to insurance and reinsurance contracts		50 845	25 415	22 515
Pension and other employee obligations		11 767	14 560	10 960
Tax liabilities		6 978	6 489	7 091
Other liabilities		40 806	45 160	57 417
Current liabilities		4 254 138	4 343 700	4 059 781
Total liabilities		6 963 888	6 893 609	6 406 905
Total equity, reserves and liabilities		8 926 220	8 845 316	8 314 837

Prepared by:

 /I. Kerezov/



Executive director:

 /I. Kamenov/

Date: 30 May 2018

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	31.03.2018	31.03.2017
		BGN'000	BGN'000
Income from non-financial activities		89 906	91 328
Expenses for non-financial activities		(82 571)	(81 295)
Change in fair value of investment property		-	722
Gain on sale of non-current assets		14	(883)
Net result from non-financial activities		7 349	9 872
Insurance income		153 341	138 448
Insurance expense		(148 597)	(132 114)
Net insurance result		4 744	6 334
Interest income		45 479	50 242
Interest expense		(8 587)	(12 125)
Net interest income		36 892	38 117
Net result from transactions with financial instruments		24 329	26 565
Administrative expenses		(47 034)	(53 271)
Share of profit from equity accounted investments		271	1 212
Other financial income		11 264	8 943
Allocation of income to secured persons		5 464	(12 694)
Profit before tax		43 279	25 078
Tax expense, revenue	14	(4 412)	3 723
Net profit for the period		38 867	28 801
Other comprehensive income			
Revaluation of obligations under defined benefit plans, net		(729)	3 255
Total comprehensive income		38 138	32 056
Profit for the year attributable to:			
the shareholders of Chimimport AD		32 409	26 667
non-controlling interests		6 458	2 134
Total comprehensive income attributable to:			
the shareholders of Chimimport AD		31 839	28 880
non-controlling interests		6 299	3 176
Basic earnings per share in BGN	15	0,14	0,12

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Date: 30 May 2018

Interim condensed consolidated statement of changes in equity

All amounts are presented in BGN'000	Equity attributable to the shareholders of Chimimport AD					Non-controlling interest	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
Balance at 1 January 2018	227 236	247 129	118 444	803 693	1 396 502	276 746	1 673 248
Effect of initial application of IFRS 9	-	-	-	(26 420)	(26 420)	(2 530)	(28 950)
Increase/Decrease in share capital and reserves resulting from purchase of treasury shares by subsidiaries	(44)	(55)	-	-	(99)	-	(99)
Business combinations			(4 712)	4 799	87	(5 460)	(5 373)
Transactions with owners	(44)	(55)	(4 712)	4 799	(12)	(5 460)	(5 472)
Profit for the period, ended at 31 March 2018	-	-	-	32 409	32 409	6 458	38 867
Other comprehensive income	-	-	(570)	-	(570)	(159)	(729)
Total comprehensive income for the period	-	-	(570)	32 409	31 839	6 299	38 138
Transfer of retained earnings to other reserves	-	-	29 197	(29 197)	-	-	-
Balance at 31 March 2018	227 192	247 074	142 359	785 284	1 401 909	275 055	1 676 964

Prepared by: _____

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Executive director: _____

/I. Kamenov/

Date: 30 May 2018

Interim condensed consolidated statement of changes in equity

All amounts are presented in BGN'000	Equity attributable to the shareholders of Chimimport AD					Non-controlling interest	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
	226 914	246 838	85 174	783 064	1 341 990	261 170	1 603 160
Balance at 1 January 2017							
Decrease in share capital and reserves resulting from purchase of treasury shares by subsidiaries	322	291	-	-	613	-	613
Business combinations	-	-	3 639	(10 749)	(7 110)	134	(6 976)
Dividends	-	-	-	(11 608)	(11 608)	(3 852)	(15 460)
Transactions with owners	322	291	3 639	(22 357)	(18 105)	(3 718)	(21 823)
Profit for the year	-	-	-	68 370	68 370	17 296	85 666
Other comprehensive income	-	-	4 247	-	4 247	1 998	6 245
Total comprehensive income for the year	-	-	4 247	68 370	72 617	19 294	91 911
Transfer of retained earnings to other reserves	-	-	25 384	(25 384)	-	-	-
Balance at 31 December 2017	227 236	247 129	118 444	803 696	1 396 502	276 746	1 673 248

Prepared by: _____

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Executive director: _____

I. Kamenov

Date: 30 May 2018

Interim condensed consolidated statement of changes in equity

All amounts are presented in BGN'000	Equity attributable to the shareholders of Chimimport AD					Non-controlling interest	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
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	139	83	-	-	222	-	222
Business combinations			5 656	(2 801)	2 855	(34)	2 821
Transactions with owners	139	83	5 656	(2 801)	3 077	(34)	3 043
Profit for the period, ended at 31 March 2017	-	-	-	26 667	26 667	2 134	28 801
Other comprehensive income	-	-	2 213	-	2 213	1 042	3 255
Total comprehensive income for the period	-	-	2 213	26 667	28 880	3 176	32 056
Transfer of retained earnings to other reserves	-	-	21 809	(21 809)	-	-	-
Balance at 31 March 2017	227 053	246 921	114 852	785 121	1 373 947	264 312	1 638 259

Prepared by: _____

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Executive director: _____

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Date: 30 May 2018

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 cash flows

	31.03.2018	31.03.2017
	BGN'000	BGN'000
Proceeds from short-term loans	9 667	2 454
Payments for short-term loans	(7 664)	(8 284)
Proceeds from sale of short-term financial assets	95 672	115 198
Purchase of short-term financial assets	(142 830)	(155 109)
Cash receipt from customers	93 057	95 672
Cash paid to suppliers	(74 366)	(84 063)
Proceeds from secured persons	36 625	33 218
Payments to secured persons	(6 301)	(11 084)
Payments to employees and social security institutions	(28 316)	(23 267)
Cash receipts from banking operations	10 803 316	9 601 963
Cash paid for banking operations	(10 719 923)	(9 515 644)
Cash receipts from insurance operations	46 410	45 038
Cash paid for insurance operations	(40 552)	(38 082)
Income taxes paid	(945)	(2 067)
Other cash inflows/(outflows)	(5)	(1 194)
Net cash flow from operating activities	63 845	54 749
Investing activities		
Sale of subsidiaries, net of cash	2 170	-
Dividends received	163	528
Sale of property, plant and equipment	12	210
Purchase of property, plant and equipment	(2 327)	(1 481)
Sale of of intangible assets	-	-
Purchase of intangible assets	(51)	(2)
Sale of investment property	6 389	241
Purchase of investment property	(10 608)	(1 469)
Sale of non-current financial assets	260 542	123 052
Purchase of non-current financial assets	(196 502)	(79 571)
Interest payments received	13 236	18 040
Proceeds from loans granted	1 253	15 385
Payments for loans granted	(1 891)	(3 153)
Other cash (outflows) inflows	9 423	(1 558)
Net cash flow from investing activities	81 809	70 222
Financing activities		
Purchase of own shares	(99)	222
Proceeds from loans received	11 176	5 518
Payments for loans received	(22 057)	(14 154)
Interest paid	(2 360)	(1 808)
Payments for finance leases	(296)	(414)
Other cash (outflows) inflows	(576)	(775)
Net cash flow from financing activities	(14 212)	(11 411)
Net change in cash and cash equivalents	131 442	113 560
Cash and cash equivalents, beginning of year	2 204 904	1 767 126
Exchange profit on cash and cash equivalents	(482)	(337)
Cash and cash equivalents, end of the period	2 335 864	1 880 349

Prepared by:

/A. Kerezov/



Executive director:

/I. Kamenov/

Date: 30 May 2018

The accompanying notes on pages from 9 to 23 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.

The Company has a two-tier management structure consisting of a Supervisory Board and a Managing Board.

The members of the Supervisory Board are as follows:

Invest Capital AD
CCB Group EAD
Mariana Bazhdarova

The members of the Managing Board are as follows:

Alexander Kerezov
Ivo Kamenov
Marin Mitev
Nikola Mishev
Miroliub Ivanov
Tzvetan Botev

The Company is represented by its executive directors Ivo Kamenov and Marin Mitev, together and separately.

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

These interim condensed consolidated financial statements as of 31 March 2018 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 2017, 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 2017.

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 2017.

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 2017. There have been no changes in the risk management policies since year end.

4. Accounting estimates

For the purpose of preparing these interim condensed financial statements, management has applied accounting estimates and assumptions in the assessment of its assets, liabilities, income and expenses. Actual results may differ from these estimates and management assumptions. Accounting estimates and assumptions applied in this interim condensed financial statements do not differ from the last annual financial statements of the Company as of 31 December 2017.

5. Effect of initial application of IFRS 9

Initial Effect from the Application of IFRS 9 "Financial Instruments" IFRS 9 "Financial Instruments" replaces IAS 39 "Financial Instruments: Recognition and Measurement" and is effective from January 1, 2018. The new standard introduces significant changes in the classification, subsequent measurement, and a new pattern of expected credit losses for impairment financial actives. IFRS 9 also includes a new guidance on hedge accounting.

The management of the company identifies a few areas that are expected to have effect from the application of IFRS 9:

- the classification and measurement of the financial assets of the Company assesses the new criteria that take attention on the agreed cash flows for the assets and the business model under which they are managed. The management holds most of the financial assets to collect the relevant cash flows and estimates the types of cash flows to properly classify the financial assets.

The management of the company expects the majority of held-to-maturity financial assets to continue to be carried at amortized cost.

Position on financial statement	Category of IAS 39	Category of IFRS 9	Business model
Long-term financial assets	Available-for-sale financial instruments	Equity instruments measured at fair value through other comprehensive income	Held for collection an sale
Bonds	Investments held to maturity	Debt instruments measured at amortized cost	Held for collection
Receivables from related parties	Credits and receivables	Debt instruments measured at amortized cost	Held for collection
Loans granted	Credits and receivables	Debt instruments measured at	Held for collection

		amortized cost	
Trade payables	Credits and receivables	Debt instruments measured at amortized cost	Held for collection
Cash and cash equivalents	Credits and receivables	Debt instruments measured at amortized cost	Held for collection

All financial assets held by the Company are eligible for payment only for principal and interest.

The main effects that the Company recognizes in the application of IFRS 9 Financial Instruments are related to the application of the effect of the recognition of a credit correction for credit losses accrued in accordance with the requirements of the expected credit loss model. The scope of the model includes debt instruments managed by the company with a business model held for collection.

The Company applies an individual approach to impairment of the borrowed funds, taking into account the respective risks associated with the counterparty.

6. 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.

7. Investments accounted for using equity method

7.1. Investments in associates

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

Name	31.03.2018 BGN'000	Share %	31.03.2017 BGN'000	Share %
Lufthansa Technik Sofia OOD	8 649	24.90%	7 211	24.90%
VTC AD	3 564	41.00%	3 121	41.00%
Amadeus Bulgaria OOD	3 379	45.00%	3 268	45.00%
Silver Wings Bulgaria Ltd.	5 525	42.50%	5 159	42.50%
Swissport Bulgaria	5 409	49.00%	5 638	49.00%
Dobrich fair AD	755	39.98%	745	39.98%
Kavarna Gas OOD	560	35.00%	503	35.00%
	27 841		25 645	

Investments in associates are presented in the interim condensed consolidated financial statements of the Group using the equity method. Associates have a reporting date as at 31 March 2018.

7.2. Investments in joint ventures

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

Name	31.03.2018	Share	31.03.2017	Share
	BGN '000	%	BGN '000	%
Nuance BG AD	1 444	50.00%	1 027	50.00%
Varna ferry OOD	5 007	50.00%	5 007	50.00%
	<u>6 451</u>		<u>6 034</u>	

8. 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 31 March 2018	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	27 218	5 301	58 977	1 925	38	(3 553)	89 906
Change in fair value of investment property	-	-	-	-	-	-	-
Gain from sale of non-current assets	6	4	4	-	-	-	14
Inter-segment income from non-financial activities	2 578	69	691	160	10	(3 508)	-
Total income from non-financial activities	29 802	5 374	59 672	2 085	48	(7 061)	89 920
Result from non-financial activities	3 434	5 374	2 299	152	(168)	(3 742)	7 349
Insurance income from external customers	-	153 341	-	-	-	-	153 341
Inter-segment insurance income	-	1 165	-	-	-	(1 165)	-
Total insurance income	-	154 506	-	-	-	(1 165)	153 341
Result from insurance	-	5 489	-	-	-	(745)	4 744
Interest income	1 563	46 294	224	167	39	(2 808)	45 479
Interest expenses	(1 970)	(7 144)	(1 599)	(597)	(85)	2 808	(8 587)
Result from interest	(407)	39 150	(1 375)	(430)	(46)	-	36 892
Gains from transactions with financial instruments	4 287	136 902	-	-	-	(4 080)	137 109
Total Gains from transactions with financial instruments	4 287	136 902	-	-	-	(4 080)	137 109
Result from transactions with financial instruments	4 284	24 125	-	-	-	(4 080)	24 329
Administrative expenses	(1 066)	(44 830)	(2 321)	-	-	1 183	(47 034)
Net result from equity accounted investments in associates	42	-	229	-	-	-	271
Other financial income/ expense	(2 454)	10 936	(121)	-	(10)	2 913	11 264
Profit for allocating insurance batches	-	5 464	-	-	-	-	5 464
Profit for the period before tax	3 833	45 708	(1 289)	(278)	(224)	(4 471)	43 279
Tax expenses	(364)	(4 042)	-	(6)	-	-	(4 412)
Net profit for the period	3 469	41 666	(1 289)	(284)	(224)	(4 471)	38 867



Operating segments	Production, trade and services	Financial sector	Transport sector	Real estate Sector	Construction and engineering sector	Elimination	Consolidated
31 March 2018	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Assets of the segment	689 395	9 351 553	798 022	281 858	15 364	(2 244 264)	8 891 928
Equity accounted investments in associates	4 027	-	23 475	-	2	6 788	34 292
Total consolidated assets	693 422	9 351 553	821 497	281 858	15 366	(2 237 476)	8 926 220
Specialized reserves	-	285 368	-	-	-		285 368
Liabilities of the segment	232 234	7 008 172	318 055	119 131	8 827	(722 531)	6 963 888
Total consolidated liabilities	232 234	7 008 172	318 055	119 131	8 827	(722 531)	6 963 888



Operating segments 31 March 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	23 359	4 301	61 966	162	1 540	-	91 328
Change in fair value of investment property	-	-	-	-	-	722	722
Gain from sale of non-current assets	(2)	-	(881)	-	-	-	(883)
Inter-segment income from non-financial activities	2 293	576	585	-	298	(3 752)	-
Total income from non-financial activities	25 650	4 877	61 670	162	1 838	(3 030)	91 167
Result from non-financial activities	3 125	4 877	(426)	(140)	(88)	2 524	9 872
Insurance income from external customers	-	138 448	-	-	-	-	138 448
Inter-segment insurance income	-	794	-	-	-	(794)	-
Total insurance income	-	139 242	-	-	-	(794)	138 448
Result from insurance	-	6 896	-	-	-	(562)	6 334
Interest income	1 634	51 468	155	169	6	(3 190)	50 242
Interest expenses	(1 973)	(11 499)	(1 686)	(7)	(150)	3 190	(12 125)
Result from interest	(339)	39 969	(1 531)	162	(144)	-	38 117
Gains from transactions with financial instruments	1 307	140 686	335	-	-	(1 252)	141 076
Total Gains from transactions with financial instruments	1 307	140 686	335	-	-	(1 252)	141 076
Result from transactions with financial instruments	1 307	24 460	335	-	-	463	26 565
Administrative expenses	(2 010)	(50 574)	(2 294)	-	-	1 607	(53 271)
Net result from equity accounted investments in associates	39	-	1 173	-	-	-	1 212
Other financial income/ expense	(165)	12 806	(71)	-	(11)	(3 616)	8 943
Profit for allocating insurance batches	-	(12 694)	-	-	-	-	(12 694)
Profit for the period before tax	1 957	25 740	(2 814)	22	(243)	416	25 078
Tax expenses	(199)	3 930	-	(8)	-	-	3 723
Net profit for the period	1 758	29 670	(2 814)	14	(243)	416	28 801



Operating segments	Production, trade and services	Financial sector	Transport sector	Real estate Sector	Construction and engineering sector	Elimination	Consolidated
31 March 2017	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Assets of the segment	728 744	8 693 122	896 874	76 860	17 869	(2 130 311)	8 283 158
Equity accounted investments in associates	4 027	-	23 351	-	2	4 299	31 679
Total consolidated assets	732 771	8 693 122	920 225	76 860	17 871	(2 126 012)	8 314 837
Specialized reserves	-	269 673	-	-	-		269 673
Liabilities of the segment	267 288	6 356 649	389 198	6 667	11 836	(624 733)	6 406 905
Total consolidated liabilities	267 288	6 356 649	389 198	6 667	11 836	(624 733)	6 406 905



9. Property, plant and equipment

Property, plant and equipment of the Group include land, buildings, plant and equipment, vehicles, repairs of rented fixed assets, assets in process of acquisition, etc. presented in the consolidated interim financial statements as at March 31, 2018. 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 2018	51 382	132 104	182 354	85 229	125 850	24 368	74 401	40 731	716 419
Additions:									
- separately acquired	-	-	713	174	1 033	729	3	1 800	4 452
Disposals									
- separately disposed	(1)	(85)	(224)	(217)	(406)	-	(1)	(1 399)	(2 333)
Balance at 31 March 2018	51 381	132 019	182 843	85 186	126 477	25 097	74 403	41 132	718 538
Depreciation									
Balance at 1 January 2018	-	(24 873)	(117 446)	(33 741)	(55 439)	(24 164)	(37 578)	-	(293 241)
Disposal depreciation	-	22	222	180	362	-	-	-	786
Depreciation	-	(1 010)	(2 418)	(369)	(1 453)	(319)	(689)	(3)	(6 261)
Balance at 31 March 2018	-	(25 861)	(119 642)	(33 930)	(56 530)	(24 483)	(38 267)	(3)	(298 716)
Carrying amount at 31 March 2018	51 381	106 158	63 201	51 256	69 947	614	36 136	41 129	419 822



- as at 31 December 2017

	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 2017	52 651	124 769	176 066	84 989	128 159	23 487	73 462	60 258	723 841
Additions:									
- separately acquired	-	9 155	8 298	821	4 263	881	1 608	9 027	34 053
- reclassified	-	3 556	-	-	-	-	-	-	3 556
Disposals									
- separately disposed	(1 050)	(1 796)	(1 997)	(581)	(4 470)	-	(660)	(23 366)	(33 920)
- business combinations	-	-	-	-	(2 102)	-	-	(5 188)	(7 290)
- reclassified	(219)	(3 580)	(13)	-	-	-	(9)	-	(3 821)
Balance at 31 December 2017	51 382	132 104	182 354	85 229	125 850	24 368	74 401	40 731	716 419
Depreciation									
Balance at 1 January 2017	-	(21 921)	(109 076)	(32 332)	(52 122)	(22 621)	(35 567)	-	(273 639)
Business combinations	-	201	-	-	-	-	-	-	201
Disposal depreciation - reclassified	-	456	1 697	162	1 619	-	393	-	4 327
Depreciation	-	(3 609)	(10 067)	(1 571)	(4 936)	(1 543)	(2 404)	-	(24 130)
Balance at 31 December 2017	-	(24 873)	(117 446)	(33 741)	(55 439)	(24 164)	(37 578)	-	(293 241)
Carrying amount at 31 December 2017	51 382	107 231	64 908	51 488	70 411	204	36 823	40 731	423 178



- as at 31 March 2017

	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:									-
- separately acquired	9	8 859	3 680	356	636	702	7	2 496	16 745
Disposals									
- separately disposed	-	-	(36)	(27)	(2 416)	-	(24)	(13 513)	(16 016)
Balance at 31 March 2017	52 660	133 628	179 710	85 318	126 379	24 189	73 445	49 241	724 570
Depreciation									
Balance at 1 January 2017	-	(21 921)	(109 076)	(32 332)	(52 122)	(22 621)	(35 567)	-	(273 639)
Disposal depreciation	-	(874)	(2 612)	(438)	(841)	(384)	(702)	-	(5 851)
Depreciation	-	(22 795)	(111 688)	(32 770)	(52 963)	(23 005)	(36 269)	-	(279 490)
Balance at 31 March 2017									
Carrying amount at 31 March 2017	52 660	110 833	68 022	52 548	73 416	1 184	37 176	49 241	445 080

10. Long-term financial assets

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

	31.03.2018	31.03.2017
	BGN '000	BGN '000
Financial assets at fair value through profit or loss	4 564	9 092
Loans and receivables	2 132 878	1 974 938
Available-for-sale financial assets	505 141	549 343
	2 642 583	2 533 373
Impairment	(72 464)	(69 314)
	2 570 119	2 464 059

11. Short-term financial assets

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

	31.03.2018	31.03.2017
	BGN '000	BGN '000
Financial assets at fair value through profit or loss	1 464 822	1 397 949
Held-to-maturity financial assets	35 953	36 247
Loans and receivables	906 642	854 792
Held for sale financial assets	87 949	146 222
	2 495 366	2 435 210
Impairment	(81 943)	(31 146)
	2 413 423	2 404 064

12. Share capital

The share capital of Chimimport as at 31 March 2018 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.

Shares issued and fully paid:	31.03.2018	31.03.2017
- beginning of the year	227 235 748	226 914 228
- treasury shares /ordinary and preferred/, acquired by subsidiaries during the year	(44 100)	138 720
Shares issued and fully paid as at period end	227 191 648	227 052 948

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:

	31.03.2018	31.03.2018	31.03.2017	31.03.2017
	Number of ordinary shares	%	Number of ordinary shares	%
Invest Capital AD	174 847 247	72.96 %	174 847 247	72.96%
Other legal entities and private individuals	64 799 020	27.04 %	64 799 020	27.04%
	239 646 267	100.00 %	239 646 267	100.00%
Shares of the Group, acquired by subsidiaries				
CCB Group AD	(1 296 605)	0,54%	(1 296 605)	0,78%
ZAD Armeec	(3 236 507)	1,35%	(3 236 507)	1,34%
CCB AD	-	-	(188 100)	0,08%
POAD CCB Sila	(7 919 307)	3,31%	(7 872 107)	3,11%
Trans Intercar EAD	(2 200)	0.001%	-	-
	(12 454 619)	5,20%	(12 593 319)	5,31%
Net number of shares	227 191 648		227 052 948	

Withholding tax for dividends due from individuals and foreign legal entities, registered in countries that are not members of EU for 2017 and 2018 amounts to 5% and the tax is deducted from the gross amount of dividends.

13. Borrowings

Borrowings include financial liabilities as follows:

	Current		Non-current	
	31.03.2018 BGN'000	31.03.2017 BGN'000	31.03.2018 BGN'000	31.03.2017 BGN'000
Financial liabilities measured at amortized cost:				
Liabilities to depositors	3 889 041	3 663 845	1 224 690	1 061 395
Liabilities for dividends	-	6 763	-	-
Bonds and debenture loan	2 657	2 770	29 732	36 568
Bank loans	74 033	66 205	119 830	79 532
Other borrowings	19 030	31 224	5 046	4 108
Derivatives, held-for-trading	-	-	-	-
Deposits from banks	9 501	8 448	-	-
Cession liabilities	13 442	18 419	17 881	4 206
Liabilities under repurchase agreements	17 481	17 409	-	-
Total carrying amount	4 025 185	3 815 083	1 397 179	1 185 809

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%

14. Income tax expenses

Recognized tax expenses are based on management's best estimate of the expected annual tax rate. The tax rate, valid for 2018 is 10% corporate tax (the expected annual tax rate for the period ended on 31 December 2017 was 10%).

15. 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 March 2018, is:

	31.03.2018	31.03.2017
Profit attributable to the shareholders (BGN)	32 409 000	26 667 000
Weighted average number of outstanding shares	227 191 648	226 963 551
Basic earnings per share (BGN per share)	0.143	0.117

16. Related party transactions

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

16.1. Transaction with owners

Sale of goods and services, interest income and other income	31.03.2018	31.03.2017
	BGN'000	BGN'000
<i>- interest income</i>		
Oweners	36	214
<i>- sale of services and others</i>		
Oweners	4	2
Purchase of goods and services, interest expense and other expense		
<i>- purchase of services</i>		
Oweners	-	-
<i>- interest expense</i>		
Oweners	-	-
	-	-

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

Sale of goods and services, interest income and other income	31.03.2018	31.03.2017
	BGN'000	BGN'000
<i>- sale of finished goods</i>		
- associated parties	307	263
- other related parties	76	120
<i>- sale of goods</i>		
- associated parties	127	94
- other related parties	256	275
<i>- sale of services</i>		
- associated parties	1 553	1 226
- other related parties	528	512

Sale of goods and services, interest income and other income	31.03.2018	31.03.2017
	BGN'000	BGN'000
<i>- interest income</i>		
- joint ventures	78	-
- other related parties	132	536
<i>- other income</i>		
- associated parties	18	23
- other related parties	12	-
Purchase of services and interest expense	31.03.2018	31.03.2017
	BGN'000	BGN'000
<i>- purchase of services</i>		
- associated parties	(2 855)	(2 947)
- other related parties	(163)	(226)
<i>- interest expense and other expenses</i>		
- associated parties	(1)	(7)
- other related parties joint ventures	(8)	(10)

16.3. Transaction with key management personnel

Key management of the Group includes members of the Managing Board and Supervisory Board. Key management personnel remuneration includes the following expenses:

	31.03.2018	31.03.2017
	BGN'000	BGN'000
Short-term employee benefits:		
Salaries, including bonuses	(207)	(956)
Social security costs	(5)	(19)
Total:	(212)	(975)

17. Related party balances

	31.03.2018	31.12.2017	31.03.2017
	BGN'000	BGN'000	BGN'000
Non-current receivables from:			
-owners	-	-	1 089
-associated parties	-	2 295	-
-joint- ventures	2 325	3 266	40
- other related parties	2 562	3 197	3 385
Total	4 887	8 758	4 514
Current receivables from:			
-owners	28 320	28 362	40 405
- associates	948	580	3 133
-joint- ventures	5 774	3 446	889
- other related parties	30 424	36 532	28 690
Total	65 466	68 920	73 117
	31.03.2018	31.12.2017	31.03.2017
	BGN'000	BGN'000	BGN'000
Non-current payables to:			
-owners	1	-	1
- associates and joint ventures	3 142	1 043	2 004
-joint- ventures	266	379	-
- other related parties	2 137	2 893	2 387
Total	5 546	4 315	4 392
Current payables to:			
-owners	5 643	8 894	2 538
- associates	11 906	12 164	11 408
-joint- ventures	86	262	-
- other related parties	12 667	16 099	5 313
Total	30 302	37 419	19 259

18. Post - reporting date events

No significant events occurred after the reporting date.

19. Autoriazation of the interim condensed financial statements

The interim condensed consolidated financial statements as of 31 March 2017 (including comparatives) were approved for issue by the Managing board on 30 May 2018.