# Interim Consolidated Activity Report Interim Condensed Consolidated Financial Statements

# **CHIMIMPORT AD**

31 December 2021





# 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	31.12.2021 BGN'000	31.12.2020 BGN'000
Assets			
Property, plant and equipment	11	426 384	371 559
Right of use assets		416 418	417 099
Investment property		460 696	440 485
Goodwill		23 841	24 066
Other intangible assets		124 408	129 496
Deferred tax assets		12 458	10 940
Investments accounted for using the equity method	0	26 965	24 253
Loans and receivables to bank customers Equity instruments at fair value through profit or	12	3 049 092	2 708 863
loss	12	2 040 356	2 027 241
Debt instruments at fair value through other	4.0	050 444	747.505
comprehensive income	12	859 441	717 595
Equity instruments at fair value through other	40	70.000	00.700
comprehensive income	12	73 668	83 766
Other financial assets	13	1 590 735	1 328 737
Receivables from insurance and reinsurance		E0 E12	45.000
contracts		59 513	45 930 80 370
Reinsurance assets		68 706	80 379
Tax receivables Other receivables		1 808 38 875	1 757 30 276
Inventories		54 089	59 369
		2 381 474	2 221 632
Cash and cash equivalents  Total assets		11 708 927	-
I Uldi dəətiğ		11 /00 92/	10 723 443

Prepared by: \_\_\_\_\_/A. Kerezov/

**Executive director:** 

/I./Kamenov/

Date: 28th February 2022





# Interim condensed consolidated statement of financial position (continued)

Equity and liabilities Equity	Notes	31.12.2021 BGN'000	31.12.2020 BGN'000
Share capital	14	226 463	226 604
Share premium		246 477	246 462
Other reserves		303 438	287 583
Retained earnings		703 380	690 078
Profit for the period		39 091	32 003
Equity attributed to the shareholders of parent company		1 518 849	1 482 730
Non-controlling interests		331 156	321 615
Total equity	_	1 850 005	1 804 345
Liabilities			
Liabilities to depositors	15	6 917 880	6 168 872
Other financial liabilities	15	548 543	541 680
Payables to secured persons		1 708 674	1 561 822
Pension and other employee obligations		18 674	16 993
Deferred tax liabilities		37 262	36 503
Insurance technical reserves		260 738	260 142
Liabilities to insurance and reinsurance contracts		21 147	21 147
Finance lease liabilities		291 305	249 440
Tax liabilities		5 062	5 393
Other liabilities	_	49 637//	57 106
Total liabilities	_	9 858 922	8 919 098
Total equity, reserves and liabilities	<u> </u>	11 708 927	10 723 443

Prepared by:

/A. Kerezov/

Date: 28th February 2022



**Executive director:** 

/I. Kamenov/



# Interim condensed consolidated statement of comprehensive income

	Notes	31.12.2021 BGN'000	31.12.2020 BGN'000
Income from non-financial activities		346 450	290 639
Change in the fair value of investment property		289	461
Gain on sale of non-current assets		58	2 798
Net result from non-financial activities		346 797	293 898
Insurance income		376 694	371 445
Insurance expense		(326 570)	(325 729)
Net insurance result		50 124	45 716
Interest income		169 786	179 371
Interest expense		(40 021)	(37 246)
Net interest income		129 765	142 125
Net result from transactions with financial instruments		79 340	67 933
Other operating and administrative expenses		(543 335)	(518 889)
Share of profit from equity accounted investments		4 391	(1 400)
Other financial income		85 076	44 392
Allocation of income to secured persons		(98 663)	(30 687)
Profit before tax	40	53 495	43 088
Tax expense  Net profit for the period	16	(3 766) <b>49 729</b>	(3 525) <b>39 563</b>
Net profit for the period		43 123	39 303
Other comprehensive income			
Revaluation of non - financial assets, net of taxes		-	83 176
Revaluation of financial assets, net of taxes Revaluations of liabilities under defined		(4 772)	(4 906)
benefit plans, net of taxes		-	140
Other comprehensive income		(4 772)	78 410
Total comprehensive income		44 957	117 973
Profit for the period attributable to:			
the shareholders of Chimimport AD		39 091	32 003
non-controlling interests		10 638	7 560
Total comprehensive income attributable to:			
the shareholders of Chimimport AD		35 416	111 541
non-controlling interests		9 541 /	6 432
· ///			
Basic earnings per share in BGN	17	0,17	0/14
Prepared by:	Executive director:		
/A. Kerezov/	MOPA	(/J/Ka	menov/
Date: 28 <sup>th</sup> February 2022	STIPLE &	7	

The accompanying notes on pages from 2 to 28 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 Share capital	attributable to Share premium		ders of Chimimport AD Retained earnings	Total	Non- controlling interests	Total equity
Balance at 1 January 2021	226 604	246 462	287 583	722 081	1 482 730	321 615	1 804 345
Increase in the share capital and reservation of							
changes in the own shares, giving to	(141)	15	-	-	(126)	-	(126)
subsidiaries Bussines combinations	-	_	88	741	829	-	829
Transactions with owners	(141)	15	88	741	703	-	703
Profit for the period	-	-	-	39 091	39 091	10 638	49 729
Other comprehensive loss			(3 675)		(3 675)	(1 097)	(4 772)
Total comprehensive income for the period	-	-	(3 675)	39 091	35 416	9 541	44 957
Profit distribution from previous years	-	-	20 186	(20 186)		-	-
Change in specialized reserves	-	-	(744)	744	/  -	-	-
Balance at 31 December 2021	226 463	246 477	303 438	742 471	1 518 849	331 156	1 850 005

Prepared by:

/A. Kerezov/

Date: 28th February 2022



**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					Non-	Total equity
·	Share capital	Share premium		Retained earnings	Total	controlling interests	
Balance at 1 January 2020	226 955	246 850	179 123	713 710	1 366 638	309 851	1 676 489
Reduction of the share capital and reservation							
of changes in the own shares, giving to subsidiaries	(351)	(388)	-	-	(739)	-	(739)
Bussines combinations	-	-	(65)	5 355	5 290	5 332	10 622
Transactions with owners	(351)	(388)	(65)	5 355	4 551	5 332	9 883
Profit for the period	-	-	-	32 003	32 003	7 560	39 563
Other comprehensive loss	-	-	79 538	-	79 538	(1 128)	78 410
Total comprehensive income for the period	-	-	79 538	32 003	111 541	6 432	117 973
Profit distribution from previous years	-	-	27 283	(27 283)	0		-
Change in specialized reserves	-	-	1 704	(1 704)	// -/	·   -	-
Balance at 31 December 2020	226 604	246 462	287 583	722 081	1 482 730	321 615	1 804 345
LV			·			1	

Prepared by:

/A. Kerezov/

Date: 28th February 2022

Executive director: \_\_\_

/I. Kamenov/





# Interim condensed consolidated statement of cash flows

	31.12.2021 BGN'000	31.12.2020 BGN'000
Proceeds from short-term loans	68 470	47 657
Payments for short-term loans	(56 910)	(44 907)
Proceeds from sale of short-term financial assets	450 394	462 827
Purchase of short-term financial assets	(419 927)	(559 216)
Cash receipt from customers	247 976	280 916
Cash paid to suppliers	(231 212)	(222 906)
Proceeds from secured persons	186 106	145 128
Payments to secured persons	(123 625)	(77 149)
Payments to employees and social security institutions	(119 632)	(114 118)
Cash receipts from banking operations	61 219 388	50 843 501
Cash paid for banking operations	(60 782 527)	(50 414 129)
Cash receipts from insurance operations	179 971	182 314
Cash paid for insurance operations	(133 412)	(136 720)
Income taxes paid	(1 005)	(2 076)
Other cash outflows	(4 450)	(3 826)
Net cash flow from operating activities	479 605	387 296
Investing activities		
Sale of subsidiaries, net of cash	-	-
Dividends received	30 805	10 643
Sale of property, plant and equipment	1 084	2 077
Purchase of property, plant and equipment	(21 571)	(9 238)
Sale of intangible assets	- (5.677)	(854)
Purchase of intangible assets Sale of investment property	(5 677) 1 544	890
Purchase of investment property	(7 215)	(22 911)
Sale of non-current financial assets	396 109	330 317
Purchase of non-current financial assets	(756 352)	(597 082)
Interest payments received	22 663	30 071
Proceeds from loans granted	10 447	20 131
Payments for loans granted	(72 936)	(35 555)
Other cash inflows/ (outflows)	` 88Ó	2 779
Net cash flow from investing activities	(400 219)	(268 732)
Financing activities	(400)	(740)
Purchase of own shares	(126)	(740)
Proceeds from loans received Payments for loans received	160 359 (64 691)	22 852 (21 532)
Interest paid	(7 115)	(8 121)
Payments for finance leases	(11 384)	(21 556)
Other cash (outflows)/inflows	(1 224)	(1 110)
Net cash flow from financing activities	75 819	(30 207)
Net change in cash and cash equivalents	155 205	88 357
Cash and cash equivalents, beginning of year	2 221 632	2 136 035
Exchange profit/(loss) on cash and cash equivalents	4 637	(2 760)
Cash and cash equivalents, end of the period	2 381 474	2,221 632
V		

Prepared by:

**Executive director:** 

/l. Kamenov/

Date: 28th February 2022

The accompanying notes on pages from 9 to 28 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 December 2021 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 2020, 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 2020.

### 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 2020.

#### 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 conjuction with the annual financial statements as at 31 December 2020. 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 2020.

# 5. New standards, amendments and interpretations to existing standards that are effective for annual periods beginning on or after 1 January 2021

The Group has reviewed the following new standards, amendments and interpretations to IFRS, developed and published by the International Accounting Standards Board, which are binding from the annual period beginning on 1 January 2021, and is in the process of analyzing the effects of the application. on the consolidated financial result and the financial condition of the Group:

# Amendments to IFRS 4 Insurance Contracts - Postponement of IFRS 9, effective from 1 January 2021, adopted by the EU

The date of initial application of IFRS 17 is postponed by two years, the standard becomes effective for annual periods beginning on or after 1 January 2023. The date of expiry of the temporary exemption in IFRS 4 Insurance contracts for application of IFRS 9 Financial instruments is changed, so that insurance companies are required to apply IFRS 9 for annual periods beginning on or after 1 January 2023.

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

The proposed amendments address issues that could affect financial reporting after the interest rate reform, including its replacement by alternative reference interest rates. Phase 2 of the project addresses issues related to the replacement of interest rate indices, which in turn would affect financial reporting when an existing interest rate index is repealed or replaced with another.

# 6. Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company

As of the date of approval of these financial statements, new standards, amendments and interpretations to existing standards have been published, but have not entered into force or have not been adopted by the EU for the financial year beginning on 1 January 2020 and have not been applied. from an earlier date by the Group. They are not expected to have a material effect on the Group's financial statements.



Management expects all standards and amendments to be adopted in the Group's accounting policies in the first period beginning after the effective date. The changes are related to the following standards:

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

Changes in the classification of liabilities as current or non-current only affect the presentation of liabilities in the individual statement of financial position - not the amount or timing of recognition of assets, liabilities, income or expenses or the information that companies disclose about these items. The amendments aim to clarify the following:

- the classification of liabilities as current or non-current must be based on an existing right to defer the settlement of the liability by at least twelve months; only the available deferral rights "at the end of the reporting period" should affect the classification of the liability;
- the classification is not affected by the company's expectations whether it will exercise its right to defer the settlement of liabilities; and
- Liabilities may be settled by transferring cash, equity instruments, other assets or services to the counterparty.

# Amendments to IFRS 3 Business Combinations, IAS 16 Property, Plant and Equipment, IAS 37 Provisions, Contingent Liabilities and Contingent Assets, effective from 1 January 2022, have not yet been adopted by the EU

- IAS 3 Business Combinations Update of references to the Conceptual Framework with amendments to IFRS 3 "Business Combinations", which update an outdated reference in IFRS 3 without substantially changing the reporting requirements.
- IAS 16 Property, Plant and Equipment "Revenue before the Asset Presented to the Location and Condition Required for Its Operation" amends the standard to prohibit the deduction from the value of property, plant and equipment of any revenue from the sale of manufactured products, before bringing this asset to the location and condition necessary for its operation in the manner prescribed by management. Instead, an entity recognizes the proceeds from the sale of such products and the cost of producing them in profit or loss.
- IAS 37 Provisions, Contingent Liabilities and Contingent Assets Changes in Burdensome Contracts Contract performance costs are specified by specifying that "contract performance costs" include "costs that are directly attributable to the contract". Costs that are directly related to a contract may be either additional costs for the performance of that contract or an allocation of other costs that are directly related to the performance of the contracts.

# Annual improvements 2018-2020 in force from 1 January 2022 have not yet been adopted by the EU

• IFRS 1 First-time Adoption of International Financial Reporting Standards - The amendment allows a subsidiary that applies paragraph D16 (a) of IFRS 1 to assess cumulative differences in the first-time adoption of IFRSs using the values reported in



the consolidated financial statements. statements from its parent, based on the date of transition to IFRSs of the parent.

- IFRS 9 Financial Instruments The amendment clarifies which fees an entity includes when applying the 10% test in paragraph B3.3.6 of IFRS 9 when assessing whether to write off a financial liability. An enterprise includes only fees paid or received between the borrower and the lender, including fees paid or received by either the enterprise or the lender on behalf of the other.
- IFRS 16 Leases The amendment to IFRS 16 removes from the illustrative examples the lessor's refund of improvements to leased assets to eliminate any potential confusion regarding the treatment of lease incentives that may arise due to the way in which lease incentives are illustrated in this example.
- IAS 41 Agriculture The amendment removes the requirement in paragraph 22 of IAS 41 for enterprises to exclude tax cash flows when measuring the fair value of a biological asset using the present value method. This amendment will ensure compliance with the requirements of IFRS 13.

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

Companies are currently required to disclose material information about their accounting policies instead of their significant accounting policies. Guidance has been added on how an entity can identify material accounting information and examples are given of when accounting information is likely to be material. The amendments clarify that accounting policy information may be material in nature, even if the amounts involved are insignificant. Information about the accounting policy is material if users of the entity's financial statements will need it to understand other material information in the financial statements. If an entity discloses non-material accounting policy information, such information shall not dilute or obscure material accounting policy information.

In support of the amendments to IAS 1, IFRS Statement of Practice 2 has been amended by adding guidelines and examples to explain and demonstrate the application of the four-step process for determining whether information is material.

# Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: The definition of an accounting estimate, effective from 1 January 2023, has not yet been adopted by the EU

The definition of a change in accounting estimates is replaced by a definition of accounting estimates. According to the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require that items in the financial statements be measured in a manner that involves measurement uncertainty. The IASB clarifies that a change in an accounting estimate resulting from new information or a new development is not a correction of an error. In addition, the effects of a change in input data or measurement techniques used to



develop an accounting estimate are changes in accounting estimates if they are not the result of a prior period error correction. The change in an accounting estimate may only affect the profit or loss for the current period or the profit or loss for both the current period and future period. The effect of a change in an accounting estimate related to the current period is recognized as income or expense in the current period. The effect, if any, on future periods is recognized as income or expense in those future periods.

# Amendments to IFRS 16 Leases: Covid-19 Rental Discounts after 30 September 2021, effective from 1 April 2021, not yet adopted by the EU

The amendment provides the following opportunities to lessees:

- apply the practical facilitation to Covid-19-related rental discounts for which any reduction in lease payments affects only payments originally due on or before 30 June 2022 (and not only payments initially due on or before 30 June 2022). June 30, 2021);
- apply the practical facilitation for annual reporting periods starting on or after 1 April 2021;
- the practical facilitation is applied retrospectively, reflecting the cumulative effect of the initial application of the amendment as an adjustment to the initial value of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the lessee first apply the amendment; and
- clarification that during the reporting period in which the lessee first applies the amendment, the lessee is not required to disclose the information in accordance with paragraph 28 (f) of IAS 8.

# IFRS 14 "Deferred Accounts at Regulated Prices" effective from 1 January 2016, not yet adopted by the EU

IFRS 14 "Deferred Accounts at Regulated Prices" allows first-time adopters to continue to recognize amounts related to regulated prices in accordance with the requirements of their previous accounting basis when applying IFRS. In order to improve the comparability with the statements of companies that already apply IFRS and do not recognize such amounts, the standard requires the effect of regulated prices to be presented separately.

# IFRS 17 "Insurance Contracts" effective from 1 January 2021, not yet adopted by the EU

IFRS 17 replaces IFRS 4 Insurance Contracts. It requires the application of an ongoing valuation model, according to which estimates are reviewed during each reporting period. Contracts are valued using:

- -discounted cash flows with weighted probabilities;
- explicit risk adjustment, and



- allowance for contracted services, representing the unrealized gain on the contract, which is recognized as income during the coverage period.

The standard allows a choice in recognizing changes in the discount rate or in profit or loss or other comprehensive income.

The new rules will affect the financial statements and key indicators of all companies that issue insurance contracts.

## 7. Risk management regarding financial instruments

The Company is exposed to various types of risks with respect to its financial instruments. The most significant financial risks to which the Company is exposed are market risk, credit risk and liquidity risk.

The interim condensed financial statements do not include all the information on risk management and disclosures required in the preparation of annual financial statements and should be read in conjunction with the annual financial statements of the Company as of December 31, 2020. The objectives and policies of the Company for capital management, credit and liquidity risk are described in the last annual financial statements. There were no changes in the risk management policy for financial instruments during the period.

### 8. Significant events and transactions during the reporting period

At the beginning of 2020, due to the spread of a new coronavirus (Covid-19) worldwide, difficulties arose in the business and economic activities of a number of enterprises and entire economic sectors. On March 11, 2020, the World Health Organization also announced the presence of a coronavirus pandemic (Covid-19). On March 13, the National Assembly of the Republic of Bulgaria declared a state of emergency for a period of 1 month - until April 13, 2020. After the specified period until 31 March, 2022, an emergency epidemiological situation is in force.

The transport, tourism, entertainment and leisure sectors, as well as companies in entirely export-oriented industries, which are unable to send their supplies due to restrictions on free movement, are still severely affected.

The impact of the coronavirus pandemic on the financial condition and performance of the Group in the third of 2021 was as follows:

- Increase in revenues from non-financial activities by BGN 52 899 thousand in 2021 compared to the same period last year; and an increase in insurance result by BGN 4 408 thousand and an increase in administrative and operating expenses by BGN 24 446 thousand.
- · there is no significant decline in the adoption of larger projects

Overall, the impact had a negative effect on the Group's activities, with the Transport sector continuing to be the most affected.

The following main measures have been taken by some Group companies:

- applying for compensation under the measures for support of small / medium enterprises.
- compensations under the "60/40" scheme; .
- there is a renegotiation with the creditor banks for rescheduling of maturing loan installments according to the decisions taken by the BNB, with which



commercial banks can reschedule loans to individuals and companies for up to 9 months, applying 3 forms of rescheduling mechanisms;

As a result of the measures taken, the Group as a whole is in a strong position and has sufficient capital and liquidity to service its operating activities and debts.

### 9. Investments accounted for using equity method

#### 9.1. Investments in associates

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

Name	31.12.2021 BGN'000	Share %	31.12.2020 BGN'000	Share %
Lufthansa Technik Sofia OOD	8 724	24.90%	8 558	24.90%
Swissport Bulgaria	6898	49.00%	5 665	49.00%
Silver Wings Bulgaria Ltd.	5 239	42.50%	4 713	42.50%
Amadeus Bulgaria OOD	4 057	41.00%	3 694	41.00%
VTC AD	689	35.00%	626	35.00%
Kavarna Gas OOD	290	44.99%	263	44.99%
	25 897	-	23 519	

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 December 2020.

### 9.2. Investments in joint ventures

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

Name	31.12.2021 BGN'000	Share %	31.12.2020 BGN'000	Share %
Nuance BG AD	872	50%	538	50%
Consortium Bulgaria Air-Direction	141	90%	141	90%
Consortium Bulgaria Air and Direction	55	70%	55	70%
Varna ferry OOD	-	50%	-	50%
•	1 068		734	

## 10. 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 and trade
- Finance sector
- Transport sector
- Real estate sector and engineering

Group transactions between segments are made under market conditions.

Information about the operating segments of the Group is summarized as follows:



Operating segments 31 December 2021	Production, trade and services	Financial sector	Transport sector	Real estate and engineering sector	Elimination	Consolidated
	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Income from non-financial activities from external						
customers	75 812	29 087	226 798	15 984	(1 231)	346 450
Change in fair value of investment property	(129)	49	-	369	· ,	289
Gain on sale of non-current assets	-	93	3	(38)	-	58
Inter-segment income from non-financial activities	16 094	1 096	6 741	713	(24 644)	-
Total income from non-financial activities	91 777	30 325	233 542	17 028	(25 875)	346 797
Insurance income from external customers	-	371 012	-	-	5 682	376 694
Inter-segment insurance income		5 848	-	-	(5 848)	<u>-</u>
Total insurance income	-	376 860	-	-	(166)	376 694
Result from insurance	-	49 634	-	-	490	50 124
Interest income	6 645	166 128	4 606	1 206	(8 799)	169 786
Interest expenses	(6 486)	(22 868)	(15 788)	(2 984)	8 105	(40 021)
Result from interest	159	143 260	(11 182)	(1 778)	(694)	129 765
Gains from transactions with financial						
instruments	1 076	82 941	2 019	3 981	(10 677)	79 340
Other non - financial and administrative expenses	(95 494)	(226 604)	(230 393)	(13 192)	22 348	(543 335)
Net result from equity accounted investments in						
associates	26	-	4 365			4 391
Other financial income/ expense	4 650	95 804	(13 672)	(152)	(1 554)	85 076
Profit for allocating insurance batches		(98 663)	-	-	-	(98 663)
Profit for the period before tax	2 194	76 697	(15 321)	5 887	(15 962)	53 495
Tax expenses	(57)	(5 593)	2 187	(303)	-	(3 766)
Net profit for the period	2 137	71 104	(13 134)	5 584	(15 962)	49 729



Operating segments 31 December 2021	Production, trade and services	Finance	Transport	Real estate and engineering	Eliminations	Consolidated
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Assets of the segment	702 509	11 834 495	1 259 460	313 566	(2 428 068)	11 681 962
Equity accounted investments	363	-	22 150	2	4 450	26 965
Total consolidated assets	702 872	11 834 495	1 281 610	313 568	(2 423 618)	11 708 927
Liabilities of the segment	261 853	9 485 276	847 899	138 887	(874 993,00)	9 858 922
Total consolidated liabilities	261 853	9 485 276	847 899	138 887	(874 993)	9 858 922



Operating segments 31 December 2020	Production, trade and services	Financial sector	Transport sector	Real estate and engineering sector	Elimination	Consolidated
	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Income from non-financial activities from external customers	66 786	31 601	177 819	14 215	218	290 639
Change in fair value of investment property	(87)	562	-	(14)	-	461
Gain on sale of non-current assets	. 4	(65)	2 245	614	-	2 798
Inter-segment income from non-financial activities	12 761	3 956	6 558	261	(23 536)	-
Total income from non-financial activities	79 464	36 054	186 622	15 076	(23 318)	293 898
Insurance income from external customers	-	371 445	-	-	-	371 445
Inter-segment insurance income		5 848	-	-	(5 848)	
Total insurance income	-	377 293	-	-	(5 848)	371 445
Result from insurance	-	50 342	-	-	(4 626)	45 716
Interest income	6 376	180 415	2 697	1 219	(11 336)	179 371
Interest expenses	(6 445)	(25 516)	(13 639)	(2 982)	11 336	(37 246)
Result from interest	(69)	154 899	(10 942)	(1 763)	-	142 125
Net result of operations with financial instruments	2 590	55 308	3 556	500	5 979	67 933
Operational and administrative costs	(78 883)	(238 397)	(205 998)	(13 826)	18 215	(518 889)
Profit from investments accounted for using the equity method	26	-	(1 426)			(1 400)
Other financial income / (expenses)	(588)	30 701	7 164	(286)	7 401	44 392
Income for distribution by insurance accounts	-	(30 687)	-	-	-	(30 687)
Profit for the period before taxes	2 540	58 220	(21 024)	(299)	3 651	43 088
Income tax expense	(287)	(5 270)	2 048	(16)		(3 525)
Net result for the period	2 253	52 950	(18 976)	(315)	3 651	39 563
Segment assets	684 653	10 892 306	1 083 735	318 531	(2 280 035)	10 699 190
Investments accounted for using the equity method	363	-	22 150	2	1 738	24 253
Total consolidated assets	685 016	10 892 306	1 105 885	318 533	(2 278 297)	10 723 443
Liabilities of the segment	228 392	8 610 565	650 758	147 177	(717 794)	8 919 098
Total consolidated liabilities	228 392	8 610 565	650 758	147 177	(717 794)	8 919 098



## 11. 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 December 31, 2021. Their carrying amount can be analyzed as follows:

2021	Land	Building	Machines	Equipment and spare parts	Vehicles	Repairs	Others	Advances and assets in process of	Total
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	acquisition BGN'000	BGN'000
Balance at 1 January 2021  Additions:	52 150	136 508	167 209	85 920	123 188	23 373	82 715	45 910	716 973
- separately acquired Disposals	465	4 154	2 896	809	1 731	1 177	849	133 551	145 632
- separately disposed	-	-	(493)	(549)	(258)	(3)	(344)	(61 492)	(63 139)
Reclasification of assets	-	-	-	-	-	-	-	(181)	(181)
Balance at 31 December 2021	52 615	140 662	169 612	86 180	124 661	24 547	83 220	117 788	799 285
Depreciation									
Balance at 1 January 2021	-	(35 325)	(127 520)	(36 765)	(74 839)	(23 373)	(47 592)	-	(345 414)
Disposals	-	-	488	549	203	-	105	-	1 345
Depreciation	-	(4 062)	(6 588)	(1 484)	(13 331)	(206)	(3 161)	-	(28 832)
Balance at 31 December 2021	-	(39 387)	(133 620)	(37 700)	(87 967)	(23 579)	(50 648)	-	(372 901)
Carrying amount at 30 December 2021	52 615	101 275	35 992	48 480	36 694	968	32 572	117 788	426 384



- as at 31 December 2020

2020	Land	Building	Machines and equipment	Facilities and spare	Vehicles	Repairs of rented	Other	Assets in process of	Total
	BGN'000	BGN'000	BGN'000	parts BGN'000	BGN'000	assets BGN'000	BGN'000	acquisition BGN'000	BGN'000
Balance at 1 January 2020 Additions:	52 157	136 486	164 083	86 093	123 875	23 373	81 193	34 818	702 078
- separately acquired Disposals	-	78	5 050	607	1 077	-	1 621	15 986	24 419
<ul><li>separately disposed</li><li>reclassification</li></ul>	(7)	(56) -	(1 943) 19	(780)	(1 961) 197	-	(100) 1	(4 677) (217)	(9 524) -
Balance at 31 December 2020	52 150	136 508	167 209	85 920	123 188	23 373	82 715	45 910	716 973
Depreciation Balance at 1 January 2020 Depreciation of disposed assets:	-	(31 364)	(121 524)	(35 901)	(62 292)	(23 373)	(43 599)	-	(318 053)
- from separately disposed  Depreciation	-	29 (3 990)	1 610 (7 606)	609 (1 473)	902 (13 449)	-	98 (4 091)	-	3 248 (30 609)
Balance at 31 December 2020		(35 325)	(127 520)	(36 765)	(74 839)	(23 373)	(47 592)	-	(345 414)
Carrying amount at 31 December 2020	52 150	101 183	39 689	49 155	48 349	-	35 123	45 910	371 559



#### 12. Financial assets

Amounts recognized in the interim condensed consolidated statement of financial position are attributable to the following categories of financial assets:

	31.12.2021	31.12.2020
	BGN '000	BGN '000
Loans and advances to bank customers	3 049 092	2 708 863
Financial assets at fair value through profit or loss	2 040 356	2 027 241
Debt instruments measured at fair value through other comprehensive income	859 441	717 595
Equity instruments measured at fair value through other comprehensive income	73 668	83 766
·	6 022 557	5 537 465

### 13. Other financial assets at amortized cost

Amounts recognized in the consolidated statement of financial position are attributable to other financial assets measured at amortized cost are as follows:

	31.12.2021	31.12.2020
	BGN '000	BGN '000
Loans granted	214 620	179 731
Receivables under repurchase agreements	399 895	394 693
Debt instruments measured at amortized cost	687 656	464 877
Receivables from related parties	176 656	172 468
Trade receivables	129 585	137 349
Impairment loss	(17 677)	(20 381)
	1 590 735	1 328 737

## 14. Share capital

The share capital of Chimimport as at 31 December 2021 consists of 239 646 267 ordinary shares with a par value of BGN 1, including 13 182 738 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 as at period end	226 463 529	226 604 029
- treasury shares acquired by subsidiaries during the year	(140 500)	(351 204)
- beginning of the year	226 604 029	226 955 233
Shares issued and fully paid:	31.12.2021	31.12.2020

The list of principle shareholders, holding shares /ordinary and preferred/ of the capital of Chimimport AD is presented as follows:



	31.12.2021	31.12.2021	31.12.2020	31.12.2020
	Number of ordinary shares	%	Number of ordinary shares	%
Invest Capital AD	173 487 247	72.39 %	173 487 247	72.39%
Other legal entities	49 076 777	20.47 %	49 792 119	20.78%
Other private individuals	17 082 243	7.14 %	16 366 901	6.83%
Shares of the Group, acquired by subsidiaries	239 646 267	100.00 %	239 646 267	100.00%

Withholding tax for dividends due from individuals and foreign legal entities, registered in countries that are not members of EU for 2020 and 2021 amounts to 5% and the tax is deducted from the gross amount of dividends.

## 15. Borrowings

Borrowings include financial liabilities as follows:

	31.12.2021 BGN'000	31.12.2020 BGN'000
Financial liabilities at fair value: Derivatives, held-for-trading Financial liabilities measured at amortized cost:	-	-
Liabilities to depositors	6 917 880	6 168 872
Bonds and debenture loan	72 708	40 451
Bank loans	150 525	176 583
Other borrowings	25 248	29 201
Deposits from banks	41 146	66 092
Cession liabilities	45 812	53 926
Liabilities under repurchase agreements	13 811	15 449
Trade obligations	126 934	98 461
Payables to related parties	72 359	61 517
Total carrying amount	7 466 423	6 710 552

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 capital interest rates

### 16. Income tax expenses

Recognized tax expenses are based on management's best estimate of the expected annual tax rate. The tax rate, valid for 2021 is 10% corporate tax (the expected annual tax rate for the period ended on 31 December 2020 was 10%).



## 17. 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 shares (ordinary and preferred) used for the calculation of basic earnings per share as well as the net profit less the dividend expense to be distributed are as follows:

	31.12.2021	30.12.2020
Profit attributable to the shareholders (BGN)	39 091 000	32 003 000
Weighted average number of outstanding shares	226 463 529	226 604 029
Basic earnings per share (BGN per share)	0.17	0.14

## 18. Related party transactions

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

### 18.1. Transaction with owners

Sale of goods and services, interest income and other income	31.12.2021	31.12.2020
	BGN'000	BGN'000
- sale of services	10	221
- interest income	174	10
-others		2
Purchase of goods and services, interest expense and other expense		
-purchase of services	(30)	(327)
-other expense		-
- interest expense		(289)

## 18.2. Transaction with associates and other related parties under common control

Sale of goods and services, interest income and other income	31.12.2021	31.12.2020
	BGN'000	BGN'000
sale of finished goods		
- associates and joint ventures	1 025	555
- other related parties outside the group	228	1 764



Sale of goods and services, interest income and other income	31.12.2021	31.12.2020
income	BGN'000	BGN'000
sale of goods		
- associates and joint ventures	279	293
- other related parties outside the group	462	268
sale of services		
- associates and joint ventures	10 860	11 419
- other related parties outside the group	2 259	507
interest income		
- associates and joint ventures	349	240
- other related parties outside the group	868	1 883
other income		
- associates and joint ventures	1 354	147
- other related parties outside the group	4	380
, , , , , , , , , , , , , , , , , , , ,		
Purchase of services and interest expense	31.12.2021	31.12.2020
	BGN'000	BGN'000
purchase of services		
- associates and joint ventures	(9 337)	(9 839)
- other related parties	(4 994)	(4 235)
interest expense and other expenses		
- associates and joint ventures	(4)	-
- other related parties joint ventures	(144)	(35)



## 18.3. Transaction with key managment personnel

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

	31.12.2021	31.12.2020
	BGN'000	BGN'000
Short-term employee benefits:		
Salaries, including bonuses	(492)	(1 779)
Social security costs	(16)	(24)
Total:	(508)	(1 803)
19. Related party balances		
	31.12.2021	31.12.2020
	BGN'000	BGN'000
Non-current receivables from:		
-owners		-
-associated enterprises	3 507	3 450
-joint- ventures	-	-
- other related parties	47 342	49 296
Total	50 849	52 746
	31.12.2021	31.12.2020
Current receivables from:		
-owners	23 031	21 820
- associates enterprises	1 217	961
-joint- ventures	6 509	1 264
- other related parties	95 050	95 677
Total	125 807	119 722
	24 42 2024	24 42 2020
	31.12.2021	31.12.2020
Non augrent navables to	BGN'000	BGN'000
Non-current payables to:		
-owners	8	12
-associates enterprises	7 778	5 010
-joint- ventures	947	236
- other related parties	10 725	11 771
Total	19 458	17 029



	31.12.2021	31.12.2020
	BGN'000	BGN'000
Current payables to:		
-owners	25 012	22 153
- associates enterprises	7 135	6 099
-joint- ventures	402	295
- other related parties	20 352	15 941
Total	52 901	44 488

## 20. Post - reporting date events

From December 31, 2021 until February 28, 2022 there are no significant events that have occurred that are important for the development of the Group of Chimimport AD

## 21. Autoriazation of the interim condensed financial statements

The interim condensed consolidated financial statements as of 31 December 2021 (including comparatives) were approved for issue by the Managing board on 28 February 2022.