

**Chimimport AD**  
**Interim financial statements**  
**31 December 2006**



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## Interim balance sheet

	Note	31 December 2006 BGN'000s	31 December 2005 BGN'000s
<b>Assets</b>			
<b>Non-current</b>			
Property, plant and equipment	3	22 649	13 025
Intangible assets		495	737
Investment property		1 253	1 331
Investments in subsidiaries		151 993	125 272
Investments in associates		26 652	25 103
Long-term financial assets		30 010	8 202
Long-term receivables		14 584	5 367
		<b>247 636</b>	<b>179 037</b>
<b>Current</b>			
Inventories		595	1 057
Receivables from related parties		17 145	12 973
Short-term financial assets		1 895	1 691
Loans granted		8 984	21 885
Trade receivables		2 323	3 329
Court receivables		145	145
Other receivables		11 265	4 089
Cash and cash equivalents		26 392	10 583
		<b>68 744</b>	<b>55 752</b>
<b>Total assets</b>		<b>316 380</b>	<b>234 789</b>

Prepared by: \_\_\_\_\_  
Date: 30.01.2007

Manager: \_\_\_\_\_

## Interim balance sheet

	Note	30 September 2006 BGN'000s	31 December 2005 BGN'000s
<b>Equity</b>			
Share capital	4	130 000	60 000
Unpaid capital			(2 082)
Additional paid-in capital		-	58 916
Premium reserve		33 252	
Other reserves		7 126	7 596
Retained earnings		36 708	14 254
Net profit for the period		28 825	22 454
<b>Total equity</b>		<b>235 911</b>	<b>161 138</b>
<b>Liabilities</b>			
<b>Non-current</b>			
Long-term bank loans		5 031	4 062
Long-term trade payables		11 635	7 265
Long-term payables to related parties		10 708	-
Other long-term payables		-	-
Deferred tax liabilities		824	825
		<b>28 198</b>	<b>12 152</b>
<b>Current</b>			
Short-term payables to related parties		22 651	26 074
Short-term bank loans		7 450	7 759
Trade payables		7 137	15 786
Tax payables		1 856	137
Payables to employees and social security institutions		524	21
Other payables		12 653	11 722
		<b>52 271</b>	<b>61 499</b>
<b>Total liabilities</b>		<b>80 469</b>	<b>73 651</b>
<b>Total equity and liabilities</b>		<b>316 380</b>	<b>234 789</b>

Prepared by: \_\_\_\_\_  
Date: 30.01.2007

Manager: \_\_\_\_\_

## Interim income statement

	Note	31 December 2006 BGN'000s	31 December 2005 BGN'000s
Gains from transactions with financial instruments		18 375	28 931
Losses from transactions with financial instruments		(111)	(7 367)
<b>Net result from transactions with financial instruments</b>		<b>18 264</b>	<b>21 564</b>
Interest income		3 605	4 349
Interest expenses		(2 775)	(6 309)
<b>Interest expenses, net</b>		<b>830</b>	<b>(1 960)</b>
Gains from foreign exchange differences		1 427	2 643
Losses from foreign exchange differences		(88)	(3 978)
<b>Net result from foreign exchange differences</b>		<b>1 339</b>	<b>(1 335)</b>
Other financial income/(expenses), net		20	283
Operating income		15 408	16 896
Operating expenses		(5 186)	(12 398)
<b>Operating result</b>		<b>10 222</b>	<b>4 498</b>
<b>Result for the period before tax</b>		<b>30 675</b>	<b>23 050</b>
Tax expenses, net		(1 850)	(596)
<b>Net result for the period</b>		<b>28 825</b>	<b>22 454</b>

		31 December 2006 BGN	31 December 2005 BGN
Earnings per share	5	0.27	0.48

Prepared by: \_\_\_\_\_  
Date: 30.01.2007

Manager: \_\_\_\_\_

## Interim cash flow statement

	31 December 2006 BGN'000s	31 December 2005 BGN'000s
<b>Cash flows from operating activities</b>		
Cash receipts from customers	6 102	19 942
Cash paid to suppliers	(1 897)	(9 138)
Cash paid to employees and social security institutions	(211)	(203)
Taxes paid	(84)	(46)
Exchange gains/(losses) on cash and cash equivalents	1 339	(182)
Other payments for operating activities	(132 477)	(149 275)
Other proceeds from operating activities	129 306	147 788
<b>Net cash used in operating activities</b>	<b>2 078</b>	<b>8 886</b>
<b>Investing activities</b>		
Purchase of non-current assets	(3 909)	(172)
Proceeds from sale of non-current assets	214	292
Purchase of investments in subsidiaries, associates and other companies	(23 761)	(30 717)
Purchase of current financial assets	(2 039)	(5 213)
Proceeds from sale of current financial assets	2 412	2 340
<b>Net cash used in investing activities</b>	<b>(27 083)</b>	<b>(33 470)</b>
<b>Financing activities</b>		
Proceeds from issuing of shares	46 418	-
Proceeds from loans received or granted	23 821	148 025
Payments for loans received or granted	(33 517)	(115 428)
Interest paid	(6 718)	(1 033)
Other payments for financing activities	(138 049)	(369)
Other proceeds from financing activities	148 859	365
<b>Net cash used in financing activities</b>	<b>40 814</b>	<b>31 560</b>
Cash and cash equivalents at a beginning of the period	10 583	3 607
Net increase in cash and cash equivalents	15 809	6 976
<b>Cash and cash equivalents at the end of the period</b>	<b>26 392</b>	<b>10 583</b>

Prepared by: \_\_\_\_\_  
Date: 30.01.2007

Manager: \_\_\_\_\_

## Interim statement of changes in equity

All amounts presented in BGN'000s	Share Capital	Unpaid capital	Additional paid-in capital	Premium reserve	Other reserves	Retained earnings	Total equity
<b>Balance 01 January 2005</b>	<b>20 000</b>	<b>-</b>	<b>-</b>	<b>37 916</b>	<b>7 612</b>	<b>14 303</b>	<b>79 831</b>
Increase in the share capital	40 000	(2 082)		(37 916)			2
Additional paid-in capital				58 916			58 916
Net result for the period						22 454	22 454
Other changes in equity					(16)	(49)	(65)
<b>Balance 31 December 2005</b>	<b>60 000</b>	<b>(2 082)</b>	<b>-</b>	<b>58 916</b>	<b>7 596</b>	<b>36 708</b>	<b>161 138</b>
<b>Balance 1 January 2006</b>	<b>60 000</b>	<b>(2 082)</b>	<b>-</b>	<b>58 916</b>	<b>7 596</b>	<b>36 708</b>	<b>161 138</b>
Increase in the share capital	58 916	2 082		(58 916)			2 082
IPO shares	11 084		33 252				44 336
Net result for the period						28 825	28 825
Other changes in equity					(470)		(470)
<b>Balance 31 December 2006</b>	<b>130 000</b>	<b>-</b>	<b>33 252</b>	<b>-</b>	<b>7 126</b>	<b>65 533</b>	<b>235 911</b>

Prepared by: \_\_\_\_\_  
Date: 30.01.2007

Manager: \_\_\_\_\_

## **Selected explanatory notes to interim financial statements**

### **1 General information**

CHIMIMPORT AD was registered as a joint-stock company at Sofia city court on 24 January 1990.

The Company is engaged in the following business activities:

- Import, export, re-export and other commercial transactions with oil and other chemical products;
- Commission, forwarding and warehousing transactions;
- Commercial agency and brokerage;
- Sale of manufactured goods;
- Acquisition, management and trade of shares in Bulgarian and foreign companies;
- Financing of companies in which interest is held;
- Tourist services.

The address of the Company's registered office is 2, St. Karadja Str., Sofia, Bulgaria.

The financial statements for the period ended 31 December 2006 were approved by the Managing Board on 30 January 2006.

### **2 Basis for preparation of the interim financial statements**

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) IAS 34 Interim Financial Reporting. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the annual financial statements of the Company as at 31 December 2005.

Interim financial statements are presented in BGN, which is also the functional currency of the Company.

The main accounting policies of the Company have remained unchanged from those set out in the annual financial statements of the Company as at 31 December 2005.

### 3 Property, plant and equipment

	Land	Buildings	Machinery	Aircraft	Vehicles	Other fixed assets	Assets in process of acquisition	Total
	BGN'000s	BGN'000s	BGN'000s	BGN'000s	BGN'000s	BGN'000s	BGN'000s	BGN'000s
At 1 January 2005								
Cost	200	1 435	1 027	-	260	530	13 353	16 805
Accumulated depreciation	-	(116)	(771)	-	(223)	(415)	-	(1 525)
<b>Net book amount</b>	<b>200</b>	<b>1 319</b>	<b>256</b>	<b>-</b>	<b>37</b>	<b>115</b>	<b>13 353</b>	<b>15 280</b>
Year ended 31 December 2005								
Opening net book amount	200	1 319	256	-	37	115	13 353	15 280
Additions	-	-	3	13 255	-	94	100	13 452
Disposals	-	(781)	-	-	(67)	(18)	(13 353)	(14 219)
Decrease in depreciation	-	54	-	-	50	18	-	122
Depreciation charge	-	(38)	(191)	(1 326)	(19)	(36)	-	(1 610)
<b>Closing net book amount</b>	<b>200</b>	<b>554</b>	<b>68</b>	<b>11 929</b>	<b>1</b>	<b>173</b>	<b>100</b>	<b>13 025</b>
At 31 December 2005								
Cost	200	654	1 030	13 255	193	606	100	16 038
Accumulated depreciation	-	(100)	(962)	(1 326)	(192)	(433)	-	(3 013)
<b>Net book amount</b>	<b>200</b>	<b>554</b>	<b>68</b>	<b>11 929</b>	<b>1</b>	<b>173</b>	<b>100</b>	<b>13 025</b>

	Land	Buildings	Machinery	Aircraft	Vehicles	Other fixed assets	Assets in process of acquisition	Total
	BGN'000s	BGN'000s	BGN'000s	BGN'000s	BGN'000s	BGN'000s	BGN'000s	BGN'000s
Year ended 31 December 2006								
Opening net book amount	200	554	68	11 929	1	173	100	13 025
Additions	401	-	28	11 393	-	-	11 393	23 215
Disposals	(200)	-	(11)	-	(14)	-	(11 393)	(11 618)
Decrease in depreciation	-	-	11	-	14	-	-	25
Depreciation charge	-	(26)	(51)	(1 895)	(1)	(25)	-	(1 998)
<b>Closing net book amount</b>	<b>401</b>	<b>528</b>	<b>45</b>	<b>21 427</b>	<b>-</b>	<b>148</b>	<b>100</b>	<b>22 649</b>
As 31 December 2006								
Cost	401	654	1 047	24 648	179	606	100	27 635
Accumulated depreciation	-	(126)	(1 002)	(3 221)	(179)	(458)	-	(4 986)
<b>Net book amount</b>	<b>401</b>	<b>528</b>	<b>45</b>	<b>21 427</b>	<b>-</b>	<b>148</b>	<b>100</b>	<b>22 649</b>

#### 4 Share capital

On 15 February 2006 the General Meeting of the Shareholders took the decision to increase the share capital from BGN 60 000 000 to BGN 118 916 086 and to start the procedure for transforming the company into a public company. The increase of the share capital came in force with court decision No 24 dated 10 April 2006, issued by Sofia City Court. At the General Meeting of the Shareholders on 31 March 2006 a decision to increase the share capital from BGN 118 916 086 to BGN 130 000 000 was taken. Therefore, 11 083 914 new ordinary dematerialized shares have been issued, each with par value of BGN 1 and issue price of BGN 4. The increase of the share capital has been performed by public offering of the shares. The Prospectus for the public offering has been approved by the Financial Supervision Commission with decision № 618-E dated 9 August 2006. The increase of the share capital came in force with court decision № 25 dated 29 September 2006, issued by Sofia City Court.

#### 5 Earnings per share

The basic earnings per share is determined by dividing the net profit for the period attributable to the equity holders of Chimimport AD.

The weighted average number of outstanding shares used for basic earnings per share as well as profits attributable to shareholders is as follows:

	31 December 2006	31 December 2005
Net result for the period in BGN	28 825 000	22 454 000
Weighted average number of ordinary shares in issue	105 434 430	46 424 658
Basic earning per share (BGN per share)	0,2734	0,4837