# Consolidated Financial Statements
# Consolidated Management Report
# Consolidated Report on Payments to Governments
# Independent Auditor’s Report

## CHIMIMPORT AD

31 December 2025

CHIMIMPORT
PUBLIC HOLDING COMPANY

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# Consolidated statement of financial position as at 31 December

| Assets | Note | 31.12.2025 BGN'000 | 31.12.2024 BGN'000 |
|---|---|---|---|
| Property, plant and equipment | 8 | 352 533 | 320 521 |
| Right of use assets | 9 | 647 613 | 632 921 |
| Investment property | 10 | 589 283 | 582 779 |
| Intangible assets | 11 | 78 860 | 91 530 |
| Deferred tax assets | 12 | 23 869 | 24 466 |
| Investments accounted for using the equity method | 6 | 27 351 | 26 943 |
| Loans and advances to bank customers | 13 | 3 441 360 | 3 265 062 |
| Financial assets at fair value through profit or loss | 14 | 3 124 590 | 2 932 488 |
| Financial instruments at fair value through other comprehensive income | 15 | 1 075 244 | 904 377 |
| Other financial assets carried at amortized cost | 16 | 2 794 718 | 2 812 896 |
| Reinsurance contract assets | 27 | 79 041 | 81 363 |
| Tax receivables | 17 | 25 095 | 1 250 |
| Other receivables | 18 | 43 536 | 31 853 |
| Inventories | 19 | 73 237 | 71 973 |
| Cash and cash equivalents | 20 | 3 218 138 | 2 269 589 |
| **Total assets** | | **15 594 468** | **14 050 011** |

The consolidated financial statements are approved for issue by decision of the Managing Board on 30.04.2026.

**Prepared by:** _____ /A. Kerezov/ **Executive director:** _____ /M. Ivanov/

**With auditor's report:**

**PhD. Mariana Mihaylova**
**Registered auditor responsible for the audit**
**Managing Partner**
**RSM BG OOD, audit firm, registered number 173**

# Consolidated statement of financial position as at 31 December (continued)

| Equity and liabilities | Note | 31.12.2025 BGN'000 | 31.12.2024 BGN'000 |
|---|---|---|---|
| **Equity** | | | |
| Share capital | 21.1 | 226 463 | 226 463 |
| Premium reserve | 21.2 | 246 309 | 246 309 |
| Other reserves | 21.3 | 510 316 | 431 860 |
| Retained earnings | | 564 376 | 540 809 |
| Profit for the year | | 113 493 | 99 802 |
| **Equity attributable to the shareholders of Chimimport AD** | | **1 660 957** | **1 545 243** |
| Non-controlling interest | 5.1 | 400 998 | 369 833 |
| **Total equity** | | **2 061 955** | **1 915 076** |
| **Liabilities** | | | |
| Liabilities to depositors | 22 | 9 440 429 | 8 354 635 |
| Other financial liabilities | 23 | 387 614 | 393 582 |
| Payables to insured individuals | 24 | 2 691 413 | 2 387 975 |
| Pension and other employee obligations | 25.2 | 22 972 | 22 041 |
| Deferred tax liabilities | 12 | 52 957 | 46 787 |
| Insurance contracts liabilities | 26 | 286 875 | 262 422 |
| Reinsurance contracts liabilities | 27 | 17 479 | 13 807 |
| Lease liabilities | 28 | 528 956 | 551 836 |
| Tax liabilities | 29 | 9 703 | 7 871 |
| Other liabilities | 30 | 94 115 | 93 979 |
| **Total liabilities** | | **13 532 513** | **12 134 935** |
| **Total equity and liabilities** | | **15 594 468** | **14 050 011** |

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**Prepared by:** /A. Kerezov/ **Executive director:** /M. Ivanov/

**With auditor's report:**

**PhD. Mariana Mihaylova**
**Registered auditor responsible for the audit**
**Managing Partner**
**RSM BG OOD, audit firm, registered number 173**

# Consolidated statement of profit or loss and other comprehensive income for year ended 31 December

| | Note | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|---|
| Revenue from non-financial activities | 31 | 497 360 | 491 644 |
| Change in fair value of investment property | 10 | 6 622 | 4 508 |
| Gain/(loss) on sale of non-current assets | 32 | 669 | 2 676 |
| **Total revenue from non-financial activities** | | **504 651** | **498 828** |
| | | | |
| Insurance revenue | 33 | 328 868 | 284 980 |
| Insurance service expenses | 33 | (253 286) | (247 021) |
| **Net result from insurance contracts issued** | 33 | **75 582** | **37 959** |
| **Net result from reinsurance contracts held** | 27, 33 | **(31 916)** | **(16 672)** |
| **Insurance service result** | | **43 666** | **21 287** |
| Interest income | 34 | 295 080 | 297 963 |
| Interest expense | 35 | (46 251) | (41 558) |
| **Net interest income** | | **248 829** | **256 405** |
| Net result from operations with financial instruments | 36 | 165 080 | 97 636 |
| Operating and administrative expenses | 37 | (722 824) | (689 908) |
| Gain from investments accounted for using the equity method | 6 | 5 283 | 5 661 |
| Other financial income, net | 38 | 58 682 | 86 330 |
| Income from allocation to social security accounts | | (148 251) | (135 837) |
| **Profit before tax** | | **155 116** | **140 402** |
| Income tax expense | 39 | (18 190) | (15 970) |
| **Net profit for the year** | | **136 926** | **124 432** |
| **Other comprehensive income:** | | | |
| Revaluation of financial assets, net of taxes | | 3 013 | 6 988 |
| Remeasurement of defined benefit plan liability, net of taxes | | (169) | (567) |
| **Other comprehensive income, net of taxes** | | **2 844** | **6 421** |
| **Total comprehensive income for the year** | | **139 770** | **130 853** |
| **Net profit for the year attributable to:** | | | |
| The shareholders of Chimimport AD | | 113 493 | 99 802 |
| Non-controlling interest | | 23 433 | 24 630 |
| **Total comprehensive income for the year attributable to:** | | | |
| The shareholders of Chimimport AD | | 115 223 | 104 484 |
| Non-controlling interest | | 24 547 | 26 369 |
| **Earnings per share in BGN** | 40 | 0.49 | 0.44 |

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**Prepared by:** /A. Kerezov/ **Executive director:** /M. Ivanov/

**With auditor's report:**

**PhD. Mariana Mihaylova**
**Registered auditor responsible for the audit**
**Managing Partner**
**RSM BG OOD, audit firm, registered number 173**

# Consolidated statement of changes in equity for the year ended 31 December

| 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 2025** | **226 463** | **246 309** | **431 860** | **640 611** | **1 545 243** | **369 833** | **1 915 076** |
| Business combination | - | - | - | 224 | 224 | 7 277 | **7 501** |
| Dividend distributions | - | - | - | - | - | (659) | **(659)** |
| **Transactions with owners** | **-** | **-** | **-** | **224** | **224** | **6 618** | **6 842** |
| Profit for the year | - | - | - | 113 493 | 113 493 | 23 433 | **136 926** |
| Other comprehensive income | - | - | 1 730 | - | 1 730 | 1 114 | **2 844** |
| **Total comprehensive income for the year** | **-** | **-** | **1 730** | **113 493** | **115 223** | **24 547** | **139 770** |
| Transfer of retained earnings to other reserves | - | - | 69 980 | (69 980) | - | - | **-** |
| Change in specialized reserves | - | - | 7 181 | (7 181) | - | - | **-** |
| Other changes | - | - | (435) | 702 | 267 | - | **267** |
| **Balance at 31 December 2025** | **226 463** | **246 309** | **510 316** | **677 869** | **1 660 957** | **400 998** | **2 061 955** |

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**Prepared by:** /A. Karezov/ **Executive director:** /M. Ivanov/

**With auditor's report:**

**PhD. Mariana Mihaylova**
**Registered auditor responsible for the audit**
**Managing Partner**
**RSM BG OOD, audit firm, registered number 173**

# Consolidated statement of changes in equity for the year ended 31 December (continued)

| 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 2024** | **226 463** | **246 309** | **345 477** | **622 510** | **1 440 759** | **345 130** | **1 785 889** |
| Business combinations | - | - | - | - | - | (1 666) | **(1 666)** |
| **Transactions with owners** | - | - | **-** | **-** | - | (1 666) | **(1 666)** |
| Profit for the year | - | - | - | 99 802 | 99 802 | 24 630 | **124 432** |
| Other comprehensive income | - | - | 4 682 | - | 4 682 | 1 739 | **6 421** |
| **Total comprehensive income for the year** | **-** | **-** | **4 682** | **99 802** | **104 484** | **26 369** | **130 853** |
| Transfer of retained earnings to other reserves | - | - | 75 089 | (75 089) | - | - | **-** |
| Change in specialized reserves | - | - | 6 612 | (6 612) | - | - | **-** |
| **Balance at 31 December 2024** | **226 463** | **246 309** | **431 860** | **640 611** | **1 545 243** | **369 833** | **1 915 076** |

The consolidated financial statements are approved for issue by decision of the Managing Board on 30.04.2026.

**Prepared by:** _____ /A. Kerezov/

**Executive director:** _____ /M. Ivanov/

**With auditor's report:**

**PhD. Mariana Mihaylova**
**Registered auditor responsible for the audit**
**Managing Partner**
**RSM BG OOD, audit firm, registered number 173**

# Consolidated statement of cash flows for the year ended 31 December

| | Note | 2025 | 2024 |
|---|---|---|---|
| **Operating activities** | | **BGN'000** | **BGN'000** |
| Proceeds from short-term loans | | 18 467 | 32 882 |
| Payments for short-term loans | | (1 953) | (62 833) |
| Proceeds from sale of short-term financial assets | | 784 759 | 511 583 |
| Purchase of short-term financial assets | | (1 034 092) | (876 076) |
| Cash receipt from customers | | 499 008 | 545 033 |
| Cash paid to suppliers | | (361 125) | (396 829) |
| Proceeds from insured persons | | 321 345 | 301 629 |
| Payments to insured persons | | (135 804) | (86 787) |
| Payments to employees and social security institutions | | (149 033) | (161 823) |
| Cash receipts from bank operations | | 57 637 036 | 69 018 812 |
| Cash paid for bank operations | | (56 520 253) | (68 270 906) |
| Cash receipts from insurance operations | | 339 420 | 297 631 |
| Cash paid for insurance operations | | (220 697) | (197 135) |
| Income taxes paid | | (32 553) | (2 365) |
| Other cash (outflows)/inflows | | (16 758) | (15 179) |
| **Net cash flow from operating activities** | | **1 127 767** | **637 637** |
| **Investing activities** | | | |
| Dividends from financial assets received | | 15 119 | 20 420 |
| Sale of property, plant and equipment | | 1 849 | 1 101 |
| Purchase of property, plant and equipment | | (42 086) | (18 229) |
| Purchase of intangible assets | | (349) | (510) |
| Sale of investment property | | 2 538 | 2 325 |
| Purchase of investment property | | (25 764) | (3 101) |
| Sale of non-current financial assets | | 2 678 112 | 3 032 423 |
| Purchase of non-current financial assets | | (2 794 496) | (3 629 727) |
| Interest payments received | | 60 131 | 42 448 |
| Proceeds from loans granted | | 4 482 | 8 146 |
| Payments for loans granted | | (13 600) | (14 153) |
| Other cash inflows | | 16 368 | 13 561 |
| **Net cash flow from investing activities** | | **(97 696)** | **(545 296)** |
| **Financing activities** | | | |
| Proceeds from loans received | 44 | 17 038 | 2 454 |
| Payments for loans received | 44 | (37 650) | (26 195) |
| Interest paid | 44 | (4 128) | (4 501) |
| Payments for lease contracts | 44 | (52 113) | (57 784) |
| Other cash outflow | | (1 258) | (1 669) |
| **Net cash flow from financing activities** | | **(78 111)** | **(87 695)** |
| Net change in cash and cash equivalents | | **951 960** | **4 646** |
| **Cash and cash equivalents, beginning of year** | | **2 269 589** | **2 263 788** |
| Exchange gain/(loss) on cash and cash equivalents | | **(3 411)** | **1 155** |
| **Cash and cash equivalents, end of year** | 20 | **3 218 138** | **2 269 589** |

The consolidated financial statements are approved for issue by decision of the Managing Board on 30.04.2026.

**Prepared by:** /A. Karaadu/ **Executive director:** /M. Ivanov/

**With auditor's report:**

**PhD. Mariana Mihaylova**
**Registered auditor responsible for the audit**
**Managing Partner**
**RSM BG OOD, audit firm, registered number 173**

# Notes to the consolidated financial statements

## 1. General information and scope of activity

Chimimport AD (the Group) includes the parent company and all subsidiaries referred to in an explanation 5.1 Information on the name, country of incorporation, shareholding for each subsidiary included in the consolidation is provided in an explanation 5.1.

The Group's main activities include the following sectors:

- Acquisition, management and sale of interests in Bulgarian and foreign companies;
- Financing of companies in which the Group participates;
- Banking, finance, general insurance, life insurance and pension insurance;
- Oil and gas production;
- Construction of capacities in the field of oil refining industry, production of biofuels and production of rubber products;
- Production and trade in petroleum and chemical products and natural gas;
- Production of vegetable oils, purchase, processing and trade in cereals;
- Air transport and ground maintenance and repair activities of aircraft and aircraft engines;
- River and sea transport and port infrastructure;
- Commercial representation and mediation;
- Commission, forwarding and warehousing activities.

Chimimport AD is registered as joint-stock company by the Sofia City Court of Sofia with UIC 000627519 on 24.01.1990 and has not a limited period of existence . The registered office of the Parent Company is ul. Stefan Karadzha No2, Sofia, Bulgaria. Bulgaria The management address of the Parent Company is ul. Stefan Karadzha No2, Sofia, Bulgaria The parent company was listed on the Bulgarian Stock Exchange AD on October 30, 2006 with stock code 6C4/CHIM for ordinary shares of the company and with LEI code 549300GB265U3RQEQC54

The parent company is managed through a two-tier management system, including a Supervisory Board and a Management Board.

**Members of the Supervisory Board of the parent company are**:

- Invest Capital AD – represented by Bistra Marinkova and Mirolyub Ivanov
- CCB Group EAD – represented by Tihomir Atanasov
- Mariana Bazhdarova

**Members of the Management Board of the parent company are:**

Alexander Kerezov
Ivo Georgiev
Marin Mitev
Nikola Mishev
Mirolyub Ivanov
Tsvetan Botev

As of December 31, 2025, the parent company is represented by the Executive Director Mirolyub Ivanov.

The number of employees of the Group as at 31 December 2025 is 4 071 (2024:4 365).

During the reporting and comparative periods, there was no change in the name of the parent enterprise.

## 2. Statement of compliance with IFRS and application of the going concern basis

### 2.1. Statement of compliance with IFRS as adopted by the EU

The Group's consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) developed and published by the International Accounting Standards Board (IASB) and adopted by the EU. For the purposes of paragraph 1(8) of the Additional

Provisions of the Accountancy Act applicable in Bulgaria, the term "IFRS adopted by the EU" means the International Accounting Standards (IAS) adopted in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council.

The parent company Chimimport AD has prepared and audited its own financial statements as of March 31, 2025.

The individual elements of the Group's consolidated financial statements are measured in the currency of the main economic environment in which the Group's entities operate (the "functional currency"). The consolidated financial statements are prepared in Bulgarian leva (BGN), which is the functional currency of the parent entity and its subsidiaries, excluding those operating in Germany and Slovakia, whose functional currency is euro; of a subsidiary operating in Macedonia whose functional currency is the Macedonian denar and of a subsidiary in Russia whose functional currency is the Russian ruble.

All amounts are presented in thousands of BGN (thousand BGN) (including comparative information for 2024), unless otherwise stated.

Management is responsible for the preparation and fair presentation of the information in these consolidated financial statements.

## 2.2. Implementation of the going concern principle

At the date of preparation of these consolidated financial statements, management has made an assessment of the Group's ability to continue to operate as a going concern on the basis of available information for the foreseeable future. Following the investigations, management has a reasonable expectation that the Group has sufficient resources to continue operating in the coming years. Accordingly, it continues to apply the going concern principle in the preparation of the annual stand-alone financial statements. The external factors observed by management for the purpose of analysing and determining the risks faced by the company and the group of companies are mainly related to the military conflicts in Ukraine and the Middle East, as well as the unstable macroeconomic situation in the country and the world, mainly as a result of geopolitical uncertainties.

Geopolitical events

**The conflict between Russia and Ukraine**

The geopolitical uncertainty resulting from the war in Ukraine, the imposed bans on the entry of aircraft from Russia and the suspension of travel to and from Russia had a direct impact on the activities of some subsidiaries and associates, as part of their revenues were generated from flights, passengers, servicing those arriving and departing from/to the Russian Federation.
All these factors still have an impact on the growth rate of aviation revenues and related cash flows.

**The conflict in the Middle East**

Since the end of February, there has been an escalation of tensions related to the conflict in Iran, which contributes to increased geopolitical uncertainty in the region and at the global level. The potential consequences of these events include increased volatility in energy markets, further fluctuations in the macroeconomic environment and increased uncertainty about future economic conditions. Specifically, the effects for the Group will be in terms of investments in subsidiaries whose aviation activities are directly affected by the closure of airspace and the restriction of flights in the Middle East region.

Management monitors the development of the situation and has taken into account the available information in preparing the accounting estimates and assumptions. At this time, no need for adjustments to the financial statements has been identified, beyond the disclosures made.

*Macroeconomic uncertainties*

The assessment of a going concern takes into account the current macroeconomic forecasts for the Republic of Bulgaria for 2026, published by the Bulgarian National Bank (BNB) and the Ministry of Finance, including:

- GDP growth is expected at 3.1% in 2026.
- Inflation of 3.5%, with a tendency to slow down compared to 2025.

- Low unemployment, stable consumption and moderate wage growth.
- Expected absorption of EU funds under the National Recovery and Resilience Plan.
- Changeover to the euro from 01.01.2026, which is expected to improve monetary transmission and strengthen confidence in the economic environment.

The forecasts are characterized by a high degree of uncertainty arising from the external environment. The main sources of uncertainty are related to potential changes in the US trade policy towards Europe and other countries and the responses of their main trading partners. These factors may have a significant negative impact on economic activity in Bulgaria.

In 2025, the United States announced new trade tariffs on goods from the EU and China, which led to tensions in the global trading system. According to the European Central Bank and the International Monetary Fund, such measures could lead to:

- Slowdown in economic growth in the EU by up to 1.2% of GDP by the end of 2026
- Reducing exports in key sectors such as automotive, pharmaceuticals and electronics.
- Increased uncertainty in trade relations, which may affect investment activity and exchange rates.

Management considers that while these factors pose a risk, they do not directly jeopardize the Company's operations.

## 3. New or revised standards or interpretations

### 3.1. New standards amendments and clarifications entered into force on 1 January 2025

The Group has adopted the following new standards, amendments and clarifications to IFRSs, issued by the International Accounting Standards Board and approved by the EU, which are relevant and in force for the Group's consolidated financial statements for the annual period beginning on 1 January 2025:

**Amendments to IAS 21 Effects of changes in exchange rates: Lack of convertibility, effective as of 1 January 2025, adopted by the EU**
Amendments to IAS 21 include:

- specifying when one currency can be exchanged for another currency and when not. A currency may be exchanged when an entity is able to exchange that currency for the other currency through markets or exchange mechanisms that create enforceable rights and obligations without undue delay at the measurement date and for a particular purpose. one currency may not be exchanged for another currency if an entity can receive only a negligible amount of the other currency.
- Requirement on how an entity determines the exchange rate that applies when a currency cannot be exchanged – When a currency cannot be exchanged at the measurement date, an entity measures the spot exchange rate as the rate that would have been applied in a regular transaction between market participants at the measurement date and that would faithfully reflect prevailing economic conditions.
- Requirement to disclose additional information when the currency is not convertible – When the currency is not convertible, an entity discloses information that would allow users of its financial statements to assess how the lack of currency convertibility affects or is expected to affect its financial results, financial position and cash flows.

### 3.2. Standards, amendments and clarifications that have not yet entered into force and are not applicable from an earlier date by the Group

At the date of approval of these consolidated financial statements, new standards, amendments and clarifications to existing standards have been published, but have not entered into force or have not been adopted by the EU for the financial year starting on 1 January 2025 and have not been applied since an earlier date by the Group. Management expects all standards and amendments to be adopted in the Group's accounting policy in the first period starting after the date of their entry into force.

Information on these standards and amendments that are expected to have an effect on the Group's financial statements is set out below.

**Annual improvements, effective from 1 January 2026, adopted by the EU**
Annual improvements cover a wide area of topics in the following standards:

- ***IFRS 1 First application of International Financial Reporting Standards***

Accounting for hedge by an entity that applies IFRS for the first time. The amendment addresses potential confusion arising from inconsistency in the wording of paragraph B6 of IFRS 1 and the hedge reporting requirements in IFRS 9 Financial Instruments.

- ***IFRS 7 Financial Instruments: Disclosures***
- *Gain or loss on write-off. The* amendment relates to a potential confusion in paragraph B38 of IFRS 7 resulting from an obsolete reference to a paragraph that was deleted from the standard when IFRS 13 Fair Value Measurement was issued.
- *Disclosure of the deferred difference between fair value and transaction price. The* amendment refers to a discrepancy between paragraph 28 of IFRS 7 and the accompanying Enforcement Guidance that occurs when a subsequent amendment resulting from the issuance of IFRS 13 is made in paragraph 28 but not in the relevant paragraph in the Enforcement Guidelines.
- *Introduction and disclosure of credit risk. The* amendment removes potential confusion by clarifying in paragraph AG1 that the guidance does not necessarily illustrate all the requirements in those paragraphs of IFRS 7. Some disclosures have been simplified.
- ***IFRS 9 Financial Instruments***
- *Removal of recognition of lease liabilities by the lessee. The* amendment addresses a potential lack of clarity in the application of the requirements of IFRS 9 to account for the repayment of lease obligations of the lessee, which arises because paragraph 2.1(b)(ii) of IFRS 9 includes a reference to paragraph 3.3.1 but not to paragraph 3.3.3 of IFRS 9.
- *Transaction price. The* amendment relates to potential confusion arising from the reference in Appendix A to IFRS 9 to the definition of 'transaction price' in IFRS 15 Revenue from contracts with customers, whereas the term 'transaction price' is used in certain paragraphs of IFRS 9 with a meaning that is not necessarily consistent with the definition of that term in IFRS 15.
- ***IFRS 10 Consolidated Financial Statements***
- *Definition of 'de facto agent'. The* amendment addresses potential confusion arising from a discrepancy between paragraphs B73 and B74 of IFRS 10 relating to the investor's determination of whether another party is acting on its behalf by aligning the wording in the two paragraphs.
- ***IAS 7 Statement of Cash Flows***
- *Cost method. The* amendment relates to a potential confusion in the application of paragraph 37 of IAS 7 that results from the use of the term 'cost method' that is no longer defined in the IFRS accounting standards.

**Amendments to the classification and measurement of financial instruments (amendments to IFRS 9 and IFRS 7), effective from 1 January 2026, adopted by the EU**
The amendments are:

- ***Write-off of a financial liability settled by electronic transfer. The*** amendments to the IFRS 9 Implementation Guidelines allow an entity to consider that a financial liability (or part thereof) that will be settled in cash through an electronic payment system is repaid before the settlement date if certain criteria are met. An entity that chooses to apply the derecognition option will need to apply it to all payments made through the same electronic payment system.
- ***Classification of financial assets***
- *Contractual terms that are consistent with a master loan agreement. The* amendments to the IFRS 9 Implementation Guidance provide guidance on how an entity can assess whether the contractual cash flows of a financial asset are consistent with a master loan agreement. To illustrate the changes to the Enforcement Guidelines, the amendments add examples of financial assets that have or do not have contractual cash flows that are only principal and interest payments on outstanding principal.
- *Assets with non-regressive characteristics*. The amendments improve the description of the term "non-regressive". Under the amendments, a financial asset has the characteristics of a non-regressive asset if the entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by certain assets.

- *Contract-related instruments*. The amendments clarify the characteristics of contractually related instruments that distinguish them from other transactions. The amendments also note that not all transactions involving multiple debt instruments meet the criteria for transactions in multiple contractually related instruments and provide an example. In addition, the amendments clarify that the reference to instruments in the core group may include financial instruments that are not covered by the classification requirements.

- ***Announcements***
- *Investments in equity instruments determined at fair value through other comprehensive income*. The requirements of IFRS 7 are amended with respect to the disclosures that an entity provides with respect to those investments. In particular, an entity will be required to disclose the profit or loss at fair value presented in other comprehensive income during the period, showing separately the profit or loss at fair value that relates to investments derecognised during the period and the gain or loss at fair value that relates to investments held at the end of the period.
- *Contractual terms that could change the timing or amount of contractual cash flows. Amendments* require disclosure of contractual terms that could change the timing or amount of contractual cash flows upon the occurrence (or non-occurrence) of a contingent event that is not directly related to changes in underlying credit risks and costs. The requirements apply to each class of financial asset measured at amortised cost or at fair value through other comprehensive income, as well as to each class of financial liability measured at amortised cost.

**IFRS 18 Presentation and Disclosure in Financial Statements, effective 1 January 2027, adopted by the EU**

IFRS 18 aims to improve the way entities disclose their financial statements, with a focus on information on financial performance in the profit or loss statement. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 enters into force on 1 January 2027 and companies are permitted to apply IFRS 18 before that date. IFRS 18 replaces IAS 1 Presentation of Financial Statements. The requirements in IAS 1 that have not been changed have been transferred to IFRS 18 and other standards. IFRS 18 will affect all entities in all industries. While IFRS 18 will not affect the way companies measure financial performance, it will affect the way companies present and disclose financial performance. IFRS 18 aims to improve financial reporting by:

- A requirement for additional defined subtotals in the profit or loss statement. Adding defined subtotals to the profit or loss statement facilitates the comparison of entities' financial performance and provides a consistent starting point for investor analysis.
- a requirement for disclosure of management performance indicators. The requirement for companies to disclose information on management performance indicators increases discipline in their use and transparency in their calculation.
- adding new principles for grouping (aggregation and disaggregation) of information. Setting requirements for whether information should be in the main financial statements or in the explanatory annexes and providing principles for the required level of detail improves the effective transmission of information.

**IFRS 19 Subsidiaries without public accountability: Disclosures, effective as of 1 January 2027, not yet adopted by the EU**

The purpose of IFRS 19 is to specify the disclosure requirements that an entity is entitled to apply in place of the disclosure requirements in other IFRS accounting standards. An entity may choose to apply this Standard in its consolidated, separate or separate financial statements only if, at the end of the reporting period, it is a subsidiary and is not publicly accountable and has a terminal or intermediate parent that prepares consolidated financial statements available to the public that are consistent with IFRSs.

IFRS 19 sets out the detailed disclosures that an entity applying IFRS 19 is required to make. These disclosure requirements are an abbreviated version of the requirements set out in other IFRS accounting standards. Of the 34 IFRS accounting standards that include disclosure requirements, IFRS 19 provides reduced disclosure requirements for 30 of them. The disclosure requirements for 3 standards must be fully applied (IFRS 8, IFRS 17 and IAS 33). Entities applying IAS 26 Accounting and Accounting for Pension Plans do not meet the 'not subject to public reporting' criterion and therefore cannot apply IFRS 19.

**Amendments to IFRS 19 Subsidiaries without public reporting: Disclosure, effective as of 1 January 2027, not yet adopted by the EU;**
The amendments include reduced disclosure requirements, the exclusion of objectives and guidance in areas such as supplier financing agreements, Pillar II rules and financial instruments, and the replacement of performance indicators defined by management with reference to IFRS 18.

**Amendments to IAS 21 Restatement to Hyperinflationary Presentation Currency, effective 1 January 2027, not yet adopted by the EU;**
The changes relate to a specific case where a parent entity (whose presentation currency is hyperinflationary) consolidates a foreign entity (whose functional currency is not hyperinflationary). Comparative data for foreign entities with non-hyperinflationary functional currencies must be recalculated using the general price index (in accordance with IAS 29) when presented in the hyperinflationary presentation currency.

## 4. Material information for the accounting policies

### 4.1. Overall considerations

The most relevant information on the accounting policies applied in the preparation of these consolidated financial statements is presented below.

The consolidated financial statements are prepared in compliance with the principles for measuring all types of assets, liabilities, income and expenses in accordance with IFRS. The measurement bases are disclosed in detail later in the accounting policy to the consolidated financial statements.

It should be noted that accounting estimates and assumptions were used in the preparation of the presented consolidated financial statements. Although they are based on information provided to management at the date of preparation of the consolidated financial statements, actual results may differ from estimates and assumptions made.

### 4.2. Presentation of consolidated financial statements

The consolidated financial statements are presented in accordance with ICC 1 Presentation of Financial Statements. The Group has agreed to present the consolidated statement of profit or loss and other comprehensive income in a single report.

The consolidated statement of financial position presents two comparative periods when the Group:

(a) apply the accounting policy retrospectively;

(b)retrospectively recalculates items in the consolidated financial statements; or

(c)classifies items in the consolidated financial statements.

Where there are adjustments to the classification of the elements of the consolidated financial statements, the relevant comparative data have also been reclassified to ensure comparability between reporting periods.

In 2025, one comparative period is presented

### 4.3. Basis of consolidation

The Group's consolidated financial statements summarize the financial statements of the parent and subsidiaries as at 31 December 2025. Subsidiaries are all entities that are under the control of the parent. There is control when the parent company is exposed to, or has rights to, the variable returns from its participation in the investee and has the ability to influence those returns through its powers over the investee. All subsidiaries have a reporting period ending 31 December.

All intra-group transactions and balances are eliminated, including unrealised gains and losses from transactions between companies in the Group. When unrealised losses from intra-group asset sales are eliminated, the relevant assets are tested for impairment from the Group's perspective. The amounts presented in the financial statements of subsidiaries have been adjusted where necessary to ensure compliance with the accounting policies applied by the Group.

Profits or losses and other comprehensive income of subsidiaries that are acquired or sold during the year are recognised from the date of the acquisition or until the date of their sale.

The non-controlling interest as part of equity is the share of the subsidiary's profit or loss and net assets that are not owned by the Group. The total comprehensive income or loss of the subsidiary is attributable to the owners of the parent and non-controlling interests on the basis of their relative share in the subsidiary's equity.

If the Group loses control of the subsidiary, any investment retained in the former subsidiary is recognised at fair value at the date of the loss of control, with the change in book value being reflected in profit or loss. The fair value of any investment retained in the former subsidiary at the date of loss of control is deemed fair value at initial recognition of a financial asset or, where appropriate, cost at initial recognition of an investment in an associate or jointly controlled entity. In addition, any amounts recognised in other comprehensive income in respect of that subsidiary are accounted for on the same basis as would have been necessary if the Group had directly disposed of the relevant assets or liabilities (eg reclassified in profit or loss or retained directly in retained earnings as required by the relevant IFRS).

Profit or loss on the write-off of an investment in a subsidiary is the difference between (i) the sum of the fair value of the consideration received and the fair value of any retained investment in the former subsidiary and ( ii) the carrying amount of the subsidiary's assets (including goodwill) and liabilities and any non-controlling interest.

### 4.4. Climate-related matters

Legislators, regulators and users of non-financial information are currently paying close attention to climate change. The EU has adopted the European Green Deal for the transition to a more resilient economic and financial system, and in the coming years, detailed climate change reporting requirements will become applicable as part of European sustainability reporting standards under the upcoming Corporate Sustainability Reporting Directive. In 2024, the country adopted amendments to the Accountancy Act, which required public-interest enterprises with more than 500 employees to also prepare a sustainability report as part of the activity report. In March 2025, the amendments were postponed by 1 year, i.e. they enter into force for financial statements for 2025. With the published amendment, the sustainability reporting is shifted by another year: the first reporting period for which Chimimport AD should include a sustainability report is 2027.

A number of different amendments are expected in 2027, incl. an increase in reporting thresholds, a change in the definition of net revenue, as well as a significant change to the ESSG.

Risks caused by climate change may have future adverse effects on the Group's business activities. These risks include transition risks (e.g. regulatory and reputational risks) and physical risks. The way in which the Group's subsidiaries and associates operate may be affected by new regulatory limits on the CO2 emissions they generate. Some subsidiaries and associates are engaged in the purchase of emission allowances under Directive 2003/87/EC, the ETS Directive – as last amended by Directive (EU) 2018/410, thereby making a significant contribution to reducing carbon leakage risks and stimulating decarbonisation by including benchmarks for free allocation based on the performance of the best performing undertakings in a given sector.

The Group's activities aim to achieve the 'do no significant harm' principle.

At present, most of the companies in the Group of the most vulnerable segments have established and detailed measures to overcome climate changes, as well as ways to reach a NetZero level of carbon emissions.

The effects of climate change can be in the context of two perspectives - the impact that a company can have on the environment through its activities and the impact that environmental and climate change can have on its business.

The Group's activities encompass many economic activities, some companies do not have a direct impact on the environment, while others have a direct impact, which is intended to be limited by achieving a balance between sustainable practices, without loss of economic efficiency.

In the event of future climate change actions directly affecting the business, the Group companies are committed to preparing a climate impact analysis and limiting their carbon emissions. The Group's

management monitors the evolution of regulatory changes and the potential constraints that may arise in this regard.

Regarding the implementation of the goals for reducing carbon footprint and climate impact, from the beginning of 2025 airlines are required to ensure that at least 2% of the aviation fuel used is sustainable. Sustainable Aviation Fuel (SAF) is an alternative to traditional fossil fuels, with similar technical characteristics, but produced from sustainable feedstocks and resulting in significantly lower carbon emissions. These requirements are laid down in Regulation (EU) 2023/2405 of the European Parliament and of the Council of 18 October 2023 (the ReFuelEU Aviation initiative), which aims to create a level playing field for sustainable air transport.

The gradual introduction of Sustainable Aviation Fuel (SAF) into the Union's air transport market leads to additional costs for airlines, as its production is currently more expensive compared to conventional aviation fuels. This may create challenges for maintaining equal competitive conditions within the sector, including among operators and airports, in the context of existing regulatory mechanisms such as the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) and the EU Emissions Trading System (EU ETS). In addition, the limited availability of feedstocks and production capacity for SAF may result in shortages and additional pressure on prices, potentially affecting the competitiveness of the aviation sector. Therefore, the European regulatory framework provides for harmonized measures aimed at preventing adverse market effects and ensuring equal conditions for all participants in the sector.

In line with the previous year, as at 31 December 2025, the Group's management did not identify significant risks caused by climate change that could have a negative and material impact on the consolidated financial statements. Management continuously assesses the impact of climate-related risks and issues.

Assumptions could change in the future in response to changes in environmental regulations, new commitments made and changing consumer demand or attitudes towards the various products and services provided by the Group. These changes, if not foreseen, could potentially have an impact on the Group's future cash flows, financial performance and financial position.

### 4.5. Business combinations

All business combinations are accounted for using the purchase method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the fair values at the acquisition date of the assets transferred by the acquirer, the obligations assumed by the acquirer to the former owners of the acquired entity and the equity interests issued by the Group. The consideration transferred includes the fair value of assets or liabilities arising as a result of contingent considerations. Acquisition costs are accounted for in profit or loss at the period of their occurrence.

The purchase method includes the recognition of the acquiree's identifiable assets and liabilities, including contingent liabilities, whether or not they were recognised in the financial statements of the acquired entity prior to the business combination. At initial recognition, the assets and liabilities of the acquired subsidiary are included in the consolidated statement of financial position at their fair value, which serves as the basis for subsequent measurement in accordance with the Group's accounting policy.

For each business combination, the Group shall measure any non-controlling interest in the acquired entity that represents a share of its equity and entitles it to a liquidation interest, either at fair value or at a pro rata share of the non-controlling interest in the identifiable net assets of the acquiree. Other types of non-controlling interests are measured at fair value or, if applicable, on a basis set out in another IFRS.

Goodwill is recognised after all identifiable intangible assets have been determined. It is the excess of the sum of (a) the fair value of the consideration transferred at the acquisition date and (b) the amount of any non-controlling interest in the acquiree, and (c) in a business combination achieved in stages, the fair value at the acquisition date of the Group's prior equity interest in the acquiree, over the fair value of the acquireable company's identifiable net assets at the acquisition date. Any excess of the fair value of the identifiable net assets above the amount calculated above shall be recognised in profit or loss immediately after the acquisition.

In a phased business combination, the Group revalues the previously held equity interest in the acquired entity at fair value at the date of acquisition (ie at the date of acquisition) and recognises the resulting gain or loss, if any, in profit or loss. Amounts recognised in other comprehensive equity income in the acquired entity prior to the date of acquisition of control are recognised on the same basis as if the Group had discharged directly from the previously held equity interest.

If the initial accounting for the business combination is not completed by the end of the reporting period in which the combination occurs, the Group shall report provisional amounts for items for which reporting has not been completed. During the measurement period, which may not exceed one year from the acquisition date, the Group shall retroactively adjust those provisional amounts or recognise additional assets or liabilities to reflect new information received about the facts and circumstances that existed at the acquisition date and, if known, would have affected the measurement of the amounts recognised at that date.

Any contingent consideration payable by the acquirer is recognised at fair value at the acquisition date and is included as part of the transferred consideration in exchange for the acquiree. Subsequent changes in the fair value of contingent consideration that is classified as an asset or liability are recognised in accordance with the requirements of IFRS 9 Financial Instruments either in profit or loss or as a change in other comprehensive income. If contingent consideration is classified as equity, it is not remeasured until it is finally settled in equity. Changes in the fair value of contingent consideration that are provisional amounts during the measurement period are retrospectively recognised on goodwill.

### 4.6. Transactions with non-controlling interest

Changes in the Group's share of equity in a subsidiary that do not result in a loss of control shall be treated as transactions with owners of the Group. The book values of the Group's share and non-controlling interests shall be adjusted to reflect changes in their relative share in the subsidiary's capital. Any difference between the amount by which the non-controlling interests are changed and the fair value of consideration received or paid shall be recognised directly in equity and shall be attributable to the owners of the parent.

### 4.7. Investments in associates and joint ventures

Associates are those undertakings over which the Group is able to exert significant influence, but which are neither subsidiaries nor jointly controlled undertakings. Investments in associates are recognised initially at cost and subsequently accounted for using the equity method. The cost of the investment includes the costs of acquiring the investment.

Joint ventures are contractual arrangements under which two or more parties engage in a business that is subject to joint control. They are accounted for using the equity method.

Goodwill or adjustments to the fair value of the Group's interest in the associate are included in the value of the investment.

Any subsequent changes in the amount of the Group's participation in the associate's equity are recognised in the carrying amount of the investment. Changes due to profit or loss realised by the associate are recognised in the consolidated statement of profit or loss and other comprehensive income in the line 'Profit from investments carried on equity'. Those changes include the subsequent depreciation or impairment of the fair value of the associate's assets and liabilities determined at the time of acquisition.

Changes in the associate's other comprehensive income, as well as in items recognised directly in the associate's equity, are recognised in the Group's other comprehensive income or in the Group's equity funds respectively. Where the Group's share of the associate's realised losses exceeds the amount of its interest in the associate, including unsecured claims, the Group shall not recognise its share of the associate's further losses unless the Group has entered into contractual or actual obligations or has made payments on behalf of the associate. If the associate subsequently makes a profit, the Group recognises its share to the extent that the share of profits exceeds the accumulated share of losses that were not previously recognised.

Unrealised gains and losses from transactions between the Group and its associates and joint ventures shall be eliminated up to the amount of the Group's share in those entities. When unrealised losses on asset sales are eliminated, the relevant assets shall be tested for impairment from the Group's point of view.

The amounts reflected in the financial statements of associates and joint ventures have been restated where necessary to ensure compliance with the Group's accounting policies.

In the event of a loss of significant influence over an associate, the Group measures and recognises each retained investment in an associate at fair value. Any difference between the book value of the investment in the associate at loss of significant influence and the sum of the fair value of the retained interest and the proceeds on write-off is recognised in profit or loss.

If the shareholding in the associated company is reduced but without loss of significant influence, only a pro rata portion of the amounts recognised in the other comprehensive income is reclassified as profit or loss.

### 4.8. Foreign currency transactions

Transactions in foreign currency are reported in the Group's functional currency at the official exchange rate at the date of the transaction (the announced fixing of the Bulgarian National Bank). Gains and losses on foreign exchange differences that arise from the settlement of these transactions and the revaluation of foreign currency cash positions at the end of the reporting period are recognised in profit or loss.

Non-cash items measured at historical price in foreign currency are carried at the exchange rate at the date of the transaction (not revalued). Non-cash items measured at fair value in foreign currency are carried at the exchange rate at the date on which fair value is determined.

In the consolidated financial statements of the Group, all assets, liabilities and transactions of the individual companies of the Group in functional currency other than Bulgarian leva (the currency of presentation of the Group) are translated into Bulgarian levs upon consolidation. The functional currency of the individual companies in the group has not changed within the reporting period.

Upon consolidation, all assets and liabilities are restated in BGN at the closing rate at the date of the consolidated financial statements. Income and expenses are restated in the Group's presentation currency at the average rate for the reporting period. Foreign exchange differences result in an increase or decrease in other comprehensive income and are recognised in the equity restatement reserve. Upon disposal from a net investment in a foreign operation, the accumulated foreign exchange differences from representations recognised in equity are reclassified as profit or loss and recognised as part of the profit or loss on the sale. Goodwill and adjustments related to the determination of fair values at the acquisition date are treated as assets and liabilities of the foreign entity and are translated into BGN at the closing rate.

The Bulgarian lev is pegged to the euro in the ratio of 1 EUR = 1.95583 leva.

### 4.9. Segment reporting

The Group operates in the following business segments:

- Manufacturing, trade and services
- Finance
- Transport
- Real Estate & Engineering

Each of these operating segments is managed separately, as different technologies, resources and marketing approaches are used for each activity. All transactions between segments are carried out at the prices of corresponding transactions between independent parties.

In segment reporting under IFRS 8 Operating Segments, the Group applies a measurement policy consistent with the measurement policy used in the consolidated financial statements.

Group assets that are not directly related to the activities of any of the segments are not allocated to segments.

Information on the performance of individual segments, which is regularly reviewed by operational decision-makers, does not include the effects of single non-recurring events. Financial revenue and expenditure are included in the results of operational segments, which are regularly reviewed by operational decision-makers.

There have been no changes in the valuation methods used to determine the profit or loss of the segments in previous reporting periods. No asymmetric distribution between segments is applied.

### 4.10. Revenue

To determine whether and how to recognise revenue, the Group uses the following 5 steps:
1. Identification of the contract with the client;
2. Identification of performance obligations;
3. Determination of the price of the transaction;
4. Distribution of the transaction price to the performance obligations;
5. Recognition of revenue when performance obligations are satisfied.

Revenue from customer contracts is recognised when control of the goods and/or services promised in the contract is transferred to the customer in an amount that reflects the remuneration to which the Group expects to be entitled in exchange for those goods or services.
Control is transferred to the customer when (or by) satisfying the performance obligation, under the terms of the contract, by transferring the promised good or service to the customer. An asset (good or service) is transferred when (or by) the customer gains control of that asset.

Any promise to transfer goods and/or services that are identifiable (in themselves and in the context of the contract) is counted as a single performance obligation.

The Group recognises revenue for each individual performance obligation at the level of an individual contract with a customer by analysing the type, term and conditions for each specific contract. In the case of contracts with similar characteristics, revenue is recognised on a portfolio basis only if grouping it into a portfolio would not have a materially different impact on the financial statements. Typically, contracts with the Group's customers include a single performance obligation.

Where a transaction falls partly within the scope of IFRS 15 and partly within the scope of other standards, the Group applies the separation and/or initial measurement requirements set out in those standards if the other standards specify how to divide and/or initially measure one or more parts of the contract. The Group excludes from the transaction price the value of the part(s) of the contract that was originally measured in accordance with other standards and applies the requirements of IFRS 15 to allocate the remaining value to the transaction price.

If other standards do not specify how to separate and/or initially measure one or more parts of the contract, then the Group applies IFRS 15 to the division and/or initial measurement of the part(s) of the contract.

#### Measurement

Revenue is measured based on the transaction price set for each contract.
In determining the transaction price, the Group takes into account the terms of the contract and its normal trading practices.

The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for the transfer to the customer of the promised goods or services, excluding amounts collected on behalf of third parties (e.g. value added tax). The remuneration promised in the contract with the client may include fixed amounts, variable amounts or both.

When (or by) a performance obligation is satisfied, the Group recognises as revenue the value of the transaction price (which excludes estimates of variable consideration containing limits) that is attributed to that performance obligation.

The group examines whether there are other promises in the contract, which are separate performance obligations to which part of the transaction price must be allocated. The impact of variable remuneration, the presence of significant components of financing, non-cash consideration and consideration due to the client are taken into account in determining the price of the transaction.

#### Principal or agent

Where a third party is involved in the provision of goods or services to a customer, the Group determines whether the nature of its promise is an obligation to perform related to the provision of the specific goods or services (principal) or to an arrangement for the third party to provide those goods or services (agent).

A group is a principal when it controls the promised good or service before transferring it to the customer. However, the Group does not necessarily act as a principal if it obtains ownership of an asset only temporarily, before ownership is transferred to the customer.

The Group is an agent if it is the Group's performance obligation to arrange for the provision of the goods or services by a third party. Where the agent company satisfies an obligation to perform, it recognises revenue in the amount of a fee or commission to which it expects to be entitled in exchange for arranging for the goods and services to be provided by another party. The Group's fee or commission may be the net amount of consideration that the Group retains after paying the other party the consideration received in exchange for the goods or services to be provided by that party.

**Trade receivables and contract assets**

The claim represents the Group's right to receive remuneration in a certain amount, which is unconditional (i.e., it is only necessary for a certain period of time to elapse before payment of the remuneration becomes due).

A contractual asset is the Group's right to receive consideration in return for the goods or services it has transferred to the customer, but which is not unconditional (charge for receivable). If, through the transfer of the goods and/or the provision of the services, the Group fulfils its obligation before the customer pays the relevant consideration and/or before payment becomes due, a contractual asset is recognised for the consideration earned (which is conditional). The recognised contractual assets are reclassified as a commercial receivable when the right to consideration becomes unconditional.

**Contract liabilities**

As a contractual liability, the Group presents the payments received by the customer and/or an unconditional right to receive payment before it has fulfilled its performance obligations under the contract. Contractual liabilities are recognised as income when (or by) satisfying performance obligations.

Liabilities under contracts include liabilities under sold air tickets for which the moment of actual provision of the service, i.e. performance of the transportation, has not occurred as of the date of the financial statements.

Assets and liabilities arising from a contract are presented net in the statement of financial position, even if they are the result of different contractual obligations for the performance of the contract.

After initial recognition, trade receivables and contract assets are subject to impairment review in accordance with the rules of IFRS 9 Financial Instruments.

### 4.10.1. Revenue recognized over time

**Service provision**

The services provided by the Group include a wide range of services to the enterprises in the Group depending on the nature of their activities – banking, consulting, drilling, exploration, hydrogeology, repair, transport by air, river and land transport, storage services, design, technical services, IT support and others. The Group also provides IT services, including payroll processing in exchange for a fixed monthly fee. Revenues are recognised on the basis of the linear method for the duration of each contract. As the amount of work required to perform these contracts does not differ significantly each month, the linear method faithfully reflects the transfer of goods or services.

Fees that are not an integral part of the effective interest rate of financial instruments shall be accounted for in accordance with IFRS 15.

Revenue from services provided is recognised when control over the benefits of the services provided is transferred to the user of the services. Revenue is recognised over time on the basis of the fulfilment of individual performance obligations.

Revenue from these services is recognised on a time and material basis when the services are provided. When recognising revenue from services provided, the Group applies a method for measuring

progress, accounting for output, or a method for accounting for inputs.

**Revenue from aviation activities**

The main activity of the airline in the Group is related to the provision of aviation services both on the territory of the country and abroad.

Revenue from flights operated includes the operation of services for international and domestic scheduled flights, international charter flights and other services related to the operation of the flight. The Group transfers control of the services over time and therefore satisfies the performance obligation and recognises revenue over time. Revenue from flights operated is recognised after the actual operation of the flight.

The price of flight services can be defined as a fixed remuneration. The price of the air ticket includes the cost of transportation - both for the passenger and for a different amount of luggage depending on the applied fare, food on board, insurance; airport taxes and fuel surcharge. Distribution of the transaction price according to the performance obligations is made on the basis of unit sales prices.

The Group measures its progress towards a full settlement of the performance obligation, satisfied over time by confirmation of the flight performed and the carriage used by the passenger.

In cases where customers have purchased tickets, but the options for use and/or the period of validity of the airline tickets have expired and they have not been used by the customer, the Group recognises revenue from expired tickets. The part of the remuneration relating to airport charges that the Group normally collects from customers in its capacity as an agent is also recognised as income from expired tickets, as they are non-refundable and there are no options to use them.

### 4.10.2. Revenue recognized at a point in time

**Sale of goods and production**

The sale of goods and products includes the sale of oil, crude oil, natural gas, petroleum products and others. Revenue is recognised when the Group has transferred control of the goods provided to the buyer. Control is deemed to be transferred to the buyer when the customer has accepted the goods without objection.

Proceeds from the sale of goods that are not bound by a contract for future service are recognised at the time of delivery. Where the goods require adaptation to customer needs, modification or implementation, the Group may apply a method of measuring progress, accounting for production, or a method of accounting for inputs.

Where the sale of goods includes loyalty incentives, they are distributed within the transaction price and recognised as contractual liabilities. The remuneration received is distributed among the individual performance obligations included in the sales contract on the basis of their unit selling prices/residual value. Revenue from these types of sales is recognised when the customer replaces the incentives received with products supplied by the Group.

### 4.10.3. Other revenue of the Group

The bulk of the Group's income that is outside the scope of IFRS 15 and is accounted for in accordance with other standards is related to banking, insurance and management and trading activities. The Group's income related to financial instruments operations is classified as gains from financial instruments operations and/or financial income from interest on loans and dividend income.

Income from bank fees and commissions that are not an integral part of the effective interest rate of financial instruments, interest on loans granted, gains from trading in financial instruments are recognised in accordance with IFRS 9. Income related to the Group's insurance activities is accounted for in accordance with IFRS 17.

Recognition and reporting is as follows:

**Bank activity**

**Interest income and interest expenses**

Interest income and expense shall be recognised by taking into account the effective income/effective

interest rate of the relevant financial asset or liability in all material respects. Interest income and expense include the amortisation of discount, premium or other differences between the original book amount and the maturity value of an interest-bearing instrument calculated on the basis of an effective interest rate. The effective interest rate is the percentage at which the approximate future cash flows of a financial instrument are accurately discounted for its expected life or, where applicable, for a shorter period, to the net book value of the financial asset or financial liability. Future cash flows are approximate taking into account the contractual terms of the instrument. The calculation of the effective interest rate includes all fees and considerations paid or received between the parties to the contract that are directly related to the specific agreement, transaction costs and any other premiums or discounts.

Interest income and interest expense presented in the statement of profit or loss and other comprehensive income include:

- interest on financial assets and liabilities measured at amortised cost, calculated on the basis of an effective interest rate;

- interest on financial assets measured at fair value in other comprehensive income (FVTOCI), calculated on the basis of an effective interest rate;

- interest on financial assets measured at fair value in profit or loss;

The Group ceases to accrue interest on the balance sheet and does not report interest income on receivables from the moment the respective claim acquires judicial status. The Group's claims of interest on a court claim arising after the date on which the claim has acquired judicial status are accrued on a balance sheet and recognised as interest income upon their repayment.

### Fees and commissions

Any fees and commissions that are not an integral part of the effective interest rate of the financial instrument shall be accounted for in accordance with IFRS 15.

Fees and commissions consist mainly of fees for domestic and foreign bank transfers, account service fees, fees related to credit exposures, servicing off-balance sheet commitments and other income.

Commissions arising from transactions in foreign currency are recognised in the statement of profit or loss and other comprehensive income upon receipt. Fees and commissions for granting and managing loans, when part of their effective income, are deferred by depreciation over the term of the loan and are recognised as current financial income during that period using the effective interest rate method.

### Revenue from government grants

Grant income awarded by the State is recognised at fair value where there is a reasonable guarantee that the Group will fulfil the conditions relating to it and that the aid will be received.

Grant income provided by the State shall be recognised during the periods necessary to compare it with the related costs it is intended to offset, using a systematic basis.

State grants related to depreciable assets are recognised as income over the useful life of the depreciable asset through reduced depreciation charges.

## 4.11. Operating expenses

Operating expenses are recognised in profit or loss on the use of the services or on the date they are incurred.

The Group accounts for two types of costs related to the performance of contracts for the supply of services with customers: costs for concluding/achieving the contract and costs for performing the contract. Where costs are not eligible for rescheduling in accordance with the requirements of IFRS 15, they are recognised as current at the time they arise and, for example, they are not expected to be reimbursed or their deferral period is up to one year.

The following operating costs shall always be recorded as a running expense at the time they arise:

– Operating and administrative costs (unless they are at the expense of the client);

– Costs for scrapping inventories;

– Costs related to the fulfillment of the obligation;

– Costs for which the entity cannot determine whether they are related to a satisfied or unsatisfied performance obligation.

Guarantee costs shall be recognised and deducted from the related provisions when the relevant revenue is recognised.

With respect to costs related to irregularities and/or other compensation due to customers, the Group airline has maintained its previous approach to reporting as an ongoing expense. IFRS 15 does not provide explicit guidance on the reporting of this type of compensation. The Group considers that there is no provision of a single good or service against which that compensation can be reduced.

Aviation expenses represent the costs of intermediary commissions and advertising costs and are recognised as running costs for the life of the relevant insurance contracts in full at the time of accrual of revenue.

### 4.12. Interest expenses and borrowing costs

Interest expenses are reported on an ongoing basis using the effective interest rate method.

Borrowing costs are primarily interest on the Group's loans. Any borrowing costs that can be directly attributed to the purchase, construction or production of an eligible asset are capitalised during the period in which the asset is expected to be completed and ready for use or sale. The remaining borrowing costs should be recognised as an expense for the period in which they arise in the consolidated statement of profit or loss and other comprehensive income in the row 'Interest expense'.

### 4.13. Goodwill

Reputation is future economic benefits arising from other assets acquired in a business combination that are not individually identified and recognised separately. See Explanation 4.5 for information on the initial determination of goodwill. For the purposes of the impairment test, goodwill is allocated to each cash-generating unit of the Group (or a group of cash-generating units) that is expected to benefit from the business combination, regardless of whether other assets or liabilities of the acquired company are allocated to those units. Goodwill is measured at the cost of acquisition less accumulated impairment losses. See explanation 4.17 for information on impairment tests.

When a cash-generating unit is derecognised, the relevant portion of goodwill is included in the determination of profit or loss on the write-off.

### 4.14. Intangible assets

Intangible assets include trademarks, licences and patents, software products, customer relations, development products, mineral resources exploration and valuation assets, and others. They are accounted for at an acquisition price, including all duties paid, non-refundable taxes and direct costs incurred in connection with the preparation of the asset for operation. When an intangible asset is acquired as a result of a business combination, its cost is equal to the fair value at the date of acquisition.

The ex-post measurement is carried out at the cost of acquisition less accumulated depreciation and impairment losses. Impairments made are reported as an expense and are recognised in the consolidated statement of profit or loss and other comprehensive income for the relevant period.

Subsequent costs that arise in relation to intangible assets after their initial recognition are recognised in the consolidated statement of profit or loss and other comprehensive income for the period of their occurrence, unless they are able to generate more future economic benefits than originally anticipated and when those costs can be reliably measured and attributed to the asset. If those conditions are met, the costs are added to the cost of the asset.

The residual value and useful life of the intangible assets are estimated by management at each reporting date.

Depreciation shall be calculated using the linear method on the estimated useful life of individual assets as follows:

| | |
|---|---|
| – Software | 2-5 years |
| – Trademarks | 6-7 years |
| – Property rights | 5-7 years |
| – Licenses | 7 years |

- Certificates 5 years
- Industrial property rights 27 - 30 years old
- Others 7 - 10 years old

Depreciation and amortization expenses are included in the consolidated statement of profit or loss and other comprehensive income as Depreciation and impairment expenses of non-financial assets, part of the Non-financial expenses series and the Operating and administrative expenses series.

Profit or loss on the sale of intangible assets is defined as the difference between the proceeds of the sale and the carrying amount of the assets and is reflected in the consolidated statement of profit or loss and other comprehensive income in the line 'Gain from the sale of non-current assets'.

The selected materiality threshold for the Group's intangible assets is BGN 700.

### 4.15. Property, plant and equipment and right of use assets

Properties, machinery and equipment are valued initially at cost, including the acquisition price, as well as all direct costs of bringing the asset into working order.

The subsequent valuation of property, machinery and equipment, with the exception of a group of aircraft (aircraft), is carried out at the acquisition price, less the accumulated depreciation and impairment losses. The impairments made are accounted for as an expense and are recognised in the consolidated statement of profit or loss and other comprehensive income for the relevant period.

The subsequent measurement of assets of a group of aircraft (aircraft), including right-of-use assets belonging to the same group, shall be subsequently measured at a revaluation value equal to the fair value at the revaluation date, less subsequent accumulated depreciation and impairment losses. Revaluations made shall be presented in the statement of comprehensive income and shall be accounted for against equity as a revaluation reserve, if not preceded by previously accrued expenses. When the revalued asset is sold or derecognised, the remaining revaluation reserve shall be recognised against retained earnings.

The revaluation of a group of aircraft shall be determined on the basis of reports prepared by independent licensed valuers and shall be determined every 3 years. Where fair values change significantly over a shorter period, the revaluation may be made more frequently.

Subsequent costs related to a particular asset of property, plant and equipment are added to the carrying amount of the asset where it is likely that the Group will have economic benefits in excess of the initially estimated performance of the existing asset. All other subsequent costs are recognised as an expense for the period in which they are incurred.

The residual value and useful life of properties, machinery and equipment shall be assessed by management as of each reporting date.

Property, plant and equipment acquired under lease terms are depreciated on the basis of the expected useful life determined by comparison with similar own assets of the Group, or on the basis of the lease if its term is shorter.

Right-of-use assets related to aircraft and spare engine leases are divided into key components based on their value and technical characteristics. The useful life of the key components of right-of-use assets is determined according to the maintenance status of those aircraft components and continues until the relevant aircraft component does not meet the return conditions set out in the lease agreement.

Accounting for the cost of maintenance reserve of aircraft:

Amounts related to aircraft maintenance (maintenance reserves) are recognised either as current costs for the period or as part of the value of the relevant asset, depending on the nature of the repair or maintenance.

The depreciation of property, plant and equipment is calculated using the linear method on the estimated useful life of the individual asset groups, as follows:

- Buildings from 25 to 61 years old
- Machinery from 3 to 5 years
- Facilities from 4 to 25 years old
- Means of transport from 4 to 10 years

- Aircraft — up to 30 years
- Engines — 12 years
- Ships — up to 71 years old
- Business inventory — 7 years
- Others — 7 years

Depreciation expenses are included in the consolidated statement of profit or loss and other comprehensive income as Depreciation and impairment expenses on non-financial assets, part of the Operating and administrative expenses row.

Profit or loss on the sale of property, plant and equipment is defined as the difference between the proceeds of the sale and the carrying amount of the asset and is recognised in the consolidated statement of profit or loss and other comprehensive income in the line 'Gain from the sale of non-current assets'.

The selected materiality threshold for the properties, machinery and equipment of the Group is BGN 700.

## 4.16. Leases

### 4.16.1. Leased assets

#### The Group as a lessee

For new contracts, the Group assesses whether a contract is or contains a lease. A lease is defined as "a contract or part of a contract that grants the right to use an asset (the underlying asset) for a specified period of time in exchange for consideration." To apply this definition, the Group makes three main assessments:

- whether the contract contains an identified asset that is either explicitly stated in the contract or is specified by default at the time the asset is made available for use
- The group is entitled to receive substantially all the economic benefits of using the asset throughout the period of use, within the defined scope of its right to use the asset under the contract
- The Group shall have the right to direct the use of the identified asset throughout the period of use.

The Group assesses whether it has the right to direct 'how and for what purpose' the asset will be used throughout the period of use.

#### Valuation and recognition of a lease by the Group as a lessee

On the commencement date of the lease agreement, the Group recognises the right-of-use asset and the lease liability in the consolidated statement of financial position. The right-of-use asset is measured at an acquisition price, which consists of the amount of the initial measurement of the leased liability, the initial direct costs incurred by the Group, the estimate of the costs that the lessee will incur to dismantle and relocate the underlying asset at the end of the lease and any lease payments made prior to the commencement date of the lease (minus the lease incentives received).

The group depreciates the right-of-use asset using the linear method from the date of commencement of the lease to the earlier of the two dates: the end of the useful life of the right-of-use asset or the expiry of the lease. The group also reviews right-of-use assets for impairment, where such indicators exist.

At the commencement date of the lease, the Group measures the lease liability at the present value of lease payments not paid at that date, discounted by the interest rate set out in the lease agreement, if that rate can be immediately determined or the Group's differential interest rate.

To determine the differential interest rate, the Group uses:

- where possible, the applicable interest rate of the last third-party funding, adjusted to reflect changes in funding conditions that have occurred since that last funding for the window concerned; or
- an interest rate consisting of the risk-free interest rate and a margin reflecting the credit risk associated with the relevant component of the Group and further adjusted due to the specific

terms of the lease agreement, including term, country, currency, collateral and type of leased asset.

The lease payments included in the valuation of the lease obligation consist of fixed payments (including substantially fixed payments), variable payments based on an index or percentage, amounts that are expected to be payable by the lessee under the residual value guarantees, and payments arising from options if it is reasonably certain that the Group will exercise those options.

After the commencement date, the lease liability shall be reduced by the amount of payments made and increased by the amount of interest. The lease liability shall be revalued to reflect revaluations or amendments to the lease or to reflect adjusted substantially fixed lease payments.

When a lease obligation is revaluated, the corresponding adjustment is recorded in the right-of-use asset or recognised in profit or loss if the carrying amount of the right-of-use asset has already been reduced to zero.

The Group has chosen to account for short-term leases and leases of low-value assets using the practical facilitations provided for in the standard. Instead of recognising right-of-use assets and liabilities under lease agreements, payments in relation to them are recognised as an expense in profit or loss under the linear method over the term of the lease agreement.

In the consolidated statement of financial position, assets with rights of use and liabilities under lease contracts are presented on a separate line.

Extension and termination options are included in a number of leases of property and equipment in the Group. They are used to increase operational flexibility regarding the management of assets used in the Group's operations. Most of the options held for extension and termination are exercised only by the Group and not by the relevant lessor.

### The Group as a lessor

As a lessor, the Group classifies its leases as operating or financial leases.

A lease is classified as a financial lease if it transfers substantially all the risks and rewards of ownership of the underlying asset, and as an operating lease if it does not substantially transfer all the risks and rewards of ownership of the underlying asset.

## 4.17. Impairment testing of intangible assets, property, plant and equipment

In calculating the amount of impairment, the Group defines the smallest identifiable group of assets for which stand-alone cash flows (cash-generating unit) can be determined. As a result, some of the assets are subject to an impairment test on an individual basis and others on a cash-generating unit basis.

All cash-generating assets and units are tested for impairment at least once a year. All other individual cash-generating assets or units are tested for impairment when events or a change in circumstances indicate that their carrying amount cannot be recovered.

An impairment loss is recognised as the amount by which the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, which is higher than the fair value less the cost of selling an asset and its value in use. In order to determine the value in use, the Group's management calculates the expected future cash flows for each cash-generating unit and determines the appropriate discount factor to calculate the present value of those cash flows. The data used in the impairment testing is based on the Group's last approved budget, adjusted as necessary to eliminate the effect of future reorganisations and significant asset improvements. The discount factors are determined for each individual cash-generating unit and reflect their respective risk profile, as assessed by the Group's management.

Impairment losses of a cash-generating unit are reported in a decrease in the carrying amount of the assets of that unit. For all assets of the Group, management assesses ex-post whether there are indications that the impairment loss recognised in previous years may no longer exist or may be reduced. Impairment recognised in a prior period is reversed if the recoverable amount of the cash-generating unit exceeds its carrying amount.

### 4.18. Investment properties

The Group accounts for buildings and land held for rental income and/or capital gains under the fair value model.

Investment properties are valued initially at cost, including the purchase price and any costs that are directly related to the investment property, such as legal service fees, transfer taxes and other transaction costs.

Investment properties are revalued on an annual basis and included in the consolidated statement of financial position at their market values. They are determined by independent appraisers with professional qualifications and significant professional experience, depending on the nature and location of the investment properties, based on evidence of market conditions.

Any gain or loss from a change in fair value or from the sale of investment property is recognised immediately in the profit or loss in the Sale of non-current assets line and in the Change in fair value of investment property.

Subsequent expenses relating to investment property that have already been recognised in the Group's consolidated financial statements are added to the carrying amount of the properties when it is likely that the Group will receive future economic benefits exceeding the initially estimated value of the existing investment property. All other subsequent costs are recognised as an expense in the period in which they occurred.

The group writes off its investment property when it is sold or permanently retired, in the event that no economic benefits are expected from their disposal. Gains or losses arising from their disposal or sale are recognised in the consolidated statement of profit or loss and other comprehensive income and are defined as the difference between the net proceeds of the disposal of the asset and its carrying amount.

Rental income and operating expenses related to investment property are presented in the consolidated profit or loss statement and other comprehensive income respectively under the "Income from non-financial activities" and "Operating and administrative expenses" row, respectively, and are recognised as described in an explanation 4.10 and explanation 4.11.

### 4.19. Mineral Resources Exploration and Valuation Assets

The exploration and evaluation of mineral resources for the Group refers to the exploration and evaluation of crude oil and natural gas. Upon acquisition of exploration and evaluation rights, all costs associated with this process are initially capitalized by cost-determining units – a specific "Block".

The Group recognises as exploration and valuation assets all directly related costs to the extent that they relate to specific exploration and evaluation activities that may relate directly to a well-defined exploration area 'Block' for which the Group has obtained rights from the relevant government institutions. Such costs shall include at least the following types:

- Acquisition of research rights
- Topographic, geological, geochemical and geophysical studies
- Exploratory drilling
- Sampling for analysis
- Activities related to the assessment of the technical feasibility and commercial feasibility of the extraction of mineral resources.

Any costs incurred prior to obtaining exploration and evaluation rights are included in profit or loss for the period in which they arose.

Mineral resources exploration and evaluation assets can be classified as:

- Prospecting and exploration permits issued by the Ministry of Environment and Water and the Ministry of Economy and Energy, under the Underground Resources and Related Fees Act;
- All costs of topographic, geological, geochemical and geophysical surveys, exploratory drilling, excavation, sampling for analysis and other activities related to the assessment of the technical feasibility and commercial feasibility of the extraction of mineral resources, as well as other exploration and evaluation costs that are incurred for a specific area for which the Group holds an exploration permit. These costs also include

the costs of remuneration of personnel, materials and fuel used, procurement costs and payments made to suppliers.

The costs of exploration and evaluation of mineral resources shall be capitalized and presented as intangible assets until the possibility or impossibility of technical feasibility and commercial applicability of the mineral resource is proven. After proving the technical feasibility and commercial feasibility of the discovered mineral resource, the costs of exploration and appraisal shall be transformed into "Properties, machinery and equipment".

Research and evaluation assets are reviewed technically, financially and at management level at least once a year to confirm the intention to continue exploration activities and to benefit from the discovery and to ensure that there are indications of impairment. In the event that the Group does not intend to continue exploration activities or there are indications of impairment, expenses are depreciated.

The valuation of mineral resources exploration and valuation assets at their initial recognition is at cost. Cost elements include exploration and valuation operations.

"Exploration operations" means operations for the purpose of exploring oil stock. This includes, but is not limited to, geological, geophysical, photographic, geochemical and other analyses, studies and surveys, as well as drilling, deepening, leaving or depositing and perforating, as well as testing prospecting wells for oil discovery, and the purchase, lease or acquisition of such raw materials, materials, equipment for those activities as may be included in the approved annual work projects and budgets.

'Estimation operations' means the assessment work (part of the study) and the post-discovery assessment work programme for the purpose of delineating the natural reservoir to which the discovery relates in terms of thickness and lateral distribution, and assessing the recoverable quantities therein, and shall include, but are not limited to, geological, geophysical, photographic, geochemical and other analyses.

## 4.20. Financial instruments

### 4.20.1. Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual terms of the financial instrument.

Financial assets are written off when contractual rights to the cash flows of the financial asset expire or when the financial asset and, in substance, all risks and rewards are transferred.

Financial liabilities are written off when the obligation specified in the contract is fulfilled, canceled or expired.

### 4.20.2. Classification and initial valuation of financial assets

Financial assets are initially carried at fair value adjusted for transaction costs, except for financial assets at fair value through profit or loss and trade receivables that do not contain a material financial component. The initial measurement of financial assets at fair value through profit or loss is not adjusted for transaction costs that are carried as current costs. The initial measurement of commercial receivables that do not contain a material financial component represents the transaction price in accordance with IFRS 15.

Depending on the method of post-post reporting, financial assets are classified into one of the following categories:

- debt instruments at amortised cost;
- financial assets at fair value through profit or loss;
- financial assets at fair value through other comprehensive income, with or without reclassification in profit or loss, depending on whether they are debt or equity instruments.

The classification of financial assets is determined on the basis of the following two conditions:

- the Group's business model for managing financial assets;
- the characteristics of the contractual cash flows of the financial asset.

All income and expenses related to financial assets that are recognised in profit and loss are included in financial expenses, finance income or other financial items, except for the impairment of trade receivables, which is presented in a number of other expenses in the consolidated statement of profit or loss and other comprehensive income.

### 4.20.3. Subsequent measurement of financial assets

#### Debt instruments at amortised cost

Financial assets are measured at amortised cost if the assets meet the following criteria and are not determined to be measured at fair value through profit and loss:

- The Group manages assets under a business model, the purpose of which is to hold financial assets and collect their contractual cash flows;
- Under the contractual terms of the financial asset, cash flows arise on specific dates, which are only principal and interest payments on the outstanding principal amount.

This category includes non-derivative financial assets, such as loans and receivables with fixed or determinable payments, that are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method. No discounting occurs when the effect of the discount is negligible. The Group classifies in this category money and cash equivalents, commercial and other receivables, and debt instruments that were previously classified as loans and receivables, holding-to-maturity investments or financial assets available for sale in accordance with IAS 39.

#### Financial assets at fair value through profit or loss

Financial assets that do not have a 'held to collect contractual cash flows' or a 'held to sell' business model, as well as financial assets whose contractual cash flows are not solely principal and interest payments, are accounted for at fair value through profit or loss. All derivative financial instruments are accounted for in this category, except for those that are identified and effective as hedging instruments and to which hedge reporting requirements apply (see below).

Changes in the fair value of assets in this category are reflected in profit and loss. The fair value of financial assets in this category is determined by quoted prices in an active market or by using measurement techniques in the event that there is no active market.

#### Financial assets at fair value through other comprehensive income

The Group accounts for financial assets at fair value in other comprehensive income if the assets meet the following conditions:

- The Group manages assets under a business model whose purpose is to hold financial assets in order to collect contractual cash flows and sell them; and
- Under the contractual terms of the financial asset, cash flows arise on specific dates, which are only principal payments and interest on the outstanding principal amount.

Financial assets at fair value through other comprehensive income include:

- Equity securities that are not held for trading and that the Group irrevocably chose at initial recognition to be recognised in this category. These are strategic investments and the Group considers this classification to be more relevant.
- Debt securities, where contractual cash flows are principal and interest only, and the purpose of the Group's holding business model is achieved both by collecting contractual cash flows and by selling the financial assets.

Upon disposal of equity instruments in this category, any value recorded in the revaluation reserve of instruments shall be reclassified as retained earnings.

Upon disposal of debt instruments in this category, any value recorded in the revaluation reserve of instruments shall be reclassified in profit or loss for the period.

### 4.20.4. Impairment of financial assets

Impairment requirements under IFRS 9 use more forward-looking information to recognise expected credit losses – the 'expected credit loss' model.

Instruments that fall within the scope of the new requirements include loans and other debt financial assets measured at amortised cost, trade receivables, contract assets recognised and measured in accordance with IFRS 15, as well as credit commitments and certain financial guarantee contracts (with the issuer) that are not carried at fair value through profit or loss.

The recognition of credit losses is no longer dependent on the occurrence of a credit loss event. Instead, the Group considers a wider range of information when assessing credit risk and assessing expected credit losses, including past events, current conditions, reasonable and supporting forecasts that affect the expected collection of future cash flows of the instrument.

In applying this future-oriented approach, a distinction shall be made between:

- financial instruments whose credit quality has not deteriorated significantly since the time of initial recognition or have low credit risk (Phase 1), and
- financial instruments whose credit quality has deteriorated significantly compared to the time of initial recognition or whose credit risk is not low (Phase 2)
- 'Phase 3' covers financial assets that have objective evidence of impairment at the reporting date.

12-month expected credit losses are recognised for the first category, while lifetime expected losses are recognised for the second category. Expected credit losses are defined as the difference between all contractual cash flows attributable to the Group and the cash flows that it actually expects to receive a cash shortfall. This difference is discounted at the original effective interest rate (or the loan-adjusted effective interest rate).

The calculation of expected credit losses shall be determined on the basis of the probabilistically weighted estimate of credit losses over the expected life of the financial instruments.

For the purpose of establishing impairment on financial assets, the Group applies models for calculating expected credit losses on a collective and individual basis. Impairment models for individually measured financial assets apply to debt financial assets such as debt securities, bank balances, deposits and others. Impairment models for individually measured exposures are based on discounted cash flows and reflect various expected cash flow scenarios, including available reasonable and reasoned information, available without incurring unnecessary costs or efforts, which concerns future events (including macroeconomic forecasts). For the purpose of establishing impairment of defaulted exposures (Phase 3) or acquired financial assets with credit impairment, the Group applies an individual impairment model for assets above a certain amount.

The impairment model of collectively measured financial assets is based on the determination of values for probability of default (PD) and loss on default for each collectively valued asset, when applying effective interest rate depreciation (EIR) when calculating the expected loss (EAD). The impairment models of financial assets measured collectively apply to debt securities, bank balances and deposits, repo transactions, as well as exposures arising from the Group's lending activities – credit and off-balance sheet exposures of individuals and legal entities. The models include the available reasonable and reasoned information, available without incurring unnecessary costs or efforts, for the external credit rating of counterparties, as well as 3-year scenarios for the macroeconomic development of the country. The Group updates the value of the forecast indicators used in its model once a year, when the 3-year forecasts of the respective institutions are publicly disclosed.

At the end of each reporting period, the Group updates the assessment of the change in credit risk of the relevant financial instrument. The Group measures the impairment loss for the financial instrument at an amount equal to the expected credit losses over the life of the instrument if the credit risk of the financial instrument has increased significantly since the initial recognition. If the credit risk of the financial instrument is not significantly increased by the initial recognition, the Group measures the impairment loss for the financial instrument at an amount equal to the expected credit losses over the 12 months.

### Commercial and other receivables, contract assets and lease receivables

The Group uses a simplified approach in accounting for commercial and other receivables, as well as contract assets, and recognises impairment losses as expected credit losses over the entire term. They represent the expected shortfall in contractual cash flows, given the possibility of default at any point in the life of the financial instrument. The Group uses its accumulated experience, external indicators and

information over the long term to calculate expected credit losses by allocating customers by industry and term structure of receivables and using a provision matrix.

**Financial assets carried at fair value through other comprehensive income**

The Group recognises expected 12-month credit losses for financial assets carried at fair value through other comprehensive income. As most of these instruments have a good credit rating, the probability of default is expected to be low. However, at each reporting date, the Group assesses whether there is a significant increase in the credit risk of the instrument.

In assessing these risks, the Group relies on ready-made available information, such as credit ratings published by the main credit rating agencies for the asset concerned. The Group holds only simple financial instruments for which specific credit ratings are normally available. If information is not available or information on the factors affecting the rating of the available asset is limited, the Group pools such instruments into a single portfolio in order to assess on that basis whether there is a significant increase in credit risk.

In addition, the Group also considers other indicators such as adverse changes in operations, economic or financial conditions that may affect the ability of the issuer of the equity instrument to meet its debt obligations or unexpected changes in the issuer's operating results.

If any of these indicators results in a significant increase in the credit risk of the instruments, the Group recognises expected credit losses over the life of the instrument for those instruments or that class of instruments.

### 4.20.5. Reclassification of financial instruments

Only when the Group changes its business model for managing financial assets does it reclassify all affected financial assets. The Group does not reclassify financial liabilities.

The Group reclassifies financial assets by applying the reclassification to future periods from the date of reclassification. The Group does not recalculate any previously recognised gains, losses (including gains or impairment losses) or interest.

### 4.20.6. Gain or loss from financial instruments

A profit or loss on a financial asset or financial liability that is measured at fair value is recognised by the Group in profit or loss, unless:

(a) is part of a hedging relationship

(b) is an investment in an equity instrument and the Group has chosen to present the gains and losses of that investment in other comprehensive income

(c)a financial liability identified as measured at fair value through profit or loss, and the Group is required to present the effect of changes in the credit risk of the liability in other comprehensive income

(d)is a financial asset measured at fair value through other comprehensive income and the Group is required to recognise certain changes in fair value in other comprehensive income.

Profit or loss on a financial asset that is measured at amortised cost and is not part of a hedging relationship is recognised by the Group in profit or loss when the financial asset is derecognised or reclassified through the depreciation process or for the purpose of recognising impairment gains or losses.

Gain or loss on a financial asset measured at fair value through other comprehensive income is recognised by the Group in other comprehensive income, excluding gains or losses on impairment and gains and losses on foreign exchange transactions until the financial asset is derecognised or reclassified. When a financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. If the financial asset is reclassified from the fair value category through other comprehensive income, the Group takes into account the cumulative gain or loss that has been recognised in other comprehensive income. Interest that is calculated using the effective interest method is recognised in profit or loss.

#### 4.20.7. Modification of contractual cash flows of a financial asset

A modification of contractual cash flows of a financial asset occurs when the contractual cash flows of a financial asset are renegotiated or otherwise modified and these changes were not agreed upon at the initial recognition of the financial asset. A change in the interest rate on a financial asset due to a change in market conditions is not considered a modification. When a modification of a financial asset is established, the factors for its occurrence are analyzed, and according to them, the accounting reflection of the effect of the modification is determined.

#### 4.20.8. Classification and measurement of financial liabilities

The Group's financial liabilities include loans received, lease liabilities, commercial and other financial liabilities and derivative financial instruments.

Financial liabilities are initially measured at fair value and, where applicable, adjusted for transaction costs, unless the Group has designated a financial liability as measured at fair value through profit and loss.

Financial liabilities are measured ex post at amortised cost using the effective interest method, with the exception of derivatives and financial liabilities that are determined to be measured at fair value through profit or loss (except for derivative financial instruments that are identified and effective as a hedging instrument).

Any interest-related expenses and, if applicable, changes in the fair value of the instrument that are accounted for in profit or loss shall be included in the financial expense or financial income.

#### 4.20.9. Write-off of financial instruments

A financial asset is written off on the date on which the Group no longer has control over the contractual rights and has significantly transferred the risks of ownership of the asset. This occurs when the rights are realised, expired or redeemed. A financial liability is written off when it is extinguished, cancelled or expired.

### 4.21. Derivatives

Derivatives are reported at fair value and recognised in the consolidated statement of financial position as tradable derivatives. The fair value of derivatives is based on the market price or similar measurement models. Derivative assets are presented as part of financial assets held for trading, and derivative liabilities are presented as part of financial liabilities. Changes in the fair value of trading derivatives are recognised as part of net income from trading operations in the consolidated statement of profit or loss and other comprehensive income. The group does not apply hedge accounting in accordance with IFRS 9.

### 4.22. Receivables and obligations under redemption agreements

Receivables and liabilities under redemption agreements are accounted for at an acquisition price equal to the fair value of funds placed/attracted by the Group, secured by the value of the securities. Interest payable on the financing provided/received for the duration of the agreement is accounted for and recognised as interest income/expenses in the period of their occurrence.

Securities pledged as collateral under redemption agreements are not derecognised from the consolidated statement of the Group's financial position in cases where the risks and rewards of their ownership have not been carried on.

Securities received as collateral under redemption agreements are not recorded in the Group's consolidated statement of financial position in cases where the risks and rewards of ownership have not been transferred.

### 4.23. Provisions for credit commitments

Provisions for guarantees and other off-balance sheet credit commitments are recognised as expenses and liabilities where the Group has current legal or constructive liabilities that have arisen as a result of a past event and where it is likely that a certain flow involving economic benefits will be necessary to cover the obligation and a reliable estimate of the amount of the liability can be made. Any losses resulting from the recognition of provisions for liabilities shall be recognised in the consolidated statement of profit or loss and other comprehensive income for the relevant period.

### 4.24. Inventories

Inventories include materials, output, work-in-progress, spare parts and goods. The cost of inventories includes the direct costs of purchasing or producing them, processing and other direct costs related to their delivery, as well as part of the total cost of production, determined on the basis of normal production capacity. Financial costs are not included in the value of inventories. At the end of each reporting period, inventories are valued at the lower than their cost and their net realisable value. The sum of each impairment of inventories up to their net realisable value is recognised as an expense for the impairment period.

The net realisable value is the expected selling price of inventories less the expected cost of selling. In the event that inventories have already been impaired to their net realisable value and in a subsequent reporting period it turns out that the conditions that led to the impairment are no longer present, their new net realisable value is assumed. The amount of the refund may be only up to the amount of the carrying amount of the inventories before the impairment. The amount of the refund of the value of the inventories is reported as a reduction in the cost of materials for the period in which the refund occurs.

The group determines the cost of inventories using the weighted average method. When inventories are sold, their carrying amount is recognised as an expense in the period in which the relevant income is recognised.

### 4.25. Income taxes

The expense of taxes recognised in profit or loss include the amount of deferred and current taxes that are not recognised in other comprehensive income or directly in equity.

Current tax assets and/or liabilities represent those liabilities to or receivables from tax institutions relating to current or prior reporting periods that have not been paid at the date of the financial statements. Current tax is payable on taxable income that differs from profit or loss in the consolidated financial statements. The calculation of current tax is based on tax rates and tax laws in force at the end of the reporting period.

Deferred taxes are calculated using the passive method for any temporary differences between the carrying amount of assets and liabilities and their tax base. Deferred tax is not provided for at the initial recognition of an asset or liability unless the relevant transaction affects tax or accounting profits.

Deferred tax assets and liabilities are not discounted. They are calculated using tax rates that are expected to be applicable for the period of their realisation, provided that they have entered into force or are certain to enter into force at the end of the reporting period.

Deferred tax liabilities are recognised in full.

Deferred tax assets are only recognised if they are likely to be absorbed through future taxable income. For management's assessment of the likelihood of future taxable income to be absorbed through deferred tax assets, see annotation 4.35.1.

Deferred tax assets and liabilities are compensated only when the Group has the right and intention to offset current tax assets or liabilities from the same tax institution.

A change in deferred tax assets or liabilities is recognised as a component of tax income or expense in profit or loss, unless they are linked to items recognised in the other comprehensive income or directly in equity, whereby the corresponding deferred tax is recognised in the other comprehensive income or in equity.

### 4.26. Cash and cash equivalents

Cash and cash equivalents consist of cash available, cash in bank accounts, demand deposits and deposits of up to 3 months, short-term and highly liquid investments that are easily negotiable in specific amounts of money and contain negligible risk of change in value.

Cash and cash equivalents, for the purposes of preparing the consolidated statement of cash flows, include cash, balances on accounts with the Central Bank (BNB) and nostro accounts, which are current accounts with other banks without restrictions on their use, as well as resources, loans and advances provided to other banks with a maturity of up to 3 months.

### 4.27. Equity, reserves and dividend payments

The share capital of the Group reflects the nominal value of the issued shares of the parent company.

The premium reserve includes premiums received on the issuance of equity. All transaction costs related to the issuance of shares are deducted from paid-up capital.

Where Group subsidiaries purchase shares of the Group's parent company (repurchased own shares), the consideration paid, including any inherent fees, is reduced from the Group's equity until the shares are sold outside the Group. In the event that such shares are sold outside the Group, the consideration received, net of the necessary inherent fees, is included in the equity.

A revaluation reserve of non-financial assets includes gains or losses on revaluations of non-financial assets.

The other reserves are formed on the basis of the requirements of the Commerce Act for the formation of legal reserves and a reserve of revaluations under defined income plans.

Retained earnings include accumulated profits and uncovered losses from past periods.

All transactions with the owners of the Group are presented separately in the consolidated statement of equity.

### 4.28. Social security and pension contracts

The pension insurance company, consolidated in the Group, manages and represents 5 pension funds for supplementary pension insurance – Voluntary, Professional, Universal, For the payment of lifetime pensions and for deferred payment.

The Voluntary Pension Fund (VPF) provides supplementary voluntary pension insurance for a personal supplementary voluntary pension. The covered insurance cases are: old age, disability and death.

The pension schemes that are offered are developed on predetermined social security contributions. The social security contributions for voluntary insurance may be at the expense of the person and/or the employer and/or another insurer.

The individual pension schemes are:
- individual pension scheme – on the basis of one-off or periodic contributions at the expense of the insured person;
- collective pension scheme – on the basis of one-off or periodic contributions at the expense of another insurer or employer;

Supplementary pensions are lifetime and fixed-term, at the choice of the insured person, and the type of pension and the period of its receipt are indicated in the pension contract upon acquisition of the right to supplementary pension.

Payments are in the form of:

- supplementary old-age and disability pensions;
- one-time or deferred payment of the funds in the individual account;
- payment of a survivor's pension;
- one-time or deferred payment to the heirs of the balance of the funds in the individual account of the insured persons or the pensioner.

The amount of the personal lifetime supplementary old-age pension is calculated on the basis of:

- the accumulated funds in the individual account;
- the technical interest rate;
- biometric tables.

The right to a supplementary pension can also be acquired by making one-off contributions, the amount of which is determined on the basis of actuarial estimates.

The technical interest rate and biometric tables are approved by the Deputy Chairman of the Financial Supervision Commission, in charge of the Social Security Supervision Department.

The insurance contract is terminated in the following cases:
- in case of death of the insured;

- when the insured person transfers to a third party or another pension fund the entire amount accumulated in his individual account;
- upon withdrawal of the entire amount accumulated in his individual account.

The Occupational Pension Fund (PPF) provides a fixed-term occupational pension for early retirement. The occupational pension for early retirement is received until the moment of acquiring the right to a retirement pension under Part One of the Social Security Code (SSC).

The insured persons in the Fund are entitled to:
- fixed-term occupational pension for early retirement for workers under the conditions of I and II categories of labor according to the category of labor;
- one-time payment of up to 50% of the funds accumulated in an individual account amount in case of lifetime loss of working capacity over 89.99 percent;
- one-time or deferred payment of the amount accumulated in the individual account to the heirs of a deceased insured person or a pensioner of the Fund.

The amount of the occupational pension for early retirement is calculated on the basis of:

- the accumulated funds in the individual account;
- the period of receipt of the pension;
- the technical interest rate, approved by the Deputy. Chairman of the Financial Supervision Commission.

In case of acquisition of the right to a pension for length of social insurance and old age under Title One of the Social Security Code before the expiry of the period for which the occupational pension has been granted, the last pension of the insured person shall also be paid the balance of the funds in the individual insurance account.

The insurance contract shall be terminated in the following cases:
- in case of death of the insured person;
- upon withdrawal of all accumulated funds in the individual account of the insured person upon retirement for length of social insurance and old age under Part One of the Social Security Code, if he has not acquired the right to an occupational pension under the terms of the Social Security Code;
- in case of transfer of funds to an occupational pension fund managed by another pension insurance company to an insured person who has signed a valid insurance contract in an occupational pension fund managed by another pension insurance company and for whom the procedure for change of participation has not been terminated.
- In case of a single choice by the insured person under Art. 4c of the Social Security Code, to change his/her insurance from the Fund to the Pension Fund of the SSI, if he/she has not been granted a pension for length of social insurance and old age or an occupational pension for early retirement.

Insurance is carried out with monthly cash social security contributions. Their amount is determined in the Social Security Code as a percentage of the social security income.

Universal Pension Fund (UPF): The insurance for a personal supplementary lifetime old-age pension is carried out on the basis of a contract concluded between the Group and the insured persons for participation in the fund – at the choice of the UPF by the insured person, as well as as a result of an official distribution made by the National Revenue Agency (NRA).

The right to acquire a personal supplementary old-age pension from the Universal Pension Fund arises when the person acquires the right to a pension for length of social insurance and old age under the conditions of Part One of the Social Security Code or 5 years before reaching the age for receiving a pension from the State Social Security at the request of the insured person, provided that the accumulated funds in the individual account allow the granting of such a pension in an amount not less than the amount of the minimum pension for length of social insurance and old age under Article 68, paragraph 1-3.
The insured persons in the Fund are entitled to:
- additional lifetime old-age pension after acquiring the right to a pension for length of social insurance and old age under Part One of the Social Security Code;
- one-time payment of up to 50 per cent of the amount accumulated in the individual account in case of lifetime loss of working capacity over 89.99%;

- one-time or deferred payment of the amount accumulated in the individual account to the heirs of a deceased insured person and to a pensioner of the Fund.

The amount of the personal lifetime supplementary old-age pension is determined on the basis of:

- the accumulated funds in the individual account;
- the technical interest rate;
- biometric tables.

The technical interest rate and biometric tables are approved by the Deputy Chairman of the Financial Supervision Commission, in charge of the Social Security Supervision Department.

The insurance contract is terminated in the following cases:

- in case of death of the insured person;
- in the case of transfer of funds to a universal pension fund managed by another pension insurance company to an insured person who has signed a valid contract for insurance in a universal pension fund managed by another pension insurance company and for whom the procedure for change of participation has not been terminated.
- in case of a single election by the insured person under Art. 4b of the Social Security Code to change his/her insurance from the Fund to the Pension Fund of the SSI, respectively to the Fund "Pensions for the persons under Art. 69", not later than 5 years before the age under Art. 68, para. 1 of the Social Security Code and if he/she has not been granted a pension for length of social insurance and old age.

Lifetime Pension Payment Fund Upon entitlement to a personal supplementary lifetime old-age pension, the Group pays from FPP CCB-SILA an additional lifetime old-age pension against the transfer to the Fund of the accumulated funds in the individual account of the insured person in the Universal Pension Fund CCB-SILA or the supplemented amount of the following types of pensions:

- supplementary lifetime old-age pension with no additional conditions;
- an additional lifetime old-age pension with a guaranteed payment period, which can be from 2 to 10 years, depending on the person's choice;
- supplementary lifetime old-age pension, including deferred payment of funds until the pensioner reaches the age chosen by the pensioner, and the term and amount of the deferred payment and the amount of the lifetime pension are determined depending on the choice of the insured person in compliance with the requirements of the Social Security Code.

The granting of an additional lifetime old-age pension shall be made on the basis of a written application in a form submitted to the manager, the fund, the company personally by the insured person or by a person authorized by him, to whom relevant documents shall be attached. In case the necessary documents are attached and the legal requirements for granting an additional lifetime pension are met, CCB-SILA JSC shall conclude a pension contract with the person.

Deferred Payment Fund: Upon acquisition of the right to a personal supplementary lifetime old-age pension, in cases where the funds accumulated in the individual account of the insured person in the Universal Pension Fund "CCB-SILA" are insufficient for the granting of an additional lifetime old-age pension in the amount under Article 167, paragraph 3 of the Social Security Code, but exceed three times the amount of the minimum pension for length of social insurance and old age under Article 68, paragraph 1 of the Social Security Code as of the date of determining the value of the funds in the account, the funds shall be transferred to FRP "CCB-SILA". The group pays through the Fund in installments the amount accumulated in the individual account for a certain period of time.

The granting of deferred payments by the Fund shall be made on the basis of a written application in a form submitted to the Fund management company personally by the insured person or by a person authorized by him/her, to whom the relevant documents shall be attached. In case the necessary documents are attached and the legal requirements for granting deferred payment are met, CB-SILA JSC shall conclude a deferred payment agreement with the person.

The contract, among other mandatory requisites, shall specify the procedure and method and deadline for making payments.

The monthly amount of the deferred payment from the Fund as of the date of its determination may not be greater than the minimum amount of the retirement pension under Article 68, paragraph 1 of the Social Security Code and less than 15 per cent of its amount.

Insurance is carried out with monthly cash social security contributions. Their amount is determined in the Social Security Code as a percentage of the social security income.

### 4.29. Reserves for pension activities

The Group allocates pension reserves to guarantee minimum profitability related to the activities of supplementary mandatory pension insurance funds, in accordance with the requirements of the Social Security Code (SSC). The reserves that have been formed as of December 31, 2025 represent 1.15% of the net assets of these funds (as of December 31, 2024: 1%).

### 4.30. Obligations to insured persons

In accordance with the requirements of the Social Security Code, the Group forms pension reserves for the purpose of paying lifetime pensions to persons who have lived longer than the preliminary actuarial estimates in the UPF and the Pension Fund. The pension reserve is formed from the own funds of the Pension Fund and from the funds of deceased insured persons from the Pension Fund and the Pension Fund who have no heirs.

The group recalculates the amount of the formed pension reserve as of December 31 of each year. The calculations are carried out by an actuary.

### 4.31. Employee pension and short-term remuneration

The Group reports short-term liabilities on compensable leave incurred due to unused paid annual leave in cases where it is expected to be taken within 12 months after the date of the reporting period during which the employees have performed the work related to those leave. Short-term liabilities to staff include wages, salaries and social security contributions.

The Group owes pension remuneration to its employees under defined benefit plans in connection with the requirements of the Labour Code, according to which, upon termination of the employment relationship, after the employee has acquired the right to a retirement pension, the Group is obliged to pay him compensation in the amount of up to six gross salaries.

The liability recognised in the consolidated statement of financial position for defined benefit plans represents the present value of the defined benefit liability at the end of the reporting period.

The Group's management assesses the obligation to pay defined benefits once a year with the help of an independent actuary. The valuation of liabilities is based on standard inflation rates, expected changes in medical care costs and mortality. Future wage increases are also taken into account. Discount factors are determined at the end of each year, taking into account the yield of long-term government securities.

Actuarial gains or losses are recognised in other comprehensive income. Net interest expense related to pension liabilities is included in the consolidated statement of profit or loss and other comprehensive income in the 'Finance expenses' row. All other expenses related to employee pension costs are included in the 'Operating and administrative expenses' row.

Employees' short-term benefits, including leave due, are included in the current liabilities of the "Pension and other liabilities to staff" at a non-discounted amount that the Group expects to repay.

### 4.32. Accounting Treatment of Insurance and Reinsurance Contracts – General Insurance

#### 4.32.1. Separation of components from insurance and reinsurance contracts

The group measures its non-life insurance and reinsurance products to determine whether they contain separate components that should be accounted for under another IFRS instead of IFRS 17.

Following the separation of all the individual components, the Group applies IFRS 17 to all other components of the underlying insurance contract. Under Motor Casco insurance, the Group has designated the coverage under the main insurance contract for Casco Assistance as a separate component and accounts for it separately in accordance with the requirements of IFRS 15.

Some issued reinsurance contracts contain commission agreements. Under these arrangements, there is a minimum guaranteed amount that the policyholder will always receive – either in the form of a commission or as receivables or other contractual payment, regardless of the insured event. Minimum guaranteed amounts are assessed as highly interlinked with the insurance component of reinsurance contracts and are therefore non-separate investment components that are not reported separately.

### 4.32.2. Level of aggregation

IFRS 17 requires the Group to determine a level of aggregation to implement its requirements. Previously, the Group has applied aggregation levels as required by national law. The level of aggregation for the Group is determined first by dividing the businesses recorded into portfolios. Portfolios consist of groups of contracts with similar risks that are managed together.

The following table presents the direct business groups that the Group has formed:

| Groups under IFRS 17 |
|---|
| Not available |
| Income protection insurance |
| Proportional reinsurance in relation to income protection |
| Workers' compensation insurance |
| GO of vehicles |
| Carrier Liability |
| Other insurance in relation to motor vehicles |
| Prorated Other reinsurance in relation to motor vehicles |
| Aviation insurance |
| Marine Insurance |
| Transport insurance |
| Proportional Maritime, Aviation and Transport Reinsurance |
| Property Insurance |
| All risks of the entrepreneur |
| Crops |
| Proportional Property Reinsurance against Fire and Other Disasters |
| General civil liability |
| Professional responsibility of construction participants |
| Proportional reinsurance in relation to general civil liability |
| Credit and guarantee insurance |
| not available |
| Providing assistance |
| Miscellaneous financial losses |
| Disproportionate health reinsurance |
| Disproportionate reinsurance against an accident |
| Not available |
| Maritime, aviation and transport disproportionate reinsurance |
| Disproportionate property reinsurance |

Portfolios are further divided on the basis of expected yield at the beginning of three categories: burdensome contracts, contracts without significant risk of becoming burdensome and the others. This means that, to determine the level of aggregation, the Group identifies the contract as the smallest 'unit', i.e. the lowest common denominator. The Group has not identified burdensome groups of contracts, assuming that no contracts in the portfolio are encumbersome at initial recognition.

However, the Group assesses whether a series of contracts should be considered together as a whole on the basis of reasonable and accessible information, or whether a contract contains components that should be separated and treated as stand-alone contracts. As such, what is treated as a contract for accounting purposes may differ from what is considered to be a contract for other purposes (i.e. legal or managerial).

IFRS 17 also requires that no group for the purposes of the level of aggregation may contain contracts issued at intervals of more than one year.

The group separates portfolios from reinsurance contracts by applying the same principles set out above, except that references to onerous contracts refer to contracts on which there is a net profit at

initial recognition. For some groups of reinsurance contracts that are held, the group may consist of a single contract.

The grouping of the purchased reinsurance is carried out on the basis of homogeneous risk groups and type of the reinsurance contract:

**Reinsurance groups**

Disproportionate reinsurance - Workers' compensation insurance
Proportional Reinsurance - Other insurance in relation to motor vehicles
Reinsurance of CAT Risks - Other insurance in relation to motor vehicles
Optional reinsurance - Other insurance in relation to motor vehicles
Optional Reinsurance - Aviation Insurance
Optional Reinsurance - Marine Insurance
Proportional Reinsurance - Marine Insurance
Reinsurance of CAT Risks - Marine Insurance
Optional Reinsurance – Cargo
Reinsurance of CAT Risks – Cargo
Proportional Reinsurance – Cargo
Prorated Reinsurance - Property Insurance
Proportional Reinsurance - Entrepreneur Risks
Reinsurance of CAT Risks - Property Insurance
Optional Reinsurance - Property Insurance
Proportional reinsurance - GO of motor vehicles property claims
Proportional reinsurance - GO of motor vehicles, non-pecuniary claims
Disproportionate reinsurance - GO of vehicles
Proportional Reinsurance - Carrier Liability
Disproportionate reinsurance - General civil liability
Optional Reinsurance - General Civil Liability

### 4.32.3. Recognition of insurance contracts

The Group recognises groups of insurance contracts which it issues from the date of their conclusion, and it is accepted that the first premium payment is due on the date of conclusion of the contract.
The Group recognises a group of reinsurance contracts that it has entered into from the earlier of the following dates:

- The beginning of the guarantee period of the group of reinsurance contracts. (However, the group delays the recognition of a group of reinsurance contracts held that provide prorated coverage until the date on which each underlying insurance contract was initially recognised, if that date is later than the beginning of the group's coverage period of reinsurance contracts held)

and

- The date on which the Group recognises an aggravating group of major insurance contracts if it has entered into the related reinsurance contract held within the group of reinsurance contracts held on or before that date.

The group adds new contracts to the group during the reporting period in which that contract meets one of the criteria set out above.

### 4.32.4. Limits of the insurance contract

The Group shall include in the valuation of a group of insurance contracts all future cash flows under each contract in the group. Cash flows are within the limits of the insurance contract if they arise from material rights and obligations that exist during the reporting period during which the Group may compel the policyholder to pay the premiums or in which the Group has a material obligation to provide the policyholder with services under an insurance contract.
A liability or asset related to expected premiums or claims outside the limits of the insurance contract is not recognised. These amounts relate to future insurance contracts.

### 4.32.5. Measurement - Premium Allocation Approach

*Approach adopted*

| | |
|---|---|
| Premium Allocation Approach (PRP) Eligibility | The coverage period for insurance contracts is one year or less and thus automatically qualifies for PRPs. Miscellaneous Financial Loss and Guarantees Insurance includes contracts with a coverage period of more than one year.<br>However, there is no significant difference in the assessment of the remaining coverage obligation between the RIPs and the common model, and therefore they meet the requirements for the RIP. |
| Cash flows for the acquisition of insurance for issued insurance contracts | For all insurances, the cash flows upon acquisition of insurance are allocated to related groups of insurance contracts and depreciated during the coverage period of the related group. |
| Residual coverage liability adjusted for financial risk and the value of money over time | There is no surcharge as premiums are received within one year of the coverage period. |
| Liability for incurred claims adjusted for the value of money over time | For all groups, cash flows are adjusted for the value of money over time. |
| Financial income and insurance expenses | For everyone, the change in VFR resulting from changes in discount rates is reflected in profit or loss. |

### 4.32.6. Insurance contracts – initial assessment

The Group applies the premium allocation (RP) approach to all non-life insurance contracts it issues and the reinsurance contracts it owns, such as:

- The coverage period of each contract in the group shall be one year or less, including the services under the insurance contract resulting from any premiums under the contract

or

- For contracts longer than one year, the Group has modelled possible future scenarios and reasonably expects that the estimate of the liability for remaining coverage for the group containing those contracts under the RIP does not differ materially from the assessment that would have been made under the overall model. In assessing materiality, the Group also took into account qualitative factors such as the nature of the risk and the types of activities.

The group does not apply a RIP if, at the beginning of the group of contracts, it expects significant volatility in the cash flows to be executed, which would affect the measurement of the liability for the remaining coverage in the period prior to the occurrence of the claim. The volatility in the cash flows for performance increases, for example, by:

- The extent of future cash flows related to derivatives embedded in contracts
- The duration of the coverage period of the group of contracts

For a group of contracts that are not burdensome at initial recognition, the Group assesses the remaining coverage obligation as:

- The premiums, if any, received at the time of initial recognition
- minus the cash flows from the acquisition of insurance at that date, except for contracts that are one year or less where it is an expense,
- Plus or minus any amount resulting from the write-off at that date of an insurance acquisition cash flow asset; and
- Any other asset or liability previously recognised as cash flows related to the group of contracts that the group pays or receives prior to the recognition of the group of insurance contracts.

No time-value allowance is applied as premiums are received within one year of the coverage period.

Where the facts and circumstances indicate that the contracts are burdensome at initial recognition, the Group shall carry out further analysis to determine whether net outflow from the contract is expected. Such encumbering contracts shall be grouped separately from other contracts and the Group shall recognise a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the cash flows to be executed.

#### 4.32.6.1. Reinsurance contracts held – initial valuation

The group measures its reinsurance assets for a group of reinsurance contracts that it holds on the same basis as the insurance contracts it issues. However, they are adapted to reflect the characteristics of the reinsurance contracts held that differ from the insurance contracts issued, such as the generation of costs or the reduction of costs rather than revenue.
When the Group recognises a loss on the initial recognition of an encumbering group of underlying insurance contracts, or when additional encumbering underlying insurance contracts are added to the group, the Group shall establish a component of the loss recovery asset for remaining coverage for a group of reinsurance contracts held depicting the recovery of losses.
The Group calculates the loss/recovery component by multiplying the loss recognised under the underlying insurance contracts and the percentage of claims under the underlying insurance contracts that the Group expects to recover from the group of reinsurance contracts held. The Group uses a systematic and rational method to determine the proportion of losses recognised in the group of insurance contracts covered by the group of reinsurance contracts held where certain contracts in the underlying group are not covered by the group of reinsurance contracts held.
The loss recovery component adjusts the carrying amount of the asset for the remaining coverage.

#### 4.32.6.2. Insurance contracts – subsequent measurment

The Group measures the carrying amount of the residual coverage liability at the end of each reporting period as a remaining coverage liability at the beginning of the period:

- Plus the bonuses received during the period
- Minus the insurance acquisition cash flows, excluding the indirect insurance cash flows that the Group chooses to account for as incurring expenses
- Plus any amounts related to the amortisation of insurance acquisition cash flows recognised as an expense during the reporting period for the group
- Plus any adjustment to the funding window, where applicable
- Minus the amount recognised as insurance income for the services provided during the period
- Minus any investment component paid or transferred to the liability for incurred claims

The Group measures the liability for claims arising as cash flows for performance related to claims that have arisen. Cash flows for performance include, in an impartial manner, all reasonable and reliable information available without undue cost or effort regarding the amount, timing and uncertainty of such future cash flows, they reflect current estimates from the Group's point of view and include an explicit adjustment for non-financial risk (risk adjustment).
The Group adjusts future cash flows for the value of money over time and the effect of financial risk on the valuation of liability for incurred claims.
Where, during the coverage period, facts and circumstances indicate that a group of insurance contracts is burdensome, the Group recognises a loss in profit or loss for the net outflow, resulting in the carrying amount of the liability for the group being equal to the cash flows to be executed.

#### 4.32.6.3. Reinsurance contracts held – subsequent measurment

The ex-post valuation of reinsurance contracts held follows the same principles as those for insurance contracts issued and has been adapted to reflect the specific characteristics of the reinsurance contracts held.
Where the group has established a loss recovery component, the Group shall subsequently reduce the loss recovery component to zero in accordance with the reductions in the burdensome group of underlying insurance contracts to reflect that the loss recovery component does not exceed the part of the carrying amount of the loss component of the burdensome group of underlying insurance contracts that the Group expects to recover from the group of reinsurance contracts held.

#### 4.32.6.4. Insurance Acquisition Cash Flows

Insurance acquisition cash flows arise from the costs of selling, concluding (signing) and starting a group of insurance contracts (issued or expected to be issued) that are directly related to the portfolio of insurance contracts to which the group belongs.
Where insurance acquisition cash flows are paid for or incurred before the related insurance group is recognised in the statement of financial position, a separate insurance acquisition cash flow asset is recognised for each related group.

#### 4.32.6.5. Insurance contracts – amendment and deregistration

The Group writes off insurance contracts when:

- The rights and obligations related to the contract have been extinguished (i.e. released, annulled or expired)

or

- The contract shall be amended so that the amendment results in a change in the valuation model or applicable valuation standard of a component of the contract, substantially changes the contract boundary or requires the amended contract to be included in another group. In such cases, the Group shall deregister the original contract and recognise the amended contract as a new contract.

Where an amendment is not treated as a write-off, the Group recognises the amounts paid or received for the contract amendment as an adjustment to the relevant residual coverage liability.

### 4.32.7. Presentation

The Group presented separately in the statement of financial position the carrying amount of the portfolios of issued insurance contracts that are assets, the portfolios of issued insurance contracts that are liabilities, the portfolios of reinsurance contracts that are assets and the portfolios of reinsurance contracts that are liabilities.
The group divides the total amount recognised in the profit or loss statement and other comprehensive income by the insurance outcome, including insurance revenue and insurance costs, as well as financial income or insurance expenses.
The Group does not break down the change in the non-financial risk adjustment between the financial and non-financial parts and includes the entire change as part of the outcome of the insurance services.
The group presents separately the income or expenses from reinsurance contracts from the costs or revenues from insurance contracts issued.

#### 4.32.7.1. Insurance Revenue

Insurance income for the period is the sum of the expected premium proceeds (excluding the investment component) allocated for the period. The group allocates the expected premium proceeds for each period of the insurance contract services on the basis of the elapsed time. The expected model of risk release during the coverage period does not differ significantly from the elapsed time, which does not imply that the allocation is made on the basis of the estimated time of the insurance costs incurred.
The group changes the basis for allocation between the two above methods, if necessary, if facts and circumstances change. The change is reported in the future as a change in the accounting estimate.
For the periods presented, all revenues are recognised on the basis of elapsed time.

#### 4.32.7.2. Components of loss

The Group accepts that no contracts are burdensome at initial recognition, unless the facts and circumstances indicate otherwise. Where this is not the case, and if at any time during the coverage period, the facts and circumstances set out in a note indicate that a group of insurance contracts is burdensome, the Group shall establish a loss component as an excess of the cash flows for performance that relate to the remaining coverage of the group over the carrying amount of the group's remaining coverage obligation. Accordingly, by the end of the coverage period of the group of contracts, the loss component will be zero.

#### 4.32.7.3. Loss Recovery Components

Where the Group recognises a loss on the initial recognition of an encumbering group of underlying insurance contracts, or when additional encumbering underlying insurance contracts are added to the group, the Group shall establish a loss recovery asset component for residual coverage for a group of reinsurance contracts held reflecting the expected recovery of losses.
The loss recovery component is subsequently reduced to zero in accordance with the reductions in the burdensome group of underlying insurance contracts in order to reflect that the loss recovery component does not exceed the carrying amount of the loss component of the burdensome group of underlying insurance contracts that the Group expects to recover from the group of reinsurance contracts held.

#### 4.32.7.4. Financial income and insurance expenses

Insurance financial income or expenses include the change in the carrying amount of the group of insurance contracts resulting from:

- The effect of the value of money over time and changes in the time value of money; and
- The effect of financial risk and changes in financial risk.

The Group does not break down financial income and expenses because the related financial assets are managed on a fair value basis and measured at fair value in profit or loss.

#### 4.32.7.5. Net income or expenses from reinsurance contracts held

The Group presents separately on the front of the statement of profit or loss and other comprehensive income the amounts expected to be recovered by the reinsurers and the distribution of reinsurance premiums paid. The Group treats reinsurance cash flows that depend on receivables under the main contracts as part of the claims that are expected to be recovered under the reinsurance contract held, and excludes investment components and commissions from the distribution of reinsurance premiums presented on the face of the statement of profit or loss and other comprehensive income.

### 4.33. Summary of Significant Accounting Policies for Insurance and Reinsurance Contracts – Life Insurance

The Group issues a limited volume of life insurance contracts, which represent a non-material part of the total insurance portfolio at the consolidated level. These contracts are accounted for in accordance with the requirements of IFRS 17 and the same general principles used for long-term insurance contracts are applied for measurement purposes. Due to their limited volume, the accounting policy does not contain additional detail for this type of contract.

The Group issues life insurance contracts through its subsidiary, CCB Life, and this type of activity represents a limited part of the total insurance business at the consolidated level. Life insurance contracts fall within the scope of IFRS 17 Insurance Contracts and are accounted for in accordance with the principles set out in the standard.

Life assurance contracts are grouped into portfolios based on similar risk characteristics. For the purposes of their measurement, the Group applies an appropriate measurement model in accordance with IFRS 17, applying the Premium Allocation Approach (PAA) to short-term contracts, where the conditions for its application are met, in all other cases the General Cash Flow Measurement Model presented in IFRS 17 applies.

Life assurance liabilities are measured on the basis of expected future cash flows related to the performance of contracts, taking into account the effects of the time value of money and risk, to the extent applicable as required by the standard. All estimates are made using consistent assumptions reflecting current economic conditions.

Income and expenses arising from life insurance contracts are recognised in the consolidated statement of profit or loss and other comprehensive income as part of the result of insurance services in the period during which the insurance services under the contracts are provided.

Assets and liabilities under life assurance contracts are presented on separate lines in the Explanation 26, in accordance with the performance requirements of IFRS 17.

Due to the limited volume of life assurance business at the consolidated level, this accounting policy does not contain further detail. Management has applied a materiality assessment in determining the level of disclosure, taking into account the materiality principle in accordance with IAS 1 Presentation of Financial Statements.

### 4.34. Commissions, contingent liabilities and contingent assets

Provisions are recognised where it is likely that current liabilities as a result of a past event will result in an outflow of resources from the Group and a reliable estimate of the amount of the liability can be

made. The maturity or amount of the cash outflow may be uncertain. A present liability arises from the existence of a legal or constructive obligation as a result of past events. Provisions for restructuring are only recognised if a detailed formal restructuring plan has been developed and implemented or management has announced the main points of the restructuring plan to those that would have been affected. Provisions for future losses from operations are not recognised.

The amount recognised as a provision shall be calculated on the basis of the most reliable estimate of the costs necessary to settle a present liability at the end of the reporting period, taking into account the risks and uncertainties associated with the present liability. Where a number of similar liabilities exist, the likely need for an outflow to repay the liability shall be determined by taking into account the group of liabilities as a whole. Provisions are discounted when the effect of time differences in the value of money is significant.

Third-party benefits in relation to a liability that the Group is confident it will receive are recognised as a separate asset. This asset may not exceed the value of the relevant provision.

Provisions shall be reviewed at the end of each reporting period and their value shall be adjusted to reflect the best estimate.

In cases where an outflow of economic resources is considered unlikely to occur as a result of a current liability, a liability is not recognised. Contingent liabilities should be measured ex post at the higher value between the comparable provision described above and the amount initially recognised, less accumulated depreciation.

Likely economic benefit inflows that do not yet meet the criteria for asset recognition are considered contingent assets.

## 4.35. Significant Management's Judgments in the Implementation of Accounting Policy

Management's significant judgments in the implementation of the Group's accounting policies that have the most significant impact on the consolidated financial statements are described below. The main sources of uncertainty in the use of estimates are described in an explanation 4.36.

Management bases its judgments, estimates and assumptions on historical experience and other various factors, including expectations of future events that management believes are reasonable in the circumstances. Accounting judgments and estimates obtained will rarely be equal to the actual results associated therewith. Estimates, estimates and assumptions that have a significant risk of resulting in a material adjustment in the carrying amounts of assets and liabilities in the following financial year are discussed below.

### 4.35.1. Deferred tax assets

The estimate of the likelihood of future taxable income for the absorption of deferred tax assets is based on the latest approved budget estimate, adjusted for significant non-taxable income and expenses and specific carry-forward limitations of unused tax losses or credits. If a reliable forecast of taxable income implies the likely use of a deferred tax asset, particularly in cases where the asset can be used without a time limit, then the deferred tax asset is fully recognised. The recognition of deferred tax assets that are subject to certain legal or economic constraints or uncertainties is assessed by management on a case-by-case basis based on the specific facts and circumstances.

### 4.35.2. Transferred control of subsidiaries

In cases where the parent owns, directly or indirectly, through subsidiaries, more than half of the voting rights in an entity, but is not exposed to, or does not have rights to, the variable return on its participation in the investee, and is unable to influence that return through its powers over the investee and /or there is a contractual arrangement under which the Group does not control the entity, the investment in that entity's shares/interests is classified as a financial asset in accordance with IFRS 9.

### 4.35.3. Revenue from the sale of expired airline tickets

The Group mainly provides passenger transport services that take place at the end of the period for which the air ticket was issued. Revenue from the passenger transport service is recognised when the carriage is actually performed. In cases where customers have purchased tickets but the period of validity of the air tickets has expired and they cannot be used by the customer, the Group writes off the

value of the recognised liability as other income. The relevant pro rata part of the airport charges attributable to the value of the air tickets sold for which the carriage has not been carried out due to the expiry of its period of validity are also deducted from the obligations and are recognised as other revenue. The reporting of other revenues from expired tickets and airport charges is based on statistical information extracted from the registers of databases maintained by the Group. The management believes that the expiration of the period of validity for each air ticket when it has not been used gives grounds for the recognition of revenue.

#### 4.35.4. Revenue from the sale of air tickets in cases of flight interruption and/or re-routing

As a member of the International Air Transport Association (IATA), the Company is bound by compliance with air transport rules imposed by IATA. According to IATA resolutions 735d and 735f, in cases of involuntary re-routing and/or flight interruption, the airline is obliged to issue a FIM (Flight Interruption Manifest) document. The FIM is valid for a certain flight of the agent airline, which is different from the airline that originally issued the original ticket for the flight. According to IATA Resolution 735d, involuntary re-routing and/or flight interruption is carried out only with an electronic ticket or with FIM. Due to the existence of a bilateral agreement between the airlines for the use of FIM, the practice remained after receiving the FIM invoice, the receiving airline (which operated the flight) within four months from the date of issuance of the invoice according to the rules of Chapter A10, item 4.1. of RAM to make a rebit based on the prorated value. Upon receipt of the redebit invoice, the estimated calculation is closed. After the expiration of the four-month period for objections /repayments/, the unclaimed amounts are recognized as income.

The reporting of revenue is based on previous experience and management has estimated that 95% of the value of all issued and unclaimed FIMs warrants the recognition of revenue based on the services actually performed. For both the current year 2025 and the previous period, approximately 5% of the value of issued FIMs is recognised as other revenue and the remaining value is recorded as an expected liability.

#### 4.35.5. Greenhouse gas emissions trading allowances

In accordance with the requirements of Directive 2003/87/EC of the European Parliament and of the Council establishing a scheme for greenhouse gas emission allowance trading within the Community, aviation activities are included in the single European Greenhouse Gas Emissions Trading System (ETS). For the periods after 1 January 2012, air operators participate in this mechanism for reducing harmful effects on the environment.

Companies receive part of the allowances they need for emissions free of charge. By April 30 of the following year, air carriers must submit to the ECT register the emission allowances for the emissions emitted during the current year.

The Group has adopted a policy to implement the so-called. 'net obligation approach' with regard to the accounting of greenhouse gas emission allowances. Under this approach, the Group recognises neither an asset nor income for the gratuitously acquired emission allowances from the Executive Environment Agency.

Greenhouse gas emission allowances (CO2) gratuitously received by the State are not recognised in the statement of financial position, but are recognised as contingent assets and liabilities. Where annual emissions exceed available and gratuitous allowances, the excess liability is measured at the fair value of greenhouse gas emissions at the end of the reporting period for which they are due and a provision is charged.

A provision is recognised only when the actual quantity of issues exceeds the amount of royalty-free issuance. The provision is recognised in the consolidated statement of profit and loss and other comprehensive income. Issue rights that are acquired and exceed the gratuitous allowances are recognised as an asset at the cost of acquisition.

The total number of allowances reached shall be determined by submitting a verified report issued by an independent accredited verification body.

### 4.35.6. Term of lease contracts

In determining the term of lease contracts, management takes into account all facts and circumstances that create an economic incentive to exercise an extension option or not to exercise an option to terminate. Extension options (or periods after termination options) are included in the lease term only if it is reasonably certain that the lease has been extended (or not terminated).

Most options for extending office and vehicle contracts are not included in the lease obligations, as the Group can replace the assets without significant costs or changes in the business.

Some of the aircraft leasing contracts contain extension options. For these contracts, management takes into account the following factors are most appropriate:

- significant termination (or non-renewal) sanctions, the Group is usually certain that it will extend (or not terminate).
- If improvements to lease rights are expected to have a significant residual value, the group will normally have reasonable certainty to extend the term of the contract (or not terminate).
- In other cases, the Group also reviews other factors, including the historical duration of the lease and the costs and changes in the business necessary to replace the leased asset.

The term of the lease is revalued if the option is actually exercised (or not exercised) or the Group undertakes to exercise (or not exercise) it. The reasonable certainty assessment is reviewed only if a significant event or a significant change in circumstances occurs that affects that assessment and is under the control of the lessee. During the current financial year, the Group's management has not identified a financial effect of the revision of the lease terms.

### 4.35.7. Insurance contracts

The new IFRS 17 Insurance Contracts, effective January 1, 2023, requires the application of an ongoing measurement model, according to which estimates are based on a significant volume of incoming historical data and developed expectations for future cash flows by groups of insurance contracts, which are revised in each reporting period.

## 4.36. Uncertainty of accounting estimates

In preparing the consolidated financial statements, management makes a number of assumptions, estimates and assumptions regarding the recognition and measurement of assets, liabilities, income and expenses.

Actual results may differ from management's assumptions, estimates and assumptions and, in rare cases, are fully consistent with the previously estimated results.

Information on the material assumptions, estimates and assumptions that have the most significant impact on the recognition and measurement of assets, liabilities, income and expenses is provided below.

### 4.36.1. Impairment of non-financial assets

An impairment loss is recognised as the amount by which the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, which is higher than the fair value less the cost of selling an asset and its value in use. In order to determine the value in use, the Group's management calculates the expected future cash flows for each cash-generating unit and determines the appropriate discount factor to calculate the present value of those cash flows (see Explanation4.17. In calculating expected future cash flows, management makes assumptions about future gross profits. These assumptions relate to future events and circumstances. Actual results may differ and require significant adjustments to the Group's assets in the next reporting year.

At the end of the reporting period, the Group's aviation company carried out an annual test to determine whether the recoverable value of non-financial assets exceeded their carrying amount, taking into account the slowdown in the aviation sector, inflationary pressures, the deteriorating macroeconomic environment, including geopolitical risks leading to a slowdown in economic growth. Air traffic levels are still below those reported before the pandemic. In addition, geopolitical uncertainty stemming from military conflicts, the imposed bans on the entry of aircraft from Russia and the cessation of travel to

and from Russia had a direct impact on the company's operations, as part of the revenues were generated from flights, passengers, services arriving and departing from/to the Russian Federation. The conflict in the Middle East region has forced part of the flights to Israel, Egypt and others. to be canceled.

The results of the tests show that the recoverable amount of non-financial assets, excluding goodwill, exceeds their carrying amount and therefore no impairment losses have been recognised during the reporting period. Management 's conclusions with respect to intangible assets are also supported by estimates by an independent external valuer based on the forecast cash flow method at a discount factor of 13.39%. In determining the applicable discount factor, an adjustment has been made in relation to market risk, uncertain business environment and risk factors that are specific to individual enterprises – cash flow generating units.

In most cases, the determination of the applicable discount factor assesses appropriate adjustments for market risk and asset-specific risk factors.

#### 4.36.2. Measurement of expected credit losses for financial assets

Credit losses represent the difference between all contractual cash flows due to the Group and any cash flows that the Group expects to receive. Expected credit losses are a probabilistically weighted estimate of credit losses that require the assessment of Group management. Expected credit losses are discounted at the initial effective interest rate (or the loan-adjusted effective interest rate for loan-adjusted financial assets with credit impairment purchased or initially created).

#### 4.36.3. Fair value measurement

Guidance uses techniques to measure the fair value of financial instruments (in the absence of quoted prices in an active market) and non-financial assets. When applying valuation techniques, management makes maximum use of market data and assumptions that market participants would make when valuing an instrument. Where applicable market data is not available, management makes the best use of the assumptions that market participants would make. These estimates may differ from the actual prices that would have been set in a fair market transaction between informed and willing parties at the end of the reporting period (see Note 51).

#### 4.36.4. Useful life of depreciable assets

Management reviews the useful life of depreciable assets at the end of each reporting period.

As of 31 December 2025, management shall determine the useful life of the assets, which is the expected lifetime of the Group's assets. The carrying values of the assets are analysed in the explanatory notes 11 and 8. Actual useful life may differ from the estimate made due to technical and moral wear and tear.

#### 4.36.5. Recognition of mainstream reserve costs

For aircraft held under lease contracts, minimum intrinsic maintenance costs are provided for from specific future lease liabilities when those liabilities become secure. The amount of the expected maintenance costs is based on estimates of the costs that will be required for the significant repairs and maintenance (heavy maintenance) that will be required to meet the obligation. The value of these costs is reported as a running expense when the need for the service arises and it is actually performed if it was not previously included in the amount of the right-of-use asset. The amount of the expected costs is reviewed on an annual basis for each contract separately.

#### 4.36.6. Inventories

Inventories shall be measured at the lower value of the acquisition price and net realisable value. In determining the net realisable value, management shall take into account the most reliable information available at the estimate date. The future realisation of the carrying amount of inventories shall be at the rate of 73 237 ths. BGN. (2024: 71 973 ths. BGN) is influenced by the future provision of services and the market realization of inventories, clarification 19)

#### 4.36.7. Obligation to pay defined benefits

Management estimates defined benefit liabilities once a year with the help of independent actuaries. The actual value of liabilities may differ from the preliminary estimate due to its uncertainty. The

valuation of liabilities is based on standard inflation rates, expected changes in the probability of withdrawal and mortality. Future salary increases are also taken into account. Discount factors are determined at the end of each year, taking into account the yield on government securities.

#### 4.36.8. Provisions

The Group is a defendant in several legal cases to date, the outcome of which may give rise to liabilities of a value other than the amount of provisions recognised in the financial statements. Provisions will not be dealt with in more detail here in order to avoid biases relating to the Group's position in the above disputes.

#### 4.36.9. Business combinations

At their initial recognition, the assets and liabilities of the acquired companies are included in the consolidated statement of financial position at their fair value. In calculating fair value, management uses estimates of future cash flows and discount factors, which, however, may differ from actual results. Any changes to the measurement after initial recognition would affect the value of goodwill. Information on assets and liabilities acquired is provided in an explanation 5.

#### 4.36.10. Insurance and Reinsurance Contracts – Non-life Insurance

The Group applies a premium allocation approach to simplify the measurement of non-life insurance contracts. In measuring residual coverage liabilities, the PRP is largely similar to previous accounting treatment under IFRS 4. However, when measuring liabilities for claims that have arisen, the Group discounts cash flows that are expected to arise more than one year after the date on which claims arose and includes an explicit adjustment for non-financial risk.

**Liability for residual coverage**

***Insurance Acquisition Cash Flows***

The cash flows from the acquisition of insurance are allocated to related groups of insurance contracts recognised in the statement of financial position (including the groups that will include insurance contracts that are expected to arise as a result of renewal).

The effect of choosing to recognise the cash flows from the acquisition of insurance as an expense when incurred for a group of insurance contracts is to increase the liability for residual coverage and reduce the likelihood of any subsequent aggravating loss under the contract. There will be an increased expense in profit or loss on incurring expenses, offset by an increase in profit released during the coverage period.

**Burdensome groups**

For groups of contracts that are burdensome, the liability for remaining coverage shall be determined by the cash flows to be performed. Each component of loss recovery shall be determined in relation to the loss component recognised under the underlying contracts and the expected recovery of such claims from held reinsurance contracts.

***Value of money over time***

The group does not adjust the carrying amount of the liability for residual coverage.

**Liability for Incurred Claims**

The final value of outstanding claims is calculated using a set of standard actuarial techniques for predicting claims, such as a statistical method (Chain-pillar method) based on the evolution of claims paid or asserted, as well as a statistical method based on the damage ratio (Bonhuther-Ferguson), which is suitable for estimating liabilities by groups with a low frequency of occurrences and no or limited number of claims filed.

The main assumption underlying these techniques is that the Group's experience in the development of past claims can be used to design future claims development and therefore for the final costs of claims.

These methods extrapolate the evolution of losses paid and incurred, the average cost of damage (including the costs of processing damages) and the number of claims based on the observed development from earlier years and the expected loss ratios. The evolution of historical claims is mainly analysed by year of occurrence, but types of claims can also be further analysed.

Large claims are not considered separately.

Assumptions are made about the future rates of claims inflation and liquidation costs. Loss ratio assumptions are used for low-volume or low-frequency insurances where there is a lack of sufficiently

representative data on the claims made. Additional qualitative judgment is used to assess the extent to which past trends may not apply in the future (e.g. to reflect one-off events, changes in external or market factors such as public attitudes towards claims, economic conditions, claims inflation rates, court decisions and legislation, as well as as internal factors such as portfolio mix, policy characteristics and claims processing procedures) to arrive at the final estimated value of claims that represent the probabilistically weighted expected result of the value of the range of possible outcomes, taking into account any associated uncertainties.

Other key circumstances affecting the reliability of assumptions include fluctuations in interest rates, settlement delays and changes in foreign currency exchange rates.

***Discount Interest***

The Group adjusts the carrying amount of the liability for claims incurred to reflect the value of cash over time and the effect of financial risk using discount rates that reflect the cash flow characteristics of the insurance contract group at initial recognition. The cash flows are discounted to their respective term risk-free interest rate structure published by the EIOPA, depending on the currency of the liabilities, without adding an additional illiquidity premium to them.

***Risk adjustment for non-financial risk***

The non-financial risk adjustment is the compensation that the Group requires to bear the uncertainty about the size and timing of the cash flows of groups of insurance contracts. The risk adjustment reflects the amount that the insurer would rationally pay to eliminate the uncertainty that future cash flows will exceed the expected value.

The Group assesses the adjustment for non-financial risk using a confidence level (probability of sufficiency) approach of the 65th percentile. This means that the Group has assessed its impartiality to uncertainty across all product lines (as an indication of the compensation it requires for taking non-financial risk) as equivalent to the 65th percentile with confidence level minus the average of the expected probability distribution of future cash flows. The Group has assessed the probabilistic distribution of future cash flows and the additional amount above the expected present value of future cash flows required to achieve the target rates.

The non-financial risk adjustment is calculated using the Bootstrap method in ResQ (actuarial software for calculating the reserves for damages) based on the value of the claims paid, applied to the entire business and distributed to portfolios based on the calculations for each portfolio individually.

### 4.36.11. Insurance and Reinsurance Contracts – Life Insurance

The Group uses cash flow models across all portfolios and for all types of liabilities (POP, VFR). In preparing the reports, the Company estimates future cash flows for execution falling within contractual limits. Estimates are current and are weighted with probability for each projected scenario. In the probability weighting, the Company considers all scenarios, reflecting, limits and other contractual elements. The Company complies with the requirements that estimates be relevant to market variables.

Cash flows to be executed are estimated in each future reporting period in quarterly increments. Current information on size and time is used and in accordance with discount rate assumptions. Changes related to current and past periods are reported in income or expenses.

The group used a mortality table in its savings insurance forecasts and assumptions for the behaviour of policyholders for dropouts, using a uniform annual ratio of 5%.

In deriving the assumptions, its own experience and data on the costs that the company typically incurs for carrying out its activities using a systematic methodology and impartially uses all reasonable and reasoned information available without incurring unnecessary costs or efforts.

The Company applies discount curves in the calculation of the present value of cash flows. To derive the discount rates, the Company uses a reference portfolio within the meaning of IFRS B81. The asset portfolios coincide with those used by the European Insurance and Occupational Pensions Authority (ESSD) to derive discount rates without adjustments (for volatility or for compliance). These curves correspond to the most liquid assets and accordingly the Company does not adjust them for liquidity. It should be noted that with the introduction of IFRS 17, the Company achieves a higher level of correspondence with the other regulatory regime in insurance, namely Solvency 2.

At present, estimates of the present value of cash flows under IFRS 17 correspond to the Solvency 2 NPI.

For discount rates at the initial recognition of a group, the corresponding curve at the moment is used. As quarterly reports are created cumulatively from the beginning of the year (for each calendar year), an arithmetically weighted average is calculated, which is the result of the four quarterly curves during the year. These curves are used to recognise the RAP.

The Group improves its cash flow models during the reporting period, introducing more precise forecasts and their accompanying assumptions. The new calculation models introduce a projection step of a quarter and thus reduce discretionary error. The Group may also apply a monthly calculation for greater precision. The Group's expectation is that in the next statements, the forecasted and real cash flows will be of closer values. The estimate of the present value of cash flows is made with the mentioned discount rates, reflecting the value of money over time, and serve to achieve the objectives of the standard for separating the insurance result from the financing of insurance (reinsurance) activities.

The Group chose an approach to determine the non-financial risk adjustment to be made in full, i.e. no breakdown is made between an insurance services component and a financial insurance component.

The group has made an accounting choice for the insurance company not to make a breakdown between financial income and expenses between profit or loss and other comprehensive income.

The level of confidence that the company has adopted is 52%, and for its derivation, a calculation has been made separately for POP and VFR and a convention for independence between the two types of liabilities has been adopted.

The techniques used are:

For POP – stochastic bootstrap technique, using a software solution – ICRFS ELRF;

For VFR – an actuarial technique based on the method of moments is used, a standard deviation is derived. For costs (which are also random variables, a one-time stress factor and allocation assumption are used).

The range of the discount curve is between 2% and 3% for an annual spot. A BGN curve is used, which corresponds to the activity of the insurance company (geographically the activity is entirely carried out in Bulgaria), published by EOPPO for each quarter.

## 5. Basis for consolidation

### 5.1. Investments in subsidiaries

The subsidiaries included in the consolidation are as follows:

| Name of the subsidiary | Country of incorporation | Main activities | 31.12.2025 Percentage of consolidation | 31.12.2025 Nominal percentage | 31.12.2024 Percentage of consolidation | 31.12.2024 Nominal percentage |
|---|---|---|---|---|---|---|
| Central Cooperative Bank AD | Bulgaria | Finance | 77,13% | 77,13% | 77,13% | 77,13% |
| Central Cooperative Bank AD – Skopje | Macedonia | Finance | 71,85% | 91,83% | 71,85% | 91,83% |
| AO Investment Cooperative Bank | Russia | Finance | 86,27% | 86,27% | 86,27% | 86,27% |
| CCB Group EAD | Bulgaria | Finance | 100,00% | 100,00% | 100,00% | 100,00% |
| CCB Assets Management EAD | Bulgaria | Finance | 77,13% | 100,00% | 77,13% | 100,00% |
| ZAD Armeec | Bulgaria | Finance | 96,26% | 96,26% | 96,26% | 96,26% |
| ZEAD CCB Life | Bulgaria | Finance | 100,00% | 100,00% | 100,00% | 100,00% |
| POAD CCB Sila | Bulgaria | Finance | 87,03% | 92,25% | 87,03% | 92,25% |
| DPF CCB Sila | Bulgaria | Finance | 87,03% | 100,00% | 87,03% | 100.00% |
| UPF CCB Sila | Bulgaria | Finance | 87,03% | 100,00% | 87,03% | 100,00% |
| PPF CCB Sila | Bulgaria | Finance | 87,03% | 100,00% | 87,03% | 100.00% |
| FIPP CCB Sila | Bulgaria | Finance | 87,03% | 100,00% | 87,03% | 100,00% |
| FRP CCB Sila | Bulgaria | Finance | 87,03% | 100,00% | 87,03% | 100.00% |
| Zarneni Hrani Bulgaria AD | Bulgaria | Production, Trade and Services | 68,00% | 68,00% | 68,00% | 68,00% |
| Oil and Gas Exploration and Production AD | Bulgaria | Production, Trade and Services | 49,90% | 66,25% | 49,90% | 66,25% |
| Bulgarska Petrolna Rafinieria EOOD | Bulgaria | Production, Trade and Services | 49,90% | 100,00% | 49,90% | 100.00% |
| Slanchevi lachi Provadia EOOD | Bulgaria | Production, Trade and Services | 68,00% | 100,00% | 68,00% | 100,00% |
| Asenova Krepost AD | Bulgaria | Production, Trade and Services | 47,22% | 67,41% | 47,22% | 67,41% |
| PDNG Service EOOD | Bulgaria | Production, Trade and Services | 49,90% | 100,00% | 49,90% | 100.00% |
| Izdatelstvo Geologia i Mineralni Resursi OOD | Bulgaria | Production, Trade and Services | 34,93% | 70,00% | 34,93% | 70.00% |
| Bulchimtrade OOD | Bulgaria | Production, Trade and Services | 44,88% | 66,00% | 44,88% | 66.00% |
| Rubber Trade OOD | Bulgaria | Production, Trade and Services | 40,80% | 60,00% | 40,80% | 60.00% |
| Chimceltex EOOD | Bulgaria | Production, Trade and Services | 68,00% | 100,00% | 68,00% | 100.00% |
| Chimoil BG EOOD | Bulgaria | Production, Trade and Services | 49,90% | 100,00% | 49,90% | 100.00% |
| Zarneni Hrani Grain EOOD | Bulgaria | Production, Trade and Services | 68,00% | 100,00% | 68,00% | 100.00% |
| Techno Capital AD | Bulgaria | Production, Trade and Services | 75,42% | 90,00% | 75,42% | 90,00% |
| Dobrich Fair AD | Bulgaria | Production, Trade and Services | 40,78% | 59,97% | 40,78% | 59,97% |
| National Commodity Exchange AD | Bulgaria | Production, Trade and Services | 73,13% | 75,00% | 73,13% | 75,00% |
| Prime Lega Consult EOOD | Bulgaria | Production, Trade and Services | 100,00% | 100,00% | 100.00% | 100,00% |
| AH HGH Consult OOD | Bulgaria | Production, Trade and Services | 59,34% | 59,34% | 59,34% | 59,34% |
| Omega Finance OOD | Bulgaria | Production, Trade and Services | 83,80% | 96,00% | 83,80% | 96.00% |
| IT Systems Consult EOOD | Bulgaria | Production, Trade and Services | 68,00% | 100,00% | 68,00% | 100.00% |
| Winery Assets EOOD | | | 77,13% | 100,00% | - | - |

| Name of the subsidiary | Country of incorporation | Main activities | 31.12.2025 Percentage of consolidation | 31.12.2025 Nominal percentage | 31.12.2024 Percentage of consolidation | 31.12.2024 Nominal percentage |
|---|---|---|---|---|---|---|
| Wine Assets EOOD | Bulgaria | Production, Trade and Services | 77,13% | 100,00% | - | - |
| Bulgarian Shipping Company EAD | Bulgaria | Sea and River Transport | 100,00% | 100,00% | 100,00% | 100,00% |
| Parahodstvo Bulgarsko Rechno Plavane AD | Bulgaria | Sea and River Transport | 80,03% | 80,75% | 80,03% | 80,75% |
| Port Balchik AD | Bulgaria | Sea and River Transport | 78,56% | 100,00% | 78,56% | 100,00% |
| Port Lesport AD | Bulgaria | Sea and River Transport | 99,00% | 99,00% | 99,00% | 99,00% |
| Lesport Project Management EOOD | Bulgaria | Sea and River Transport | 99,00% | 100,00% | 99,00% | 100.00% |
| Mayak KM AD | Bulgaria | Sea and River Transport | 69,28% | 86,57% | 69,28% | 86.57% |
| Bulgarian Logistic Company EOOD | Bulgaria | Sea and River Transport | 100,00% | 100,00% | 100.00% | 100.00% |
| Port Pristis OOD | Bulgaria | Sea and River Transport | 44,02% | 55,00% | 44,02% | 55.00% |
| Portstroi Invest EOOD | Bulgaria | Sea and River Transport | 100,00% | 100,00% | 100,00% | 100,00% |
| Port Invest EOOD | Bulgaria | Sea and River Transport | 80,03% | 100,00% | 80,03% | 100,00% |
| Port Bimas EOOD | Bulgaria | Sea and River Transport | 80,03% | 100,00% | 80,03% | 100,00% |
| Interlihter Slovakia | Slovakia | Sea and River Transport | 80,03% | 100,00% | 80,03% | 100,00% |
| Blue Sea Horizon Corp | Seychelles | Sea and River Transport | 80,03% | 100,00% | 80,03% | 100,00% |
| Bulgarian Airways Group EAD | Bulgaria | Aviation Transport | 100,00% | 100,00% | 100,00% | 100.00% |
| Bulgaria Air AD | Bulgaria | Aviation Transport | 99,99% | 99,99% | 99,99% | 99,99% |
| Bulgaria Air Technic EOOD | Bulgaria | Aviation Transport | 99,99% | 100,00% | 99,99% | 100,00% |
| Airport Consult EOOD | Bulgaria | Aviation Transport | 100,00% | 100,00% | 100,00% | 100,00% |
| Trans intercar EAD | Bulgaria | Vehicle Transport | 100,00% | 100,00% | 100,00% | 100,00% |
| Energoproekt AD | Bulgaria | Real Estate and engineering | 98,64% | 98,69% | 98,64% | 98,69% |
| Energoproekt Utilities OOD in liquidation | Bulgaria | Real Estate and engineering | 0,00% | 0,00% | 0,00% | 0,00% |
| Bulgaria Air Maintenance EAD | Bulgaria | Real Estate and engineering | 100,00% | 100,00% | 100,00% | 100,00% |
| Golf Shabla AD | Bulgaria | Real Estate and engineering | 32,43% | 65,00% | 32,43% | 65,00% |
| Sporten Complex Varna AD | Bulgaria | Real Estate and engineering | 65,00% | 65,00% | 65,00% | 65,00% |
| Sporten management EOOD | Bulgaria | Real Estate and engineering | 65,00% | 100,00% | 65,00% | 100.00% |
| Human Management AD | Bulgaria | Real Estate and engineering | 87,66% | 87,66% | 87,66% | 87.66% |
| Bulchimex GmbH | Germany | Real Estate and engineering | 100,00% | 100,00% | 100,00% | 100.00% |
| Invest Capital Consult AD | Bulgaria | Real Estate and engineering | 95,45% | 100,00% | 95,45% | 100.00% |
| Sitniakovo Project Estate EOOD | Bulgaria | Real Estate and engineering | 49,90% | 100,00% | 49,90% | 100.00% |
| Imoti Activities 1 EOOD | Bulgaria | Real Estate and engineering | 68,00% | 100,00% | 68,00% | 100.00% |
| Imoti Bimas EOOD | Bulgaria | Real Estate and engineering | 80,03% | 100,00% | 80,03% | 100.00% |
| Imoti BRP EOOD | Bulgaria | Real Estate and engineering | 80,03% | 100,00% | 80,03% | 100,00% |

The Group includes non-controlling interest (NCI), broken down by segments as follows.

| Segment | Accumulated non-controlling interests 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| Financial sector | 240 303 | 217 346 |
| Production, trade and services | 118 522 | 118 006 |
| Transport | 13 674 | 14 067 |
| Real estate and engineering | 28 499 | 20 414 |
| | **400 998** | **369 833** |

In 2025, BGN 659 thousand was paid to non-controlling interests (2024: BGN 1,666 thousand). Summarized financial information regarding assets and liabilities before intragroup eliminations is disclosed in note 7 Segment reporting.

## 6. Investments accounted for using the equity method

The carrying amount of investments accounted for using the equity method is as follows:

| | Note | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|---|
| Investments in associates | 6.1 | 25 637 | 24 957 |
| Investments in joint ventures | 6.2 | 1 714 | 1 986 |
| **Total investments accounted for using the equity method** | | **27 351** | **26 943** |
| **Gains from investments under equity method** | 6.1, 6.2 | **5 283** | **5 661** |

### 6.1. Investments in associates

Investments in associates are presented in the financial statements of the Group using the equity method. Associates have a reporting date as at 31 December. The carrying amount of the Group's investments and percentage of participation in the voting rights and equity of associates may be presented as follows:

| Name of the associate | Country of incorporation and principal place of business | Main activities | 2025 BGN'000 | Share % | 2024 BGN'000 | Share % |
|---|---|---|---|---|---|---|
| Lufthansa Technik Sofia OOD | Bulgaria | Aircraft repair activity | 8 236 | 24.90% | 9 117 | 24.90% |
| Swissport Bulgaria AD | Bulgaria | Ground handling services | 2 997 | 49.00% | 3 665 | 49.00% |
| Silver Wings Bulgaria OOD | Bulgaria | Catering services | 3 299 | 42.50% | 3 461 | 42.50% |
| VTC AD | Bulgaria | Maritime and port services | 7 449 | 41.00% | 6 221 | 41.00% |
| Kavarna Gas OOD | Bulgaria | Gas transmission services | 551 | 35.00% | 544 | 35.00% |
| Amadeus Bulgaria OOD | Bulgaria | Reservation services | 354 | 44.99% | 351 | 44.99% |
| DUFRY SOFIA OOD | Bulgaria | Duty free shop | 2 751 | 20.00% | 1 598 | 20.00% |
| | | | **25 637** | | **24 957** | |

Summary of financial information about the significant associates of the Group is presented below. It reflects the amount presented in the financial statements of the associate concerned after adjustments in connection with the application of the equity method:

| | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| Non-current assets | 154 578 | 158 038 |
| Current assets | 97 044 | 103 237 |
| **Total assets** | **251 622** | **261 275** |
| | | |
| Non-current liabilities | 97 149 | 119 714 |
| Current liabilities | 73 474 | 64 279 |
| **Total liabilities** | **170 623** | **183 993** |
| **Net assets** | **80 999** | **77 282** |
| | | |
| Revenues | 398 721 | 350 271 |
| Profit for the year | 23 084 | 19 754 |
| Profit after taxes | 20 306 | 17 324 |
| Other comprehensive loss | (122) | (335) |
| **Total comprehensive income for the year** | **20 184** | **16 989** |

A reconciliation of the financial information set out above with the carrying amount of investments in significant associates is presented as follows:

| | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| Total net assets as of January 1 | 77 282 | 73 523 |
| Change from net assets of companies acquired during the period | (5) | (52) |
| Profit for the year | 20 306 | 17 324 |
| Other comprehensive loss for the year | (122) | (335) |
| Dividends paid | (16 462) | (13 178) |
| **Total net assets as of December 31** | **80 999** | **77 282** |
| | | |
| Share participation of the Group (in thousand BGN) | 25 637 | 24 866 |
| Goodwill | - | 91 |
| **Carrying value of investments** | **25 637** | **24 957** |
| | | |
| **Share of the Group's profits in profits and losses** | **5 426** | **5 055** |
| Share of other comprehensive loss for the Group | (31) | (102) |
| **Share of total comprehensive income for the Group** | **5 395** | **4 953** |
| | | |
| **Gain of investments in associates recognized in Consolidated statement of profit or loss and other comprehensive income** | **5 426** | **5 055** |

All transfers of cash to the Group, such as payment of dividends are made after the approval of at least 51% of all owners of associates. In 2025 and 2024, the Group received dividends amounting to BGN 5 130 thousand and BGN 3 901 thousand by associates.

## 6.2. Investments in joint ventures

Investments in joint ventures are accounted using the equity method. Joint ventures have a reporting date as at 31 December. The carrying amount of the Group's investments and percentage of participation in the voting rights and equity of joint ventures may be presented as follows:

| Name of the joint venture | Country of incorporation and principal place of business | Main activities | 2025 BGN '000 | Share % | 2024 BGN '000 | Share % |
|---|---|---|---|---|---|---|
| Nuance BG AD | Bulgaria | Duty free trade | 1 118 | 50% | 1 502 | 50% |
| Bulgaria Air - Direction DZZD | Bulgaria | Sale of airline tickets and hotel accommodation | 264 | 90% | 241 | 90% |
| Bulgaria Air and Direction DZZD | Bulgaria | Sale of airline tickets and hotel accommodation | 146 | 70% | 95 | 70% |
| Bulgaria Air and Direction Keti DZZD | Bulgaria | Sale of airline tickets and hotel accommodation | 103 | 60% | 18 | 60% |
| Senshi Academy DZZD | Bulgaria | Sports activity | 83 | 70% | 130 | 70% |
| | | | **1 714** | | **1 986** | |

Summary of financial information of the Group's major joint ventures is presented below. It reflects the amounts presented in the financial statements of the associate concerned after adjustments in connection with the application of the equity method (including fair value adjustments) or adjustments for differences in accounting policies:

| | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| Non-current assets | 11 644 | 5 947 |
| Current assets | 9 188 | 10 377 |
| **Total assets** | **20 832** | **16 324** |
| | | |
| Non-current liabilities | 7 548 | 2 036 |
| Current liabilities | 10 254 | 10 665 |
| **Total liabilities** | **17 802** | **12 701** |
| **Net assets** | **3 030** | **3 623** |
| | | |
| **Revenues** | 63 435 | 51 658 |
| **Profit for the period** | (478) | 1 255 |
| **Profit after taxes** | (409) | 1 089 |
| **Total comprehensive income for the year** | **(409)** | **1 089** |

A reconciliation of the financial information set out above with the carrying amount of investments in significant joint ventures is presented as follows:

| | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| Total net assets as of January 1 | 3 623 | (8 653) |
| Change and net assets acquired and sold during the period | 1 | 14 577 |
| Profit for the year | (409) | 1 089 |
| Dividends paid | (185) | (3 390) |
| **Total net assets as of December 31** | **3 030** | **3 623** |
| | | |
| Share participation of the Group (in thousand BGN) | (143) | 606 |
| Share of loss not recognised by the Group | - | - |
| **Carrying value of investment** | **(143)** | **606** |

All transfers of cash to the Group, such as dividend payments, are made subject to the approval of the joint ventures. In 2025, the Group didn't receive dividends from joint ventures respectively (2024: BGN 1 781 thousand).

## 7. 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.

For segment reporting under IFRS 8, the Group applies the same valuation policy as in the latest annual consolidated financial statements. All transfers between segments are valued and recognized at market prices and conditions.

The main operating segments of the Group are the following: Production, trade and services; Finance; Transport; Real estate and engineering.

The Group's operating segments are summarized as follows:

| Operating segments<br><br>31.12.2025 | Transport<br><br>BGN'000 | Finance<br><br>BGN'000 | Production, trade and services<br><br>BGN'000 | Real estate and engineering<br><br>BGN'000 | Eliminations<br><br>BGN'000 | Consolidated<br><br>BGN'000 |
|---|---|---|---|---|---|---|
| Income from non-financial activities from external customers | 393 138 | 32 907 | 64 465 | 15 117 | (8 267) | 497 360 |
| Change in fair value of investment property | - | 5 793 | 528 | 301 | - | 6 622 |
| Result from sale of non-current assets | 157 | 510 | 2 | - | - | 669 |
| Inter-segment income from non-financial activities | 14 198 | 7 541 | 13 424 | 5 040 | (40 203) | - |
| **Total income from non-financial activities** | **407 493** | **46 751** | **78 419** | **20 458** | **(48 470)** | **504 651** |
| Insurance service result | - | 75 582 | - | - | - | 75 582 |
| Net result from reinsurance contracts held | - | (31 916) | - | - | - | (31 916) |
| **Net result from insurance** | **-** | **43 666** | **-** | **-** | **-** | **43 666** |
| Interest income | 1 655 | 304 887 | 6 340 | 270 | (18 072) | 295 080 |
| Interest expenses | (33 950) | (21 483) | (6 914) | (1 984) | 18 080 | (46 251) |
| **Net interest income/expenses** | **(32 295)** | **283 404** | **(574)** | **(1 714)** | **8** | **248 829** |
| **Net result from transactions with financial instruments** | **5 130** | **169 801** | **1 325** | **133** | **(11 309)** | **165 080** |
| Operating and administrative expenses | (386 950) | (273 283) | (77 552) | (16 587) | 31 548 | (722 824) |
| Net result from investments accounted for using the equity method | - | - | - | - | 5 283 | 5 283 |
| Other financial income/(expenses) | 20 576 | 38 959 | (582) | (65) | (206) | 58 682 |
| Income to be allocated from allocation to social security accounts | - | (148 251) | - | - | - | (148 251) |
| **Profit/(loss) for the year before tax** | **13 954** | **161 047** | **1 036** | **2 225** | **(23 146)** | **155 116** |
| Income tax expense/(income) | (4 366) | (13 024) | (387) | (413) | - | (18 190) |
| **Net profit/(loss) for the year** | **9 588** | **148 023** | **649** | **1 812** | **(23 146)** | **136 926** |
| Assets of the segment | 1 451 153 | 15 894 707 | 746 610 | 383 113 | (2 908 466) | 15 567 117 |
| Equity accounted investments | 19 133 | - | 363 | 2 | 7 853 | 27 351 |
| **Total consolidated assets** | **1 470 286** | **15 894 707** | **746 973** | **383 115** | **(2 900 613)** | **15 594 468** |
| Liabilities of the segment | 1 040 289 | 13 164 437 | 298 369 | 102 135 | (1 072 717) | 13 532 513 |
| **Total consolidated liabilities** | **1 040 289** | **13 164 437** | **298 369** | **102 135** | **(1 072 717)** | **13 532 513** |

| Operating segments<br><br>31.12.2024 | Transport<br><br>BGN'000 | Finance<br><br>BGN'000 | Production, trade and services<br><br>BGN'000 | Real estate and engineering<br><br>BGN'000 | Eliminations<br><br>BGN'000 | Consolidated<br><br>BGN'000 |
|---|---|---|---|---|---|---|
| Income from non-financial activities from external customers | 372 447 | 25 498 | 78 080 | 17 898 | (2 279) | 491 644 |
| Change in fair value of investment property | - | 2 917 | 1 288 | 303 | - | 4 508 |
| Result from sale of non-current assets | 1 691 | 295 | 2 221 | - | (1 531) | 2 676 |
| Inter-segment income from non-financial activities | 11 174 | 2 828 | 16 517 | 2 981 | (33 500) | - |
| **Total income from non-financial activities** | **385 312** | **31 538** | **98 106** | **21 182** | **(37 310)** | **498 828** |
| Insurance service result | - | 37 959 | - | - | - | 37 959 |
| Net result from reinsurance contracts held | - | (16 672) | - | - | - | (16 672) |
| **Net result from insurance** | **-** | **21 287** | **-** | **-** | **-** | **21 287** |
| Interest income | 1 801 | 303 500 | 6 658 | 364 | (14 360) | 297 963 |
| Interest expenses | (29 425) | (16 212) | (7 650) | (2 631) | 14 360 | (41 558) |
| **Net interest income/expenses** | **(27 624)** | **287 288** | **(992)** | **(2 267)** | **-** | **256 405** |
| **Net result from transactions with financial instruments** | **1 184** | **102 066** | **1 652** | **302** | **(7 568)** | **97 636** |
| Operating and administrative expenses | (354 352) | (245 960) | (94 384) | (17 239) | 22 027 | (689 908) |
| Net result from investments accounted for using the equity method | - | - | - | - | 5 661 | 5 661 |
| Other financial income/(expenses) | (13 208) | 99 519 | (323) | (239) | 581 | 86 330 |
| Income to be allocatedfrom allocation to social security accounts | - | (135 837) | - | - | - | (135 837) |
| **Profit/(loss) for the year before tax** | **(8 688)** | **159 901** | **4 059** | **1 739** | **(16 609)** | **140 402** |
| Income tax expense/(income) | (647) | (14 479) | (722) | (122) | - | (15 970) |
| **Net profit/(loss) for the year** | **(9 335)** | **145 422** | **3 337** | **1 617** | **(16 609)** | **124 432** |
| Assets of the segment | 1 476 158 | 14 135 538 | 736 056 | 339 425 | (2 664 109) | 14 023 068 |
| Equity accounted investments | 19 150 | - | 363 | 2 | 7 428 | 26 943 |
| **Total consolidated assets** | **1 495 308** | **14 135 538** | **736 419** | **339 427** | **(2 656 681)** | **14 050 011** |
| Liabilities of the segment | 1 073 168 | 11 618 632 | 288 406 | 145 976 | (991 247) | 12 134 935 |
| **Total consolidated liabilities** | **1 073 168** | **11 618 632** | **288 406** | **145 976** | **(991 247)** | **12 134 935** |

## 8. 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. Their carrying amount can be analysed as follows:

| 2025 | Land | Building | Machines and equipment | Facilities and spare parts | Vehicles | Repairs of rented assets | Other | 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 2025** | 51 521 | 122 748 | 195 446 | 33 042 | 181 823 | 26 807 | 97 176 | 53 600 | 762 163 |
| Additions: | | | | | | | | | |
| - separately acquired | 82 | 1 201 | 4 599 | 833 | 4 481 | 490 | 739 | 24 673 | **37 098** |
| Disposals | | | | | | | | | |
| - separately disposed | (2) | - | (658) | (582) | (651) | (1) | (27) | (4 554) | **(6 605)** |
| -reclassification to investment properties | 8 742 | 12 207 | 237 | - | - | - | - | - | **21 186** |
| Transferred | 486 | 20 | 497 | 92 | 114 | - | - | (1 209) | **-** |
| Balance at 31 December 2025 | **60 829** | **136 046** | **200 121** | **33 385** | **185 767** | **27 296** | **97 888** | **72 510** | **813 842** |
| **Depreciation** | | | | | | | | | |
| Balance at 1 January 2025 | **-** | **(48 852)** | **(155 572)** | **(27 881)** | **(127 182)** | **(23 419)** | **(58 736)** | **-** | **(441 642)** |
| Depreciation of disposed assets: | | | | | | | | | |
| - from separately disposed | - | 28 796 | 651 | 349 | 555 | 1 | 27 | - | **30 379** |
| Depreciation for the year | - | (3 852) | (7 979) | (587) | (5 791) | (452) | (2 589) | - | **(21 250)** |
| Balance at 31 December 2025 | **-** | **(23 908)** | **(162 900)** | **(28 119)** | **(132 418)** | **(23 870)** | **(61 298)** | **-** | **(432 513)** |
| **Carrying amount at 31 December 2025** | **60 829** | **83 342** | **37 221** | **5 266** | **53 349** | **3 426** | **36 590** | **72 510** | **352 533** |

- for the period ending 31 December 2024:

| 2024 | Land BGN'000 | Building BGN'000 | Machines and equipment BGN'000 | Facilities and spare parts BGN'000 | Vehicles BGN'000 | Repairs of rented assets BGN'000 | Other BGN'000 | Assets in process of acquisition BGN'000 | Total BGN'000 |
|---|---|---|---|---|---|---|---|---|---|
| **Balance at 1 January 2024** | 51 542 | 124 099 | 191 015 | 32 580 | 176 010 | 26 278 | 95 210 | 52 790 | **749 524** |
| Additions: | | | | | | | | | |
| - separately acquired | - | 165 | 6 711 | 1 049 | 9 519 | 529 | 1 987 | 19 629 | **39 589** |
| Disposals | | | | | | | | | |
| - separately disposed | (21) | (278) | (2 367) | (587) | (3 706) | - | (21) | (18 819) | **(25 799)** |
| -reclassification of right of use assets | - | 90 | 87 | - | - | - | - | - | **177** |
| -reclassification to investment properties | - | (1 328) | - | - | - | - | - | - | **(1 328)** |
| Balance at 31 December 2024 | **51 521** | **122 748** | **195 446** | **33 042** | **181 823** | **26 807** | **97 176** | **53 600** | **762 163** |
| **Depreciation** | | | | | | | | | |
| Balance at 1 January 2024 | - | (45 100) | (147 824) | (27 354) | (113 125) | (22 959) | (55 952) | - | **(412 314)** |
| Depreciation of disposed assets: | | | | | | | | | |
| - from separately disposed | - | 51 | 1 392 | 279 | 1 434 | - | 20 | - | **3 176** |
| - reclassification of right of use assets | - | (90) | (87) | - | - | - | - | - | **(177)** |
| -reclassification to investment properties | - | 57 | - | - | - | - | - | - | **57** |
| Depreciation for the year | - | (3 770) | (9 053) | (806) | (15 491) | (460) | (2 804) | - | **(32 384)** |
| Balance at 31 December 2024 | **-** | **(48 852)** | **(155 572)** | **(27 881)** | **(127 182)** | **(23 419)** | **(58 736)** | - | **(441 642)** |
| **Carrying amount at 31 December 2024** | **51 521** | **73 896** | **39 874** | **5 161** | **54 641** | **3 388** | **38 440** | **53 600** | **320 521** |

All depreciation and impairment charges are included in consolidated statement of profit or loss and other comprehensive income within “Operating and administrative expenses”.

The carrying amount of the Group’s property, plant and equipment pledged as security on borrowings as at 31 December is presented as follows:

| | Land | Building | Machines plant and equipment | Vehicles | Other | Total |
|---|---|---|---|---|---|---|
| | BGN’000 | BGN’000 | BGN’000 | BGN’000 | BGN’000 | BGN’000 |
| Carrying amount as at 31 December 2025 | 10 877 | 17 225 | 4 450 | 173 | 5 | **32 730** |
| Carrying amount as at 31 December 2024 | 2 792 | 5 772 | 5 087 | 556 | 4 | **14 211** |

## 9. Right of use assets

The Group’s right-of-use assets include aircrafts and vehicles, buildings and machinery and equipment, related to right of use of these leased assets. The carrying amounts of these assets can be analyzed as follows:

| | Aircrafts | Improvements to leased aircrafts | Vehicles | Buildings | Machinery and equipment | Total Right-of-use assets |
|---|---|---|---|---|---|---|
| | BGN’000 | BGN’000 | BGN’000 | BGN’000 | BGN’000 | BGN’000 |
| **Gross carrying amount** | | | | | | |
| Balance at 1 January 2025 | **664 863** | **54 935** | **3 467** | **94 457** | **31 252** | **848 974** |
| Additions | 51 069 | 391 | 4 062 | 21 197 | 3 359 | 80 078 |
| Disposals | - | - | (28) | (19 027) | (23 865) | (42 920) |
| Value adjustments during the period | - | - | (2) | 1 | - | (1) |
| Balance at 31 December 2025 | **715 932** | **55 326** | **7 499** | **96 628** | **10 746** | **886 131** |
| **Depreciation** | | | | | | |
| Balance at 1 January 2025 | **(123 532)** | **(30 879)** | **(1 348)** | **(54 850)** | **(5 444)** | **(216 053)** |
| Amortization for the year | (33 174) | (5 962) | (1 672) | (15 969) | (6 378) | (63 155) |
| Disposals | - | - | 28 | 18 389 | 22 273 | 40 690 |
| Balance at 31 December 2025 | **(156 706)** | **(36 841)** | **(2 992)** | **(52 430)** | **10 451** | **(238 518)** |
| **Carrying amount at 31 December 2025** | **559 226** | **18 485** | **4 507** | **44 198** | **21 197** | **647 613** |

| | Aircrafts<br>BGN'000 | Improvements to leased aircrafts<br>BGN'000 | Vehicles<br>BGN'000 | Buildings<br>BGN'000 | Machinery and equipment<br>BGN'000 | Total Right-of-use assets<br>BGN'000 |
|---|---|---|---|---|---|---|
| **Gross carrying amount** | | | | | | |
| Balance at 1 January 2024 | **519 692** | **49 214** | **3 749** | **93 460** | **3 276** | **669 391** |
| Additions | 145 171 | 217 522 | 1 589 | 10 017 | 28 063 | 402 362 |
| Disposals | - | (211 801) | (1 781) | (9 759) | - | (223 341) |
| Advertised by/in property, plant and equipment | - | - | (90) | - | (87) | (177) |
| Value adjustments during the period | - | - | - | 739 | - | 739 |
| Balance at 31 December 2024 | **664 863** | **54 935** | **3 467** | **94 457** | **31 252** | **848 974** |
| **Depreciation** | | | | | | |
| Balance at 1 January 2024 | (94 423) | (26 680) | (2 197) | (47 780) | (1 025) | (172 105) |
| Amortization for the year | (29 109) | (5 861) | (1 002) | (14 546) | (4 506) | (55 024) |
| Advertised by/in property, plant and equipment | - | - | 90 | - | 87 | 177 |
| Disposals | - | 1 662 | 1 761 | 7 476 | - | 10 899 |
| Balance at 31 December 2024 | **(123 532)** | **(30 879)** | **(1 348)** | **(54 850)** | **(5 444)** | **(216 053)** |
| **Carrying amount at 31 December 2024** | **541 331** | **24 056** | **2 119** | **39 607** | **25 808** | **632 921** |

All depreciation expenses are recognized in the statement of profit or loss and other comprehensive income under the line item "Depreciation expense on non-financial assets."

If the cost model had been applied, the carrying amounts of the revalued assets of the Aircraft Group would have amounted to BGN 444 809 thousand (2024: BGN 424 605 thousand). The revalued amounts include a pre-tax revaluation reserve of BGN 89 179 thousand which is not distributable to the owners of the Parent company.

As at 31 December 2025, the Group's management has reviewed the carrying values, recoverable amounts and useful lives of the assets. It has been determined that as at the valuation date, there is no variance of more than the 5% allowed under the Group's accounting policy.

According to a pledge agreement, there is an option to acquire three of the Airbus A 320 aircraft, with registration marks , LZ-FBH, LZ – FBK and , LZ-FBI. The option under the agreements is provided as collateral for the Group’s obligations to the owner.

As of 31.12.2023, the Group has undertaken commitments to purchase 7 Airbus 220 aircraft under financial leasing contracts with an option to purchase at the end of the lease term, with three of the aircraft being delivered in 2023 for a total value of BGN 147,769 thousand. In 2024, three more Airbus 220 aircraft were delivered for a total value of BGN 145,172 thousand. The delivery of the last aircraft (aircraft (AC), type Airbus,220 300 with registration number LZ-FRA) is in 2025, as the Group has concluded a tripartite agreement with the lessor ALC Clover Ireland Limited, Ireland and the intermediate lessor Fly Lease EOOD for its purchase. The purchase price of the aircraft in the amount of BGN 51,069 thousand will be paid in installments according to a repayment plan until February 2037.

Leasehold improvements amounting to BGN 18 485 thousand include repairs to leased aircraft and/or engines and other aircraft parts which, under the terms of the contracts and the technical operation of the aircraft, are added to their value. Some of these may be recoverable under specific contractual clauses.

Lease liabilities corresponding to right-of-use assets are presented in Note 28 Lease liabilities.

All depreciation expense is included in the statement of profit or loss and other comprehensive income in the line "Depreciation expense on non-financial assets".

The Group's aircraft right-of-use assets have been revalued at the end of the reporting period by an independent valuer. Refer to note 48.2 for information on the determination of the fair value of assets in the Right-of-Use Assets group.

## 10. Investment property

Investment property includes land and buildings, hangars and outbuildings which are owned to earn rentals and capital appreciation. Investment property is recognized in the consolidated financial statements of the Group using fair value model. Changes to the carrying amounts presented in the consolidated statement of financial position can be summarized as follows:

| | **Investment property BGN ‘000** |
|---|---|
| **Carrying amount at 1 January 2024** | **575 080** |
| Newly acquired asset | |
| - through acquisition costs | 94 |
| - separately acquired | 4 473 |
| - reclassification of property, plant and equipment | 1 271 |
| Gain from change of the fair value of investment property | 5 697 |
| Loss from change of fair value of investment property | (1 189) |
| **Change in fair value of investment properties** | **4 508** |
| Written off assets | |
| - separately derecognized | (2 647) |
| **Carrying amount at 31 December 2024** | **582 779** |
| Newly acquired asset | |
| - through acquisition costs | 19 883 |
| - separately acquired | 1 188 |
| - reclassification of property, plant and equipment | (21 186) |
| Gain from change of the fair value of investment property | 8 634 |

| | |
|---|---|
| Loss from change of fair value of investment property | (2 012) |
| **Change in fair value of investment properties** | **6 622** |
| Written off assets | |
| - separately derecognized | (3) |
| **Carrying amount at 31 December 2025** | **589 283** |

The fair value of the investment property is determined by the Group in accordance with valuation reports from certified valuation specialists, internal group expert reports based on the current market prices.

Investment properties that are pledged as collateral are at the amount of BGN 85 831 thousand (2024: BGN 154 594 thousand).

Revenue from investment properties for the year 2025 amounted to BGN 25 713 thousand (2024: BGN 23 608 thousand) and are included in the consolidated statement of profit or loss and other comprehensive income within "Income from non-financial activities". Direct operating expenses in the amount of BGN 1 764 thousand are recognized as "Operating and administrative expenses" (2024: BGN 2 172 thousand).

For investment properties with a carrying amount of BGN 4 060 thousand there are restrictions on their disposal due to legal provisions.

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## 11. Intangible assets

The carrying amounts of the intangible assets of the Group for the reporting periods can be analyzed as follows:

| 2025 | Trade-marks | Licenses and patents | Software products | Customer relationships | Research and development activities | Acquisition costs and other intangible assets | Total |
|---|---|---|---|---|---|---|---|
| | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 |
| **Gross carrying amount** | | | | | | | |
| Balance at 1 January 2025 | **40 818** | **15 023** | **16 103** | **10 184** | **1 138** | 112 448 | **195 714** |
| Additions: | | | | | | | |
| - separately acquired | - | 2 298 | 1 931 | - | - | 776 | **5 005** |
| Disposals | | | | | | | **-** |
| - separately disposed | - | (2) | (177) | - | - | (612) | **(791)** |
| - impairment | - | - | - | - | - | (9 400) | **(9 400)** |
| Balance at 31 December 2025 | **40 818** | **17 319** | **17 857** | **10 184** | **1 138** | **103 212** | **190 528** |
| **Amortization** | | | | | | | |
| Balance at 1 January 2025 | (30 040) | (10 463) | (15 298) | (8 624) | (45) | (39 714) | **(104 184)** |
| Disposals | - | 2 | - | - | - | - | **2** |
| Amortization | (183) | (1 179) | (1 295) | (397) | - | (4 432) | **(7 486)** |
| Balance at 31 December 2025 | **(30 223)** | **(11 640)** | **(16 593)** | **(9 021)** | **(45)** | **(44 146)** | **(111 668)** |
| **Carrying amount at 31 December 2025** | **10 595** | **5 679** | **1 264** | **1 163** | **1 093** | **59 066** | **78 860** |

- For the period ended 31 December 2024:

| 2024 | Trade-marks | Licenses and patents | Software products | Customer relationships | Research and development activities | Acquisition costs and other intangible assets | Total |
|---|---|---|---|---|---|---|---|
| | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 |
| **Gross carrying amount** | | | | | | | |
| Balance at 1 January 2024 | 40 818 | 13 265 | 14 661 | 10 184 | 1 138 | 122 664 | **202 730** |
| Additions: | | | | | | | |
| - separately acquired | - | 1 820 | 1 139 | - | - | 203 | **3 162** |
| Transfer | - | - | 583 | - | - | (583) | **-** |
| Disposals | | | | | | | |
| - separately disposed | - | (62) | (280) | - | - | (436) | **(778)** |
| - impairment | - | - | - | - | - | (9 400) | **(9 400)** |
| Balance at 31 December 2024 | **40 818** | **15 023** | **16 103** | **10 184** | **1 138** | **112 448** | **195 714** |
| **Amortization** | | | | | | | |
| Balance at 1 January 2024 | (30 034) | (9 540) | (14 661) | (8 212) | (45) | (35 299) | **(97 791)** |
| Disposals | - | 62 | 245 | - | - | 25 | **332** |
| Amortization | (6) | (985) | (882) | (412) | - | (4 440) | **(6 725)** |
| Balance at 31 December 2024 | **(30 040)** | **(10 463)** | **(15 298)** | **(8 624)** | **(45)** | **(39 714)** | **(104 184)** |
| **Carrying amount at 31 December 2024** | **10 778** | **4 560** | **805** | **1 560** | **1 093** | **72 734** | **91 530** |

**Intangible assets - property rights related to the aviation transport industry**

As at 31 December 2025, the Group reports in the category Other intangible assets - property rights related to the airline industry sector with a carrying amount of BGN 57 510 thousand (2024: BGN 71 147 thousand), including a recognized impairment of 9 400 thousand (2024: BGN 9 400 thousand). For the acquisition valuation, the income capitalization method was applied for the recognized intangible assets, by which the expected future income to be generated as a result of the acquired enterprise is discounted to present value. The Group's rights were formed as part of the process of consolidating the Group's aviation business. During the annual review for indications of impairment of intangible assets, an impairment of BGN 9 400 thousand was recognized at a consolidated level. These calculations are based on significant judgments made by the Group's management regarding a number of assumptions, estimates, and future events.

**Software products**

The Group's most significant software products are related to flight planning and management systems (Netline), flight load management system (Amadeus Altea Inventory), revenue management system (Amadeus Revenue Management), reservation system (Amadeus Reservation).

No intangible assets have been pledged as security for liabilities.

## 12. Deferred tax assets and liabilities

Deferred taxes arise from temporary differences and can be summarized as follows:

| Deferred tax liabilities (assets) | 1 January 2025 | Recognized in other comprehensive income | Recognized in profit and loss, net from reclassifications | 31 December 2025 |
|---|---|---|---|---|
| | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| **Assets** | | | | |
| Property, plant and equipment, right of use assets and intangible assets | 16 891 | - | 5 099 | 21 990 |
| Investment property | 14 175 | - | 513 | 14 688 |
| Financial assets | 15 721 | (186) | 549 | 16 084 |
| Trade and other non-financial receivables | (11 702) | - | (167) | (11 869) |
| Inventories | (74) | - | 5 | (69) |
| Other assets | (994) | - | 1 189 | 195 |
| **Liabilities** | | | | |
| Pension and other employee obligations | (1 481) | (9) | (43) | (1 533) |
| Provisions and trade payables, including lease liabilities | (1 538) | - | (517) | (2 055) |
| Unused tax losses | (8 677) | - | 334 | (8 343) |
| | **22 321** | **(195)** | **6 962** | **29 088** |
| Recognized as: | | | | |
| **Deferred tax assets** | **(24 466)** | | | **(23 869)** |
| **Deferred tax liabilities** | **46 787** | | | **52 957** |

Deferred taxes for the comparative period 2024 can be summarized as follows:

| Deferred tax liabilities (assets) | 1 January 2024 BGN '000 | Recognized in other comprehensive income BGN '000 | Recognized in profit and loss, net from reclassification BGN '000 | 31 December 2024 BGN '000 |
|---|---|---|---|---|
| **Assets** | | | | |
| Property, plant and equipment, right of use assets and intangible assets | 13 737 | - | 3 154 | 16 891 |
| Investment property | 13 701 | - | 474 | 14 175 |
| Financial assets | 15 651 | (112) | 182 | 15 721 |
| Trade and other non-financial receivables | (12 819) | - | 1 117 | (11 702) |
| Inventories | (71) | - | (3) | (74) |
| Other assets | (1 302) | - | 308 | (994) |
| **Liabilities** | | | | |
| Pension and other employee obligations | (1 303) | (8) | (170) | (1 481) |
| Provisions and trade payables, including lease liabilities | (777) | - | (761) | (1 538) |
| Unused tax losses | (7 906) | - | (771) | (8 677) |
| | **18 911** | **(120)** | **3 530** | **22 321** |
| Recognized as: | | | | |
| **Deferred tax assets** | **(24 178)** | | | **(24 466)** |
| **Deferred tax liabilities** | **43 089** | | | **46 787** |

## 13. Loans and advances to bank customers

Loans and advances can be summarized as follows:

**(a) Analysis by customer type**

| | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| Individuals: | | |
| In BGN | 1 661 111 | 1 488 745 |
| In foreign currency | 314 632 | 281 152 |
| Legal entities: | | |
| In BGN | 1 198 381 | 1 261 544 |
| In foreign currency | 321 785 | 285 878 |
| Impairment loss | (54 549) | (52 257) |
| **Total loans and advances to bank customers** | **3 441 360** | **3 265 062** |

Loans and advances to customers as at 31 December 2025 include deposits with international financial institutions under marginal derivative transactions amounting to BGN 1 549 thousand (2024: BGN 1 551 thousand), including the result of transactions.

**(b) Interest rates**

Loans in BGN and foreign currencies are accrued at a variable interest rate. Under the terms of these loans, the interest rate is calculated on the basis of a reference interest rate of the Bank or an interest rate index for foreign currency plus allowance. The allowance for regular loans ranges from 2% to 7%, depending on the credit risk associated with the respective borrower, and overdue loans are charged an additional margin above the agreed interest rate.

Interest rate risks are disclosed in Note 47.3.

## 14. Financial assets at fair value through profit or loss

Financial assets measured at fair value through profit or loss can be summarized as follows:

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Financial assets measured at fair value through profit or loss: | | |
| Corporate shares, units and rights | 1 709 449 | 1 532 292 |
| Bulgarian and foreign corporate bonds | 574 679 | 346 700 |
| Medium-term Bulgarian government securities | 67 474 | 83 076 |
| Long-term Bulgarian government securities | 290 902 | 96 806 |
| Securities issued or guaranteed in other countries | 482 086 | 873 308 |
| Derivatives held for trading | - | 306 |
| | **3 124 590** | **2 932 488** |

Financial assets are measured at fair value based on stock quotes at the date of the consolidated financial statements or on the basis of estimates by independent valuers as at the date of the consolidated financial statements.

Gains and losses are recognized in the consolidated statement of profit or loss and other comprehensive income within "Result from operations with financial instruments".

## 15. Financial instrument at fair value through other comprehensive income

### 15.1. Debt instruments at fair value though other comprehensive income

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Bonds | 1 002 573 | 817 180 |
| Government securities | 6 743 | 20 815 |
| **Total debt instruments at fair value through other comprehensive income** | **1 009 316** | **837 995** |

As of 31 December 2025, the financial assets measured at fair value through other comprehensive income formed expected credit losses amounting to BGN 9 934 thousand (2024: BGN 8 126 thousand), which is reflected in the equity and did not reduce the book value of the assets

### 15.2. Equity instruments at fair value through other comprehensive income

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Quoted equity instruments | 15 636 | 14 766 |
| Unquoted equity instruments | 50 292 | 51 616 |
| **Total equity instruments at fair value through other comprehensive income** | **65 928** | **66 382** |

## 16. 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:

| | Note | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|---|
| Loans granted | 16.1 | 153 679 | 161 782 |
| Cession receivables | 16.1 | 37 577 | 38 121 |
| Receivables under repurchase agreements | 16.2 | 471 457 | 639 744 |
| Debt instruments measured at amortized cost | 16.3 | 2 080 890 | 1 920 056 |
| Receivables from related parties | 42 | 133 253 | 189 749 |
| Trade receivables | 16.4 | 127 716 | 141 148 |
| Other | | 2 070 | 1 204 |
| Impairment loss | | (211 924) | (278 908) |
| | | **2 794 718** | **2 812 896** |

### 16.1. Loans granted and cession receivables

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Loans granted | 153 679 | 161 782 |
| Receivables under cession contracts | 37 577 | 38 121 |
| | **191 256** | **199 903** |

Loans are provided at annual market interest rates and are dependent on the term of the loan.

The fair value of the loans granted is not individually determined as the management considers that their carrying amount gives a true idea of their fair value. Short-term loans are provided at annual market interest rates and depend on the term of the loan. The maturity term of the granted short-term loans is until 31 of December 2025.

### 16.2. Receivables under repurchase agreements

As at 31 December 2025, the Group has entered into repurchase agreements with a total of BGN 471 457 thousand (2024: BGN 639 744 thousand), including interest receivables.

The collateral ratio of agreements with a repurchase clause, which are secured by a pledge of Bulgarian government securities, is at least 100%. The collateral ratio of repurchase agreements that are secured by a pledge of corporate securities is a minimum of 120%. These agreements are due between January and June 2026. (2024: between January and June 2025).

### 16.3. Debt instruments measured at amortized cost

As at 31 December 2025, debt instruments measured at amortized cost consist of Bulgarian government bonds, government bonds of EU countries, Bulgarian corporate bonds and foreign corporate bonds, including the amount of accrued interest and discount / premium on the basis of their original maturity, as follows:

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Bulgarian government Bonds | 869 158 | 834 258 |
| Foreign government bonds | 1 185 584 | 1 046 168 |
| Bulgarian corporate bonds | - | 7 963 |
| Foreign corporate bonds | 26 148 | 31 667 |
| Impairment loss | (802) | (2 119) |
| **Debt instruments measured at amortized cost** | **2 080 088** | **1 917 937** |

As of 31 December 2025, government bonds issued by the Bulgarian government amounting to BGN 568 945 thousand (2024: BGN 423 401 thousand) are pledged as collateral for servicing budget accounts on the grounds of art. 152 of the Public Finance Act.

### 16.4. Trade receivables

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Trade receivables, gross | 127 716 | 141 148 |
| Impairment loss | (14 861) | (17 660) |
| **Trade receivables** | **112 855** | **123 488** |

All receivables are short-term. The net book value of trade receivables is considered a reasonable estimate of their fair value.

All trade receivables of the Group have been reviewed for impairment indications. Some trade receivables have been derecognized and the corresponding impairment in the consolidated statement on profit or loss and other comprehensive income within "Operating and Administrative Expense". The impaired receivables were mainly due to commercial customers who had financial difficulties.

## 17. Tax receivables

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Overpaid corporate tax | 20 250 | 602 |
| VAT recovery | 4 179 | 647 |
| Other overpaid taxes | 666 | 1 |
| | **25 095** | **1 250** |

## 18. Other receivables

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| **Noncurrent other receivables** | | |
| Prepaid expenses and other receivables | 218 | 307 |
| **Noncurrent other receivables** | **218** | **307** |
| | | |
| **Current other receivables** | | |
| Advance payments | 24 198 | 15 138 |
| Prepaid expenses | 15 408 | 12 965 |
| Other receivables | 3 712 | 3 443 |
| **Current other receivables** | **43 318** | **31 546** |
| **Total other receivables** | **43 536** | **31 853** |

Significant part of short - term advance payments are cash guarantees at the total amount of BGN 24 198 thousand (2024: BGN 15 138 thousand) represent short-term deposits, guarantee amounts paid under concluded contracts, and others.

Significant portion of prepaid expenses totalling BGN 15 408 thousand (2024: BGN 12 965 thousand) represent prepaid advertising costs, rent, insurance, etc. as well as aircraft insurance technical documentation and commissions.

## 19. Inventories

Inventories recognized in the consolidated statement of financial position can be analysed as follows:

| | 2025<br>BGN'000 | 2024<br>BGN'000 |
|---|---|---|
| Materials | 11 007 | 11 676 |
| Production | 2 131 | 2 500 |
| Goods | 20 212 | 18 618 |
| Unfinished production | 271 | 315 |
| Spare parts | 13 293 | 12 202 |

| | | |
|---|---|---|
| Assets acquired from collateral | 26 323 | 26 662 |
| | **73 237** | **71 973** |

As at 31 December 2025, inventories of the Group amounting to BGN 106 thousand (2024: BGN 111 thousand) are pledged as collateral benefitting banks.

Assets acquired in foreclose amounting to BGN 26 323 thousand (2024: BGN 26 662 thousand) refer to assets acquired from the Group's banking activities that do not meet the criteria for classification as held for sale and are accounted for under the requirements of IAS 2 Inventories.

Spare parts for aircraft worth BGN 12 501 thousand (2024: BGN 11 405 thousand) include aggregates, blocks, signaling devices, manifolds, cylinders, compensators, sensors, contactors and other similar items.

As a result of the annual review of the net realizable value of inventories, including aircraft spare parts, based on external and internal sources of information, the Group's management has made an assessment that there are no data and circumstances that would show that their cost exceeds their net realizable value. This judgment is based on the analysis of fluctuations in the selling prices of inventories with a similar purpose.

## 20. Cash and cash equivalents

Cash and cash equivalents include the following:

| | 2025<br>BGN'000 | 2024<br>BGN'000 |
|---|---|---|
| Cash in cash and in banks: | | |
| - BGN | 1 838 345 | 1 811 529 |
| - EUR | 1 163 524 | 270 809 |
| - USD | 89 409 | 81 904 |
| - other currencies | 127 042 | 105 791 |
| **Cash and cash equivalents, gross** | **3 218 320** | **2 270 033** |
| Allowance for expected credit loss and impairment | (182) | (444) |
| **Cash and cash equivalents** | **3 218 138** | **2 269 589** |

| | 2025<br>BGN'000 | 2024<br>BGN'000 |
|---|---|---|
| Cash at the Central Bank | 1 626 441 | 1 542 363 |
| Short-term investments and deposits | 1 010 108 | 173 669 |
| Provided resources and advances to banks and cash | 564 541 | 531 884 |
| Restricted cash | 17 048 | 21 673 |
| | **3 218 138** | **2 269 589** |

The significant portion of the cash blocked in the amount of BGN 12 460 thousand (2024: BGN 14 014 thousand) is denominated in US dollars, which represents guarantees paid under aircraft operating lease contracts that expire in subsequent reporting periods. The remaining blocked cash represents collateral for letters of credit and bank guarantees issued.

The Group has estimated expected credit losses on cash and cash equivalents.

## 21. Equity

### 21.1. Share capital

The share capital of Chimimport AD as at 31 December 2025 consists of 239 646 267 (31.12.2024: 239 646 267) ordinary shares with a par value of BGN 1 per share, including 13 182 738 (31.12.2024: 13 182 738) ordinary shares, acquired by companies of Group of Chimimport AD. The ordinary shares of Chimimport AD are registered and subject to unrestricted transfers and entitle 1 voting right and liquidation quota.

| | 2025 Number of shares | 2024 Number of shares |
|---|---|---|
| Shares issued and fully paid at 1 January: | 226 463 529 | 226 463 529 |
| **Shares issued and fully paid as at period end** | **226 463 529** | **226 463 529** |

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

| | 2025 Number ordinary shares | 2025 % | 2024 Number ordinary shares | 2024 % |
|---|---|---|---|---|
| Invest Capital AD | 173 487 247 | 72.39% | 173 487 247 | 72.39% |
| Other entities | 46 209 857 | 19.28% | 46 995 905 | 19.61% |
| Global trusties and individuals | 19 949 163 | 8.33% | 19 163 115 | 8.00% |
| | **239 646 267** | **100.00 %** | **239 646 267** | **100.00%** |
| **Own shares held by subsidiaries** | | | | |
| CCB Group AD | (1 296 605) | (0.54%) | (1 296 605) | (0.54%) |
| ZAD Armeec | (236 007) | (0.10%) | (236 007) | (0.10%) |
| POAD CCB - Sila | (8 782 426) | (3.66%) | (8 782 426) | (3.66%) |
| CCB Asset management EAD | (140 500) | (0.06%) | (140 500) | (0.06%) |
| Trans Intercar EAD | (2 200) | - | (2 200) | - |
| Omega Finance OOD | (2 725 000) | (1.14%) | (2 725 000) | (1.14%) |
| | **(13 182 738)** | **(5.50%)** | **(13 182 738)** | **(5.50%)** |
| **Net number of shares** | **226 463 529** | | **226 463 529** | |

The tax on dividends for individuals and foreign non-EU legal entities is 5%, with the tax deducted from the gross amount of the dividends.

### 21.2. Premium reserve

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| Share premium | 246 462 | 246 462 |
| Change in the reserve due to own shares acquired by subsidiaries for the period | (153) | (153) |
| | **246 309** | **246 309** |

In 2025 and 2024, there are no changes in the Group's premium reserve.

As at 31 December 2025, premium reserve amounts to BGN 246 309 thousand (2023: BGN 246 309 thousand). Premium reserve is formed by the issue of preferred shares from 2009 and two issues of ordinary shares from 2007 and 2006.

### 21.3. Other reserves

As at 31 December 2025, the other reserves amounted to BGN 510 316 thousand (2024: BGN 431 860 thousand), including:

- BGN 83 176 thousand revaluation reserve on right of use assets, (2024: BGN 83 176 thousand)
- BGN 28 670 thousand – Reserve for minimum profitability guarantee (2024: BGN 21 753 thousand),
- BGN 11 665 thousand – Reserve for gross contribution guarantee (2024: BGN 13 841 thousand),
- BGN (420) thousand (2024: BGN (321) thousand) remeasurement of defined benefit plan and other reserves.

## 22. Liabilities to depositors

Liabilities to depositors are presented as follows:

| Analysis by term and type of currency: | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| On-demand deposits | | |
| in BGN | 3 991 307 | 3 089 242 |
| in foreign currency | 512 850 | 389 363 |
| | **4 504 157** | **3 478 605** |
| Term deposits | | |
| in BGN | 1 469 517 | 1 535 449 |
| in foreign currency | 1 580 383 | 1 506 478 |
| | **3 049 900** | **3 041 927** |
| Savings accounts | | |
| in BGN | 1 403 648 | 1 319 020 |
| in foreign currency | 481 421 | 499 154 |
| | **1 885 069** | **1 818 174** |
| Other deposits | | |
| in BGN | 1 166 | 1 221 |
| in foreign currency | 137 | 14 708 |
| | **1 303** | **15 929** |
| **Total liabilities to depositors** | **9 440 429** | **8 354 635** |

| Analysis by term and type of currency: | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| Individual deposits | | |
| in BGN | 4 991 687 | 4 311 150 |
| in foreign currency | 2 037 615 | 2 087 632 |
| | **7 029 302** | **6 398 782** |
| Legal entities deposits | | |
| in BGN | 1 893 507 | 1 653 340 |
| in foreign currency | 422 950 | 259 346 |
| | **2 316 457** | **1 912 686** |
| Deposits of other institutions | | |
| in BGN | - | - |
| in foreign currency | 94 670 | 43 167 |
| | **94 670** | **43 167** |
| **Total liabilities to depositors** | **9 440 429** | **8 354 635** |

## 23. Other financial liabilities

| | | Current | | Non-current | |
|---|---|---|---|---|---|
| | | 2025 BGN'000 | 2024 BGN'000 | 2025 BGN'000 | 2024 BGN'000 |
| **Financial liabilities measured at fair value** | | | | | |
| Derivatives held for trading | 23.1 | - | 19 | - | - |
| **Financial liabilities measured at amortized cost:** | | | | | |
| Bonds and debenture loan | 23.2 | 7 427 | 6 582 | 44 241 | 51 241 |
| Bank borrowings | 23.3 | 20 075 | 21 923 | 47 617 | 50 770 |
| Other borrowings and financing | 23.4 | 16 511 | 15 600 | 17 283 | 5 505 |
| Deposits from banks | 23.5 | 23 346 | 13 508 | - | - |
| Cession liabilities | | 25 388 | 37 725 | 13 001 | 12 471 |
| Liabilities under repurchase agreements | 23.6 | 12 980 | 12 787 | - | - |
| Trade payables | 23.7 | 102 657 | 97 296 | 331 | 522 |
| Payables to related parties | 42 | 29 493 | 42 012 | 27 264 | 25 621 |
| **Total carrying amount** | | **237 877** | **247 452** | **149 737** | **146 130** |

### 23.1. Derivatives held for trading

As at 31 December 2025 there are no derivatives held for trading (2024: BGN 19 thousand) are presented at fair value and include transactions for the purchase and sale of currency, valuables securities, forward contracts and currency swaps in the open market.

### 23.2. Bonds and debenture loans

The bonds and debenture loans received by the Group are as follows:

| | Current | | Non-current | |
|---|---|---|---|---|
| | 2025 BGN'000 | 2024 BGN'000 | 2025 BGN'000 | 2024 BGN'000 |
| Bonds and debenture loans | 7 427 | 6 582 | 44 241 | 51 241 |
| | **7 427** | **6 582** | **44 241** | **51 241** |

The carrying amount of the Group's debts on the aforementioned debenture loans at 31 December 2025 amounted to BGN 51 668 thousand (2024: BGN 57 823 thousand) and was calculated using the effective interest method.

Bond borrowings of Group subsidiaries include:

1) Bond loan with ISIN code BG2100018188 is an issue of ordinary, book-entry, registered, interest-bearing, unsecured, non-convertible bonds with a total nominal value of BGN 15 000 thousand, The maturity date of the issue is 28.12.2025 and the first principal payment of a series of ten semi-annual payments is due 28.06.2022. The interest rate is 3.6% per annum, with interest payments due semi-annually. December 2025, bond has been fully repaid and closed.

2) Bond loan with ISIN code BG2100001218 is an issue of ordinary, book-entry, registered, interest-bearing, unsecured, non-convertible bonds with a total nominal value of BGN 15 000 thousand, registered for trading on the BSE as of 13 July 2022. The nominal value of one bond is BGN 1 thousand. The maturity date of the issue is 19 January 2028 and the first principal payment of a series of ten semi-annual payments is due 19 July 2023. The interest rate is 3.7% per annum, with interest payments due semi-annually.

3) The Company has entered into a bond loan in the amount of BGN 20,000 thousand, consisting of 20,000 bonds with a nominal value of BGN 1,000 each. The bond loan was issued on 30 July 2021 and has a maturity date of 30 July 2030. Interest payment dates are 30 January and 30 July of each year. Payments under the bond loan are serviced through Central Depository AD. The first principal repayment date is 30 January 2026.

The bond loan is secured by real estate collateral, consisting of land and buildings, with a carrying amount of BGN 3,320 thousand for the buildings and BGN 962 thousand for the land.

4) In December 2013, a convertible bond issue in the amount of EUR 36,000,000 was issued through a public offering, comprising 36,000 bonds with a nominal value of EUR 1,000 each. The bonds are subordinated, unsecured, interest-bearing, freely transferable, dematerialized, and convertible into ordinary shares. The bond loan was issued for a term of seven years at an annual interest rate of 4.5%, with repayment of the principal in a single instalment at the original maturity date of the issue – 10 December 2020. Pursuant to the terms and conditions of the issue, bondholders do not have the right to demand early repayment of interest or principal, including in the event of default by the issuer, except under certain conditions at the time of payment and subject to prior approval by the Bulgarian National Bank (BNB). Any amendments or supplements to the terms and conditions of the bond issue may be made only with the prior written approval of the BNB.

Following the receipt of approval from the BNB, and a resolution adopted by the Bondholders' General Meeting held on 15 November 2023, the terms and conditions of the convertible bond issue were amended. The principal maturity date was changed from 10 December 2028 to 10 December 2033, and the interest rate was increased from 2.75% to 3.60% per annum, effective 11 December 2023. The Bank has not recognized a modification effect in respect of the financial liability.

### 23.3. Bank loans

The Bank loans of the Group comprise loans, granted by Bulgarian commercial banks, designated for financing investment projects of the Group, as well as, for refinancing the current operating activity of the Group. Bank loans are classified according to their contracted maturity date.

| | Current | | Non-current | |
|---|---|---|---|---|
| | 2025 BGN'000 | 2024 BGN'000 | 2025 BGN'000 | 2024 BGN'000 |
| Bank loans | 20 075 | 21 923 | 47 617 | 50 770 |

### 23.3.1. Non-current bank borrowings

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| Revolving and investment bank loans | 47 617 | 50 770 |
| | **47 617** | **50 770** |

**Investment Loans**

The Group has obtained the following bank loans for investment purposes:

- The Group has entered into a second investment bank loan agreement dated 1 November 2016. The amount of the loan granted is BGN 12,713 thousand. Repayment of the principal is denominated in Bulgarian levs and is carried out in accordance with an agreed repayment schedule, with the first repayment date on 31 October 2018. The interest rate is determined as the sum of an "Average Deposit Index" and a margin. The loan matures on 30 September 2028. The loan is secured by a contractual mortgage over land and the buildings constructed thereon, a parking facility and two checkpoints, as well as by the Group's receivables arising from a lease agreement concluded with a tenant.

- The Group has obtained three secured bank loans granted by a Bulgarian commercial bank. The loans are denominated in Bulgarian levs with agreed amounts of BGN 6,000 thousand, BGN 8,944 thousand, and BGN 3,250 thousand, respectively. The interest rates are 4% and 5%, with maturities in 2028. To secure two of the loans, pledges over Bulgarian government securities owned by a company from the Chimimport AD Group have been established, with a nominal value of BGN 8,900 thousand, maturing in May 2030, for one loan, and a nominal value of BGN 3,475 thousand, with maturities in January 2032, for another. One of the loans is secured by a pledge over cash funds amounting to BGN 714 thousand, blocked until repayment; financial risk insurance valid until February 2026 in the amount of BGN 5,288

thousand; a pledge under the Special Pledges Act over cash funds in a deposit account owned by the sole owner in the amount of BGN 860 thousand; and a pledge under the Special Pledges Act over cash funds in a deposit account owned by another related party under common control in the amount of BGN 3,300 thousand. The Company's sole owner acts as guarantor for this loan.

- The Group is a party to an investment bank loan agreement dated 1 November 2016 in the amount of BGN 12,713 thousand. Repayment of the principal is denominated in Bulgarian levs and follows an agreed repayment schedule starting on 31 October 2018. The interest rate is determined as the sum of the "Average Deposit Index" and a margin of 2.727%. The maturity date of the loan is 30 September 2028. As of 31 December 2025, the outstanding balance amounts to BGN 3,496 thousand (2024: BGN 4,767 thousand), of which BGN 2,225 thousand represents the long-term portion of the principal (2024: BGN 3,496 thousand) and BGN 1,271 thousand represents the short-term portion (2024: BGN 1,271 thousand). The loan is secured by the Company's receivables arising from a lease agreement with a tenant.

- The Group is a party to an investment bank loan agreement concluded on 11 August 2017 to finance the full reconstruction and major refurbishment of a building, with maturity on 30 December 2028. The interest rate is determined as the sum of the applicable variable base interest rate index for the respective interest period and a margin of 2.738%. The loan is secured by a mortgage over real estate in Sofia, as well as by pledges over shares and receivables owned by the Group.

- The Group is a party to an investment bank loan agreement concluded on 14 December 2021, with maturity on 31 January 2029. The annual interest rate is determined as the sum of the applicable variable base interest rate index and a margin of 2.738%. The loan is secured by a mortgage over real estate in Sofia, and by pledges over shares and receivables owned by the Group.

- The Group is a party to an investment bank loan agreement concluded on 28 April 2021, with maturity on 20 April 2025. The interest rate is calculated as the base interest rate in BGN of 2.5% plus an agreed credit risk margin of 0.35%, resulting in a total contractual rate of 2.85%. To secure the loan, the Group has pledged buildings from its real estate portfolio, machinery, and equipment.

- A bank loan agreement for working capital, granted on 31 October 2025, with a maturity date of 31 May 2028. The annual interest rate is 4.99%. The loan is secured by a special pledge over all present and future receivables on the accounts of Bulgaria Air and Posoka DZZD / Bulgaria Air–Posoka DZZD "Bulgaria Air" AD, held with the Bulgarian Development Bank.

- A bank overdraft facility concluded on 25 September 2020 for working capital purposes, with a maturity date of 20 September 2026. The annual interest rate is determined as the sum of the variable base interest rate (BIR) in BGN and a credit risk margin of 1.3%. As of the reporting date, the total contractual interest rate amounts to 5.4%. The loan is secured by a special pledge over all present and future receivables on the accounts of Bulgaria Air AD held with the lending bank.

- The Group is a party to a bank overdraft agreement concluded on 07.03.2025 for working capital with a maturity date of 20.02.2032. The annual interest rate is formed as the sum of the value of the variable BLP (base interest rate) in BGN plus a contractual credit risk premium of 0.02%. At the current moment, the total agreed interest rate is equal to 4.12%. To secure the loan received, the Group has pledged buildings from the property, plant and equipment group.

**Revolving Loans**

- The Group is a party to a revolving bank loan agreement concluded on 21 June 2013, with maturity on 20 December 2029. The interest rate is equal to the three-month EURIBOR plus a margin of 3 percentage points, but not less than 6%. The loan is secured by a mortgage over real estate and a pledge over tangible fixed assets under the Special Pledges Act.

- The Group is also a party to an investment bank loan agreement concluded on 21 June 2013, with maturity on 20 December 2029. The interest rate is equal to the three-month EURIBOR plus a margin of 3 percentage points, but not less than 6.5%. The loan is secured by a mortgage over real estate and a pledge over tangible fixed assets under the Special Pledges Act.

- The Group is a party to an overdraft credit agreement concluded on 31 January 2018 in the amount of EUR 2,240 thousand (BGN 4,381 thousand), with a maturity date of 31 January 2026. The loan is secured by bank deposits. The annual interest rate is determined based on the base interest rate plus a margin of 0.8%.

### 23.3.2. Current bank borrowings

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| Current revolving and investment loans | 20 075 | 21 923 |
| | **20 075** | **21 923** |

**Investment Loans**

The Group has obtained the following bank loans for investment purposes:

- The group has a bank investment loan agreement dated 23.12.2025. The amount of the loan agreement is BGN 78 233 thousand, which was drawn in three major tranches, used to refinance two loans with another bank and to finance an investment project of the Group. The maturity date is 31 December 2025, as of period end the outstanding obligation has been fully repaid (2024: BGN 11 959 thousand).

- The Group has received three secured bank loans granted by a Bulgarian commercial bank. The loans are denominated in Bulgarian leva and have agreed amounts of BGN 6,000 thousand, BGN 8,944 thousand, and BGN 3,250 thousand, respectively. The interest rates on the loans are 4.6% and 5%, with maturities in 2025 and 2026. To secure two of the loans, pledges have been established on Bulgarian government securities owned by the Group, with a nominal value of BGN 8,950 thousand and a maturity date in April 2025 for one of the loans and a nominal value of BGN 3,500 thousand, maturing in April 2025 One of the loans is secured by a pledge on cash in the amount of BGN 714 thousand, which is blocked until its repayment, and "Financial Risk" insurance valid until February 2025 in the amount of BGN 5,288 thousand.

- The Group is a party to an investment bank loan agreement entered into on April 28, 2021, maturing on April 20, 2025. The interest rate on the loan is 2.5% BPL in BGN plus a contractual credit risk premium of 0.35%, for a total agreed interest rate of 2.85%. To secure the loan, the Group has pledged buildings from the property, plant, and equipment portfolio.

**Revolving Loans**

- Bank overdraft agreement entered into on August 1, 2018, for working capital, maturing on August 20, 2027. The annual interest rate is 5.2%—the bank's base rate plus the 12-month Euribor. The loan is secured by a pledge of receivables in current accounts at the lending bank and a special pledge on goods intended for duty-free currency trade on board aircraft and/or in the duty-free shop. The total value of the goods is up to BGN 111 thousand.

- On November 2, 2023, a Group company entered into a working capital loan agreement in the amount of BGN 500 thousand, with an annual interest rate equal to the BDIUL in BGN plus a 4-point spread, or a minimum total agreed interest rate of 4%. As of December 31, 2025, the loan liability amounts to BGN 261 thousand and is due to be repaid in the next reporting period. The loan is secured by machinery and equipment with a carrying amount of BGN 465 thousand.

- The Group is a party to a bank overdraft agreement entered into on August 16, 2024, for working capital, with a maturity date of August 20, 2027. The annual interest rate is calculated

as the sum of the variable base interest rate (BIR) in BGN plus a contractual credit risk premium of 0.2%. As of now, the total agreed interest rate is 4.3%. The loan is secured by a pledge of receivables in current accounts at the lending bank.

## 23.4. Other borrowings, financing and liabilities

| | | Current | | | Non-current | |
|---|---|---|---|---|---|---|
| | | 2025 BGN'000 | 2024 BGN'000 | | 2025 BGN'000 | 2024 BGN'000 |
| Other borrowings and financing | 23.4.2 | 16 511 | 15 600 | 23.4.1 | 17 283 | 5 505 |

### 23.4.1. Other non-current borrowings, financing and liabilities

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| Non-current borrowings | 17 283 | 5 505 |
| | **17 283** | **5 505** |

Other non-current borrowings are received under annual interest rates from 3% to 8% depending on the contract period, received from third parties. The long-term borrowing is not secured. Payments are concluded in the currency, in which they were granted.

### 23.4.2. Other current borrowings

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| Current borrowings | 16 511 | 15 600 |
| | **16 511** | **15 600** |

Other current borrowings are received under annual interest rates from 3% to 8% depending on the contracted period. The loans are classified according to their repayment deadline, which is 2026. The fair value of the loans is not separately determined as the management considers that the carrying amount of the loans is a reasonable approximation of their fair value.

## 23.5. Deposits from banks

| | Current | |
|---|---|---|
| | 2025 BGN'000 | 2024 BGN'000 |
| Demand deposits – local banks | | |
| -in Bulgarian leva | 376 | 2 136 |
| -in foreign currency | 15 539 | 7 162 |
| Demand deposits from foreign banks in foreign currency | 5 560 | 3 055 |
| Demand deposits from foreign banks in BGN | 14 | 21 |
| Term deposits from foreign banks in foreign currency | - | - |
| Term deposits from Bulgarian banks in foreign currency | 1 857 | 1 134 |
| | **23 346** | **13 508** |

## 23.6. Liabilities under repurchase agreements

As at 31 December 2025, liabilities in the total amount of BGN 12 980 thousand were incurred on the basis of repo transactions with financial instruments. The maturity dates of the liabilities are 19 March 2025 and 11 April 2025, respectively. The liabilities under the repo transactions are secured by the financial instruments subject to the repo transactions with a total carrying amount of BGN 6 207 thousand. The agreed interest rates for the period between the date of transfer and reacquisition of the securities are within 4.5%.

## 23.7. Trade payables

| | Current | Non-current |
|---|---|---|

| | 2025 BGN'000 | 2024 BGN'000 | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|---|---|
| Trade payables | 102 657 | 97 926 | 331 | 522 |

The net carrying amount of trade payables is considered a reasonable estimate of their fair value.

## 24. Payables to insured individuals

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| Attracted funds in a voluntary pension fund | 140 966 | 127 346 |
| Attracted funds in a professional pension fund | 181 499 | 168 948 |
| Attracted funds in a universal pension fund | 2 333 325 | 2 071 341 |
| Attracted funds in a life pensions payment fund | 19 112 | 10 696 |
| Attracted funds in a deferred payments fund | 16 511 | 9 644 |
| | **2 691 413** | **2 387 975** |

The net assets value of the funds, managed by the subsidiary POAD CCB - Sila AD as at 31 December 2025 amounts to BGN 2 691 413 thousand. The increase at the amount of BGN 303 438 thousand, compared to the liabilities as at 31 December 2024, is a result of proceeds from social security contributions and a reduction of the amounts paid under insurance contracts.

The change in the net assets available for income is a result of:

| | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| **Beginning of the period** | **2 387 975** | **2 063 942** |
| Change in opening balance / Payables to insured entities | | - |
| Received UPF for the payment of life pensions | 29 663 | 17 116 |
| Received UPF from deceased insured persons without heirs | - | 3 |
| Received pension contributions | 275 274 | 244 718 |
| Amounts received from pension funds, managed by other Pension Insurance Companies | 119 243 | 137 063 |
| Funds of persons who have resumed their insurance in UPF under the procedure of Art. 124a of CSR | 303 | 608 |
| Funds transferred from the POD reserve to guarantee gross contributions | - | - |
| Funds transferred to persons from EU, ECB or EIB pension schemes | 39 | 37 |
| Funds transferred from professional pension fund | 32 | - |
| Funds transferred from other pension plans | 258 | - |
| Interest transferred from National Revenue Agency | 188 | - |
| **Total increase of pension contributions** | **425 000** | **399 545** |
| Positive/ (negative) income from investment of funds | 148 251 | 135 837 |
| **Result from investment of funds** | **148 251** | **135 837** |
| Paid off pensions | (3 192) | (1 773) |
| One-time paid pensions to insured individuals | (9 357) | (8 106) |
| Deferred payments to persons | (12 925) | (7 782) |
| Funds for disbursement of funds to heirs of insured individuals | (5 706) | (5 258) |
| Funds transferred to Voluntary Pension Fund | (32) | - |
| Funds transferred to the National Social Security Institute | (6 444) | (4 797) |
| **Amounts paid under social security contracts** | **(37 656)** | **(27 716)** |
| Amounts, paid to insured individuals, transferred to other pension funds | (151 209) | (124 803) |
| Amounts, paid to individuals that have changed their insurance under Article 46 of the SIC | (22 213) | (16 285) |
| Transferred taxes | (165) | (121) |

| | | |
|---|---|---|
| Funds transferred to the Lifetime Pensions Fund for the payment of lifetime pensions | (10 044) | (6 004) |
| Funds transferred to the Lifetime Pensions Fund for the payment of lifetime pensions to insured persons without heirs | - | (3) |
| Funds transferred to the Deferred Payments Fund for making deferred payments | (19 619) | (11 112) |
| Entrance fee | (4) | (4) |
| Service fee | (329) | (251) |
| 9% yield fee | (1 062) | (741) |
| Service fee (2024: 3.75%; 2023: 3.75%) | (9 934) | (8 834) |
| Investment fee (2024: 0.75%; 2023: 0.75%) | (17 571) | (15 469) |
| Withdrawal fee | (7) | (6) |
| **End of the period** | **2 691 413** | **2 387 975** |

The net assets available for income are distributed as follows:

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Individual accounts | 2 670 036 | 2 367 633 |
| Reserve for minimal return | 21 377 | 20 342 |
| **Net assets available for income** | **2 691 413** | **2 387 975** |

## 25. Employee remunerations

### 25.1. Employee benefits expense

Employee benefits expense includes current salaries and wages, as well as social security expenses, unused leaves and provisions for pension as follows:

| | 2025<br>BGN'000 | 2024<br>BGN'000 |
|---|---|---|
| Wages expense | (122 565) | (115 388) |
| Social security costs | (25 060) | (23 595) |
| **Employee benefits expense** | **(147 625)** | **(138 983)** |

### 25.2. Pension and other employee obligations

The liabilities for pension and other employee obligations recognized in the consolidated statement of financial position consist of the following amounts:

| | 2025<br>BGN'000 | 2024<br>BGN'000 |
|---|---|---|
| **Non-current:** | | |
| Pension provisions | 5 377 | 5 012 |
| Non-current pension and other employee obligations | **5 377** | **5 012** |
| **Current:** | | |
| Employee benefits obligations | 11 886 | 11 404 |
| Payables to social security institutions | 3 543 | 3 300 |
| Pension provisions | 2 166 | 2 325 |
| Current pension and other employee obligations | **17 595** | **17 029** |
| **Pension and other employee obligations** | **22 972** | **22 041** |

The current portion of these liabilities represents the Group's obligations to its current and former employees that are expected to be settled during 2026.

In determining the pension obligation, actuarial assumptions were used. These assumptions were developed by management under consideration of expert advice provided by independent actuarial appraisers. These assumptions have led to the amounts determined as the Group's defined benefit

obligations for the reporting periods under review and should be regarded as management's best estimate. However, the actual outcome may vary.

Changes in pension provisions under the Labor code are presented as follows:

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| Pension provisions, beginning of period | 7 321 | 5 896 |
| Expenses for current service | 481 | 1 390 |
| Expenses for past service | 10 | - |
| Interest expenses | 276 | 233 |
| Adjustments - actuarial (gains)/losses from changes in demographic assumptions and financial assumptions | 445 | 471 |
| Benefits paid | (990) | (669) |
| | **7 543** | **7 321** |

## 26. Insurance assets and liabilities

Information on insurance assets and liabilities by main types of insurance is presented in the following tables:

| 31.12.2025 | Insurance contract assets | Insurance contract liabilities |
|---|---|---|
| | BGN'000 | BGN'000 |
| Non-life insurance | - | (285 283) |
| Life insurance | - | (1 592) |
| **Total** | | **(286 875)** |

| 31.12.2024 | Insurance contract assets | Insurance contract liabilities |
|---|---|---|
| | BGN'000 | BGN'000 |
| Non-life insurance | - | (260 897) |
| Life insurance | - | (1 525) |
| **Total** | **-** | **(262 422)** |

| 31.12.2025 | Insurance contract assets | Insurance contract liabilities |
|---|---|---|
| | BGN'000 | BGN'000 |
| Other motor insurance | - | (117 893) |
| Motor vehicle liability insurance | - | (108 825) |
| Fire and other damage to property insurance | - | (27 901) |
| Marine, Aviation, Transport insurance | - | (3 965) |
| Miscellaneous financial loss | - | (9 599) |
| Life Insurance | - | (1 592) |
| Other Insurance | - | (17 100) |
| **Total** | **-** | **(286 875)** |

| 31.12.2024 | Insurance contract assets | Insurance contract liabilities |
|---|---|---|
| | BGN'000 | BGN'000 |
| Other motor insurance | - | (97 665) |
| Motor vehicle liability insurance | - | (109 501) |

| | | |
|---|---|---|
| Fire and other damage to property insurance | - | (24 962) |
| Marine, Aviation, Transport insurance | - | (4 607) |
| Miscellaneous financial loss | - | (8 083) |
| Life Insurance | - | (1 525) |
| Other Insurance | - | (16 079) |
| **Total** | **-** | **(262 422)** |

Life insurance contracts represent an insignificant portion of the Group's portfolio, and movements in the related liabilities do not have a material impact on the consolidated financial statements. Therefore, and pursuant to paragraph 95 of IFRS 17 the information is presented only in summarized form.

Information on changes in the liability for remaining coverage and the liability for incurred claims in the Non-life insurance group is disclosed in the following tables:

| | Liabilities for remaining coverage | Liabilities for incurred claims | | Total |
|---|---|---|---|---|
| | Excluding loss component | Estimates of the present value of future cash flows | Risk adjustment | |
| | BGN'000 | BGN'000 | BGN'000 | BGN'000 |
| Insurance contract assets as at 01.01.2025 | - | - | - | - |
| Insurance contract liabilities as at 01.01.2025 | (81 847) | (168 554) | (10 496) | (260 897) |
| **Net insurance contract liabilities as at 01.01.2025** | **(81 847)** | **(168 554)** | **(10 496)** | **(260 897)** |
| **Insurance revenue** | **314 482** | **-** | **-** | **314 482** |
| *Incurred claims and other expenses* | - | *(50 214)* | *(6 576)* | *(56 790)* |
| *Amortization of insurance acquisition cash flows* | *(97 264)* | - | - | *(97 264)* |
| *Changes that relate to past service ie. changes in the fulfilment cash flows associated with the liability for incurred claims* | - | *(90 036)* | *81* | *(89 955)* |
| **Insurance service expenses** | **(97 264)** | **(140 250)** | **(6 495)** | **(244 009)** |
| **Net result of issued insurance contracts** | **217 218** | **(140 250)** | **(6 495)** | **70 473** |
| *Insurance finance expenses* | - | *(1 697)* | - | *(1 697)* |
| *Effect of movements in exchange rates* | *(44)* | *70* | *169* | *195* |
| **Net finance expenses from insurance contracts** | **(44)** | **(1 627)** | **169** | **(1 502)** |
| **Total changes in the statement of profit and loss and comprehensive income** | **217 173** | **(141 877)** | **(6 326)** | **68 970** |
| **Cash flows** | | | | |
| Premiums received and set-off for issued insurance contracts | (324 888) | - | - | (324 888) |
| Claims and other expenses paid | - | 132 292 | - | 132 292 |
| Insurance acquisition cash flows and set-off for issued insurance contracts | 99 240 | - | - | 99 240 |
| **Total cash flows** | (225 648) | 132 292 | | (93 356) |
| **Net insurance contract liabilities as at 31.12.2025** | | | | |
| Insurance contract assets as at 31.12.2025 | - | - | - | - |
| Insurance contract liabilities as at 31.12.2025 | (90 322) | (178 139) | (16 822) | (285 283) |
| **Net insurance contract liabilities as at 31.12.2025** | **(90 322)** | **(178 139)** | **(16 822)** | **(285 283)** |

| | Liabilities for remaining coverage | Liabilities for incurred claims | | Total |
|---|---|---|---|---|
| | Excluding loss component | Estimates of the present value of future cash flows | Risk adjustment | |
| | BGN'000 | BGN'000 | BGN'000 | BGN'000 |
| Insurance contract assets as at 01.01.2024 | 604 | - | - | 604 |
| Insurance contract liabilities as at 01.01.2024 | (72 174) | (142 089) | (8 796) | (223 059) |
| **Net insurance contract liabilities as at 01.01.2024** | **(71 570)** | **(142 089)** | **(8 796)** | **(222 455)** |
| **Insurance revenue** | **282 182** | **-** | **-** | **282 182** |
| *Incurred claims and other expenses* | - | (46 178) | (4 706) | (50 884) |
| *Amortisation of insurance acquisition cash flows* | (86 283) | - | - | (86 283) |
| *Changes that relate to past service ie. changes in the fulfilment cash flows associated with the liability for incurred claims* | - | (110 451) | 3 006 | (107 445) |
| **Insurance service expenses** | **(86 283)** | **(156 629)** | **(1 700)** | **(244 612)** |
| **Net result of issued insurance contracts** | **204 472** | **(165 202)** | **(1 700)** | **37 570** |
| *Insurance finance expenses* | - | (2 568) | - | (2 568) |
| *Effect of movements in exchange rates* | | (73) | - | (73) |
| **Net finance expenses from insurance contracts** | **-** | **(2 641)** | **-** | **(2 641)** |
| **Total changes in the statement of profit and loss and comprehensive income** | **204 472** | **(167 843)** | **(1 700)** | **34 929** |
| **Cash flows** | | | | |
| Premiums received and set-off for issued insurance contracts | (294 059) | - | - | (294 059) |
| Claims and other expenses paid | - | 132 805 | - | 132 805 |
| Insurance acquisition cash flows and set-off for issued insurance contracts | 87 883 | - | - | 87 883 |
| **Total cash flows** | **(206 176)** | **132 805** | **-** | **(73 371)** |
| **Net insurance contract liabilities as at 31.12.2024** | | | | |
| Insurance contract assets as at 31.12.2024 | - | - | - | - |
| Insurance contract liabilities as at 31.12.2024 | (81 847) | (168 554) | (10 496) | (260 897) |
| **Net insurance contract liabilities as at 31.12.2024** | **(81 847)** | **(168 554)** | **(10 496)** | **(260 897)** |

Information on the change in the liability for remaining coverage and the liability for incurred claims in the Life insurance group is disclosed in the following tables:

| | 2025 | | | |
|---|---|---|---|---|
| | Liabilities for remaining coverage | | Liabilities for incurred claims | Total |
| | Excluding loss component | Loss component | | |
| Insurance contract assets | - | - | - | - |
| Insurance contract liabilities | 161 | (951) | (735) | (1 525) |
| **Net insurance contract liabilities as at 1st of January** | **161** | **(951)** | **(735)** | **(1 525)** |
| **Insurance revenue** | **2 709** | **-** | **-** | **2 709** |
| **Insurance service expenses** | | | | |
| *Incurred claims and other expenses* | - | - | (2 205) | (2 205) |
| *Changes that relate to past service - LIC corrections* | - | - | (373) | (373) |
| *Changes that relate to a future service - Losses on onerous contracts and reversals of those losses* | - | 67 | - | 67 |
| *Amortization of insurance acquisition cash flows* | (789) | - | - | (789) |
| **Insurance service expenses** | **(789)** | **67** | **(1 832)** | **(2 554)** |
| **Insurance service result** | **1 920** | **67** | **(1 832)** | **155** |
| Insurance finance expenses | (34) | 1 | (11) | (44) |
| **Total changes in the statement of profit and loss** | **1 886** | **68** | **(1 843)** | **111** |
| Cash flows | | | | |
| Premiums received | (2 929) | - | - | (2 929) |
| Paid claims | - | - | 1 071 | 1 071 |
| Claims and other expenses paid | - | - | 1 120 | 1 120 |
| Insurance acquisition cash flows | 560 | - | - | 560 |
| **Total cash flows** | **(2 369)** | **-** | **2 191** | **(178)** |
| Insurance contract assets | - | - | - | - |
| Insurance contract liabilities | (322) | (883) | (387) | (1 592) |
| **Net insurance contract liabilities as at 31st of December** | **(322)** | **(883)** | **(387)** | **(1 592)** |

| | 2024 | | | |
|---|---|---|---|---|
| | Liabilities for remaining coverage | | Liabilities for incurred claims | Total |
| | Excluding loss component | Loss component | | |
| Insurance contract assets | - | - | - | - |
| Insurance contract liabilities | (238) | (579) | (550) | (1 367) |
| **Net insurance contract liabilities as at 1st of January** | **(238)** | **(579)** | **(550)** | **(1 367)** |
| **Insurance revenue** | **2 650** | **-** | **-** | **2 650** |
| **Insurance service expenses** | | | | |
| *Incurred claims and other expenses* | - | - | (805) | (805) |
| *Changes that relate to past service - LIC corrections* | - | - | (451) | (451) |
| *Changes that relate to a future service - Losses on onerous contracts and reversals of those losses* | - | (347) | - | (347) |
| *Amortisation of insurance acquisition cash flows* | (1 139) | - | - | (1 139) |
| **Insurance service expenses** | **(1 139)** | **(347)** | **(1 256)** | **(2 742)** |
| **Insurance service result** | **1 511** | **(347)** | **(1 256)** | **(92)** |
| Insurance finance expenses | 5 | (24) | (19) | (38) |
| **Total changes in the statement of profit and loss** | **1 516** | **(371)** | **(1 275)** | **(130)** |
| Cash flows | | | | |
| Premiums received | (2 748) | - | - | (2 748) |
| Claims and other expenses paid | - | - | 1 089 | 1 089 |
| Insurance acquisition cash flows | 1 631 | - | - | 1 631 |
| **Total cash flows** | **(1 117)** | **-** | **1 089** | **(28)** |
| Insurance contract assets | - | - | - | - |
| Insurance contract liabilities | 161 | (950) | (736) | (1 525) |
| **Net insurance contract liabilities as at 31st of December** | **161** | **(950)** | **(736)** | **(1 525)** |

The reconciliation of the movement of the balances of the components for the assessment of insurance contracts under Life insurance is presented in the following tables:

**31 December 2025**

| | Present value of future cash flows | Non-financial risk adjustment | Contractual service margin | Total |
|---|---|---|---|---|
| Opening balance of insurance contract assets | - | - | - | - |
| Opening balance of insurance contract liabilities | (1 299) | (40) | (186) | (1 525) |
| **Net opening balance** | **(1 299)** | **(40)** | **(186)** | **(1 525)** |
| **Changes related to current services** | | | | |
| - CSM recognized in profit and loss | - | - | 134 | 134 |
| - Changes in risk adjustment recognized in Profit and loss | - | 15 | - | 15 |
| - Experience adjustments | (43) | (4) | - | (47) |
| **Changes related to future services** | | | | |
| - Contracts recognized during the period | (1 145) | (9) | - | (1 154) |
| - Changes in the estimated related to the CSM | 106 | 7 | (113) | - |
| - Changes in the estimates on onerous contracts and reversals of those losses | 830 | 4 | - | 834 |
| **Changes related to future services** | | | | |
| Changes for past periods adjusting profit of the contracted service | 366 | 7 | - | 373 |
| Insurance finance expenses at FVPL | (41) | - | 3 | (44) |
| Total recognized in profit or loss and other comprehensive income | **73** | **20** | **18** | **111** |
| Premiums received and set-off | (2 929) | - | - | (2 929) |
| Claims | 1 071 | - | - | 1 071 |
| Directly related expenses | 1 120 | - | - | 1 120 |
| Acquisition cash flows | 560 | - | - | 560 |
| Total cash flows | **(178)** | **-** | **-** | **(178)** |
| Closing balance of insurance contract assets | - | - | - | - |
| Closing balance of insurance contract liabilities | (1 404) | (20) | (168) | (1 592) |
| **Net closing balance** | **(1 404)** | **(20)** | **(168)** | **(1 592)** |

| | 31 December 2024 | | | |
|---|---|---|---|---|
| | Present value of future cash flows | Non-financial risk adjustment | Contractual service margin | Total |
| Opening balance of insurance contract assets | - | - | - | - |
| Opening balance of insurance contract liabilities | (775) | (37) | (555) | (1 367) |
| **Net opening balance** | **(775)** | **(37)** | **(555)** | **(1 367)** |
| **Changes related to current services** | | | | |
| - CSM recognized in profit and loss | - | - | 233 | 233 |
| - Changes in risk adjustment recognized in Profit and loss | - | 18 | - | 18 |
| - Experience adjustments | 704 | (3) | - | 701 |
| **Changes related to future services** | | | | |
| - Contracts recognized during the period | 18 | (27) | (341) | (350) |
| - Changes in the estimated related to the CSM | (489) | 2 | 487 | - |
| - Changes in the estimates on onerous contracts and reversals of those losses | (245) | 2 | - | (243) |
| **Changes related to future services** | | | | |
| Changes for past periods adjusting profit of the contracted service | (456) | 5 | - | (451) |
| Insurance finance expenses at FVPL | (28) | - | (10) | (38) |
| Total recognized in profit or loss and other comprehensive income | **(496)** | **(3)** | **369** | **(130)** |
| Premiums received and set-off | (2 748) | - | - | (2 748) |
| Claims | 1 089 | - | - | 1 089 |
| Acquisition cash flows | 1 631 | - | - | 1 631 |
| Total cash flows | **(28)** | **-** | **-** | **(28)** |
| Closing balance of insurance contract assets | - | - | - | - |
| Closing balance of insurance contract liabilities | (1 299) | (40) | (186) | (1 525) |
| **Net closing balance** | **(1 299)** | **(40)** | **(186)** | **(1 525)** |

## 27. Reinsurance contract assets and liabilities

Information on reinsurance contract assets and liabilities by main types of insurance is presented in the following tables:

| 31.12.2025 | Reinsurance contract assets | Reinsurance contract liabilities |
|---|---|---|
| | BGN'000 | BGN'000 |
| Non-life insurance | 79 041 | (17 431) |
| Life insurance | - | (48) |
| **Total** | **79 041** | **(17 479)** |

| 31.12.2024 | Reinsurance contract assets | Reinsurance contract liabilities |
|---|---|---|
| | BGN'000 | BGN'000 |
| Non-life insurance | 81 363 | (13 768) |
| Life insurance | - | (39) |
| **Total** | **81 363** | **(13 807)** |

| 31.12.2025 | Reinsurance contract assets | Reinsurance contract liabilities |
|---|---|---|
| | BGN'000 | BGN'000 |
| Other motor insurance | 29 875 | (8 990) |
| Motor vehicle liability insurance | 31 139 | (5 880) |
| Fire and other damage to property insurance | 12 604 | (2 091) |
| Marine, Aviation, Transport insurance | 927 | (79) |
| Life Insurance | - | (48) |
| Other Insurance | 4 496 | (391) |
| **Total** | **79 041** | **(17 479)** |

| 31.12.2024 | Reinsurance contract assets | Reinsurance contract liabilities |
|---|---|---|
| | BGN'000 | BGN'000 |
| Other motor insurance | 34 678 | (3 050) |
| Motor vehicle liability insurance | 24 776 | (8 464) |
| Fire and other damage to property insurance | 15 587 | (2 039) |
| Marine, Aviation, Transport insurance | 2 433 | (110) |
| Life Insurance | - | (39) |
| Other Insurance | 3 889 | (105) |
| **Total** | **81 363** | **(13 807)** |

Information on changes in the liability for remaining coverage and the liability for incurred claims in the Non-life insurance group is presented in the following tables:

| 2025 | Remaining coverage | Amounts recoverable on incurred claims | | Total |
|---|---|---|---|---|
| In BGN'000 | Excluding loss component | Estimates of the present value of future cash flows | Risk adjustment | |
| Reinsurance contract assets as at 01.01.2025 | 1 632 | 76 720 | 3 011 | 81 363 |
| Reinsurance contract liabilities as at 01.01.2025 | (13 768) | - | - | (13 768) |
| **Net reinsurance contract liabilities as at 01.01.2025** | **(12 136)** | **76 720** | **3 011** | **67 595** |

| 2025<br>In BGN'000 | Remaining coverage | Amounts recoverable on incurred claims | | Total |
|---|---|---|---|---|
| | Excluding loss component | Estimates of the present value of future cash flows | Risk adjustment | |
| **An allocation of reinsurance premiums** | **(65 496)** | **-** | **-** | **(65 496)** |
| *Amounts recoverable for incurred claims and other expenses* | - | 20 194 | 1 113 | 21 307 |
| *Changes to amounts recoverable for incurred claims* | - | 12 299 | (86) | 12 385 |
| *Effect of changes in the risk of reinsurers' default* | - | *(7)* | - | *(7)* |
| **Amounts recoverable from reinsurers for incurred claims** | - | **32 486** | **1 199** | **33 685** |
| **Net result from reinsurance contracts held** | **(65 496)** | **32 486** | **1 199** | **(31 811)** |
| Reinsurance finance income | - | 632 | - | 632 |
| Effect of changes in non-performance risk of reinsurers | - | - | - | - |
| Effect of movements in exchange rates | (72) | (14) | (33) | (119) |
| **Net financial income from reinsurance contracts held** | **(72)** | **618** | **(33)** | **513** |
| Effect of changes in non-performance risk of reinsurers | **(65 568)** | **33 104** | **1 166** | **(31 298)** |
| **Total amount of the changes in the statement of profit or loss and other comprehensive income** | **(65 568)** | **33 104** | **1 166** | **(31 298)** |
| **Cash flow** | | | | |
| Amounts paid and set-off | 61 195 | - | - | 61 195 |
| Amounts received and set-off | - | (35 881) | - | (35 881) |
| **Total cash flows** | **61 195** | **(35 881)** | **-** | **25 314** |
| **Net reinsurance contract liabilities as at 31.12.2025** | | | | |
| Reinsurance contract assets as at 31.12.2025 | 921 | 73 943 | 4 177 | 79 041 |
| Reinsurance contract liabilities as at 31.12.2025 | (17 431) | - | - | (17 431) |
| **Net reinsurance contract liabilities as at 31.12.2025** | **(16 510)** | **73 943** | **4 177** | **61 610** |

| 2024<br>In BGN'000 | Remaining coverage | Amounts recoverable on incurred claims | | Total |
|---|---|---|---|---|
| | Excluding loss component | Estimates of the present value of future cash flows | Risk adjustment | |
| Reinsurance contract assets as at 01.01.2024 | 1 692 | 62 254 | 2 965 | 66 911 |
| Reinsurance contract liabilities as at 01.01.2024 | (3 467) | - | - | (3 467) |
| **Net reinsurance contract liabilities as at 01.01.2024** | **(1 775)** | **62 254** | **2 965** | **63 444** |
| **An allocation of reinsurance premiums** | **(60 106)** | **-** | **-** | **(60 106)** |
| *Amounts recoverable for incurred claims and other expenses* | - | 21 798 | 823 | 22 621 |
| *Changes to amounts recoverable for incurred claims* | - | 21 730 | (785) | 20 945 |
| *Effect of changes in the risk of reinsurers' default* | - | *(97)* | - | *(97)* |
| **Amounts recoverable from reinsurers for incurred claims** | **-** | **43 431** | **38** | **43 469** |
| **Net result from reinsurance contracts held** | **(60 106)** | **43 431** | **38** | **(16 637)** |
| Reinsurance finance income | - | 886 | - | 886 |
| Effect of movements in exchange rates | 8 | 17 | 8 | 33 |
| **Net financial income from reinsurance contracts held** | **8** | **903** | **8** | **919** |
| Effect of changes in non-performance risk of reinsurers | **(60 098)** | **44 334** | **46** | **(15 718)** |
| **Total amount of the changes in the statement of profit or loss and other comprehensive income** | **(60 098)** | **44 334** | **46** | **(15 718)** |
| **Cash flow** | | | | |
| Amounts paid and set-off | 49 736 | - | - | 49 736 |
| Amounts received and set-off | - | (29 867) | - | (29 867) |
| **Total cash flows** | **49 736** | **(29 867)** | **-** | **19 869** |
| **Net reinsurance contract liabilities as at 31.12.2024** | | | | |
| Reinsurance contract assets as at 31.12.2024 | 1 632 | 76 720 | 3 011 | 81 363 |
| Reinsurance contract liabilities as at 31.12.2024 | (13 768) | - | - | (13 768) |
| **Net reinsurance contract liabilities as at 31.12.2024** | **(12 136)** | **76 720** | **3 011** | **67 595** |

## 28. Lease liabilities

| | 2025<br>BGN'000 | 2024<br>BGN'000 |
|---|---|---|
| Lease liabilities – non-current portion | 454 062 | 474 238 |
| Lease liabilities – current portion | 74 894 | 77 598 |
| **Lease liabilities** | **528 956** | **551 836** |

One of the Group's activities is carried out by means of aircraft which are leased. All contracts have been reviewed in the light of IFRS 16 and the related right-of-use assets and associated lease liabilities have been recognized. Detailed information on the classes of right-of-use assets is presented in note 9.

With the exception of short-term leases and leases of low-value assets, each lease is reflected in the consolidated statement of financial position as a right-of-use asset and a lease liability. Variable lease payments that are not dependent on an index or variable rates (for example, lease payments based on a percentage of Group sales) are excluded from the initial measurement of the lease liability and asset.

Each lease generally imposes a restriction that the right-of-use asset may only be used by the Group unless the Group has a contractual right to sublease the asset to a third party. Leases either cannot be cancelled or can only be cancelled on payment of significant early termination penalties. Some leases contain an option to extend the lease for a further term. The Group is prohibited from selling or pledging leased assets as collateral. Under the aircraft and premises leases, the Group is required to maintain the leased assets in good condition and return them in their original condition or as agreed at the end of the lease. The Group is required to insure the leased assets and pay maintenance fees in accordance with the lease agreements.

Future minimum lease payments at 31 December 2025 were as follows:

| | Minimum lease payments due | | | | | | |
|---|---|---|---|---|---|---|---|
| | Within 1 year BGN'000 | 1-2 years BGN'000 | 2-3 Years BGN'000 | 3-4 years BGN'000 | 4-5 years BGN'000 | After 5 years BGN'000 | **Total BGN'000** |
| **31 December 2025** | | | | | | | |
| Lease payments | 98 459 | 84 991 | 96 973 | 67 502 | 57 997 | 234 553 | **640 475** |
| Finance charges | (23 565) | (20 279) | (16 610) | (13 919) | (11 500) | (25 646) | **(111 519)** |
| **Net present values** | **74 894** | **64 712** | **80 363** | **53 583** | **46 497** | **208 907** | **528 956** |

Future minimum lease payments at 31 December 2024 were as follows:

| | Minimum lease payments due | | | | | | |
|---|---|---|---|---|---|---|---|
| | Within 1 year BGN'000 | 1-2 years BGN'000 | 2-3 years BGN'000 | 3-4 years BGN'000 | 4-5 years BGN'000 | After 5 years BGN'000 | **Total BGN'000** |
| **31 December 2024** | | | | | | | |
| Lease payments | 102 414 | 85 996 | 96 973 | 64 587 | 61 538 | 264 329 | **675 837** |
| Finance charges | (24 816) | (21 505) | (18 370) | (14 902) | (12 499) | (31 909) | **(124 001)** |
| **Net present values** | **77 598** | **64 491** | **78 603** | **49 685** | **49 039** | **232 420** | **551 836** |

Leases payments not recognized as a lease liability are recognized in profit or loss for the period and presented in note 37 Operating and administrative expenses.

As at 31 December 2025, the Group is committed to short-term leases and the total commitment at that date is BGN 1 296 thousand (2024: BGN 1 412 thousand). The maturity structure is as follows:

| | Minimum lease payments due | | | | | | |
|---|---|---|---|---|---|---|---|
| | Within 1 year BGN'000 | 1-2 years BGN'000 | 2-3 years BGN'000 | 3-4 years BGN'000 | 4-5 years BGN'000 | After 5 years BGN'000 | **Total BGN'000** |
| **31 December 2025** | | | | | | | |
| Lease payments for contracts without recognized right-of-use asset | 927 | 144 | 71 | 34 | 14 | 106 | **1 296** |
| **31 December 2024** | | | | | | | |
| Lease payments for contracts without recognized right-of-use asset | 1 075 | 178 | 39 | 13 | 11 | 96 | **1 412** |

## 29. Tax liabilities

Tax payables include the following:

| | **2025 BGN'000** | **2024 BGN'000** |
|---|---|---|
| Corporate income tax | 1 371 | 339 |
| VAT payables | 1 444 | 1 228 |
| Tax insurance premium | 1 496 | 1 361 |
| Excise duty | 325 | 247 |
| Other taxes | 5 067 | 4 696 |
| | **9 703** | **7 871** |

## 30. Other liabilities

Other payables can be summarized as follows:

| | | Current | | | Non-current | |
|---|---|---|---|---|---|---|
| | | 2025 BGN'000 | 2024 BGN'000 | | 2025 BGN'000 | 2024 BGN'000 |
| Other payables | 30.2 | 92 292 | 91 943 | 30.1 | 1 823 | 2 036 |

## 30.1. Other non-current payables

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| Trans-European Transport Network financing | 13 | 14 |
| Provisions | 1 166 | 996 |
| Other | 644 | 1 026 |
| | **1 823** | **2 036** |

The Group participates in the Operational Programme "Development of the Competitiveness of the Bulgarian economy BG161P003-1.1.04 Support for commercialization of innovative products, processes and provision of innovative services".

The program includes the purchase of:

- Three-layer line for inflating foil
- Flow technology line of installation tapes looms and apparel fabric products

## 30.2. Other current payables

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| Airfare tickets sold | 20 484 | 21 957 |
| Advances from customers | 23 499 | 27 101 |
| Guarantees | 4 184 | 2 904 |
| Liabilities under concession fees | 768 | 1 390 |
| Provisions | 1 265 | 1 193 |
| CO2 emission quotas | 15 633 | 10 382 |
| Obligations for transferring funds under Art. 4b of the social insurance code | 10 654 | 7 671 |
| Other | 15 805 | 19 345 |
| | **92 292** | **91 943** |

Liabilities for airfare tickets sold amounting to BGN 20 484 thousand (2024: BGN 21 957 thousand) represent the tickets sales, which as at the date of the financial statements have not factually occurred i.e. conducting the carriage.

In accordance with the requirements of Directive 2008/101/EC of the European Parliament and of the Council, the Group, as a provider of aviation services, is obliged to set aside provisions in relation to the mitigation of adverse environmental impacts resulting from the aviation activities performed.

The Group's obligation to purchase greenhouse gas emission quotas within the Community in the single European greenhouse gas emission trading scheme (ETS) amounts to BGN 15 633 thousand at 31 December 2025 (2024: BGN 10 382 thousand).

## 31. Revenue from non-financial activities

The non-financial income of the Group can be analyzed as follows:

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| Income from sale of plane tickets | 236 153 | 232 944 |
| Income from services rendered | 155 834 | 147 305 |
| Income from sale of finished goods | 32 891 | 40 388 |

| | | |
|---|---|---|
| Income from sale of trading goods | 23 515 | 31 225 |
| Other | 48 967 | 39 782 |
| | **497 360** | **491 644** |

## 32. Gain on sale of non-current assets

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| Proceeds from sale of non-current assets | 1 913 | 7 836 |
| Carrying amount of non-current assets sold | (1 244) | (5 160) |
| | **669** | **2 676** |

## 33. Result from insurance and reinsurance contracts

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| **General Insurance** | **75 534** | **38 127** |
| Insurance revenue | 315 258 | 282 182 |
| Insurance service expenses | (239 724) | (244 055) |
| **Life insurance** | **48** | **(168)** |
| Insurance revenue | 2 910 | 2 798 |
| Insurance service expenses | (2 862) | (2 966) |
| Total of insurance revenue | **318 168** | **284 980** |
| Total of insurance service expenses | **(242 586)** | **(247 021)** |
| **Net result from insurance contracts** | **75 582** | **37 959** |
| | | |
| **Non-life insurance** | **(31 811)** | **(16 637)** |
| An allocation of reinsurance premiums | (65 496) | (60 106) |
| Amounts recoverable from reinsurers for incurred claims | 33 685 | 43 469 |
| **Life insurance** | **(105)** | **(35)** |
| An allocation of reinsurance premiums | (105) | (35) |
| **Net result from reinsurance contracts held** | **(31 916)** | **(16 672)** |
| **Result from insurance services** | **43 771** | **21 287** |
| Net finance (expenses) / income from insurance contracts | (1 546) | (2 679) |
| Net finance (expenses) / income from reinsurance contracts | 513 | 919 |
| | | |
| **Net result from insurance and reinsurance contracts recognized in profit and loss** | **42 738** | **19 527** |

Net financial income and expenses are presented as part of "Other financial income, net". More information on changes in insurance and reinsurance contract assets and liabilities is presented in Notes 26 and 27.

Insurance income and expenses under Life insurance are presented as follows:

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| **Insurance revenue** | | |
| Changes in LRC | | |
| - Expected incurred claims | 1 284 | 928 |
| - Expected incurred expenses | 489 | 339 |
| - Non-financial risk adjustments | 12 | 11 |
| - Recognized CSM | 134 | 233 |
| Recovery of acquisition cash flows | 790 | 1 139 |
| **Insurance revenue** | **2 709** | **2 650** |
| Other insurance revenue | 201 | 148 |
| **Total insurance revenue** | **2 910** | **2 798** |
| | | |
| **Insurance service expenses** | | |
| Incurred claims | (1 085) | (805) |
| Expenses for settlement of claims and other expenses | (1 120) | - |
| Loss on onerous contracts | 67 | (347) |
| Changes in liability for remaining coverage | 373 | (451) |
| Amortization of acquisition cash flows | (789) | (1 139) |
| **Total insurance service expenses** | **(2 554)** | **(2 742)** |
| Other insurance service expenses | (308) | (224) |
| **Total insurance service expenses** | **(2 862)** | **(2 966)** |
| **Net result from insurance contracts** | **48** | **(168)** |
| **Reinsurance service expenses** | | |
| Expected recoverable claims | (237) | (153) |
| Non-financial risk adjustments | - | (15) |
| Recognized profit of the contracted services | 132 | 133 |
| **Net expenses from reinsurance contracts held** | **(105)** | **(35)** |
| **Net result from insurance services** | **(57)** | **(203)** |

## 34. Interest income

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| **Interest income by types of sources:** | | |
| Legal entities | 109 044 | 109 496 |
| Government securities | 89 410 | 85 887 |
| Banks | 30 405 | 40 988 |
| Individuals | 63 394 | 58 308 |
| Other | 2 827 | 3 284 |
| | **295 080** | **297 963** |

## 35. Interest expense

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| **Interest expense due to depositors:** | | |
| Legal entities | (35 817) | (27 574) |
| Individuals | (6 216) | (5 573) |
| Banks | (899) | (4 096) |
| Other | (3 319) | (4 315) |
| | **(46 251)** | **(41 558)** |

## 36. Net result from transactions with financial instruments

| | 2025<br>BGN'000 | 2024<br>BGN'000 |
|---|---|---|
| Gains from transactions with securities and investments | 1 057 116 | 885 860 |
| Dividend income | 27 607 | 16 808 |
| | **1 084 723** | **902 668** |
| Losses from transactions with securities and investments | (919 643) | (805 032) |
| | **(919 643)** | **(805 032)** |
| **Result from transactions with financial instruments, net** | **165 080** | **97 636** |

## 37. Operating and administrative expenses

| | Note | 2025<br>BGN'000 | 2024<br>BGN'000 |
|---|---|---|---|
| Hired services expense | | (229 395) | (213 544) |
| Cost of materials | | (90 615) | (92 928) |
| Cost of goods sold | | (24 982) | (27 852) |
| Employee benefits expense | 25.1 | (147 625) | (138 983) |
| Depreciation and amortization expense | 8,9,10,11 | (101 291) | (103 810) |
| Change in inventories and work in progress | | (218) | 2 070 |
| Impairment of receivables and non-financial assets | | (60 365) | (50 420) |
| Other expenses | | (68 333) | (64 441) |
| | | **(722 824)** | **(689 908)** |

The costs for the fees for engagements for independent financial audit of the companies in the Group for 2025, carried out by registered auditors, are in the amount of BGN 3 million. The remuneration for the audit of the individual and consolidated statement of the Parent Company is in the amount of BGN 342 thousand, other services are also provided to enterprises controlled by the Parent Company, in connection with a commitment to review interim financial information and commitments to implement agreed procedures in accordance with the requirements of ISAS 4400 (revised) "Commitments for agreed procedures". The services provided under the commitments for agreed procedures are required under the Insurance Code and the Social Security Code.

This disclosure complies with the requirements of Article 30 of the Accounting Act.

## 38. Other financial income, net

| | 2025<br>BGN'000 | 2024<br>BGN'000 |
|---|---|---|
| Revenue from fees and commissions, net | 81 394 | 78 546 |
| Net result from foreign exchange differences | (22 396) | 5 189 |
| Other finance (expenses)/income from insurance operations, net | (316) | (1 757) |
| Other finance income, net | - | 4 352 |
| | **58 682** | **86 330** |

### 38.1. Revenue from fees and commissions

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Bank transfers in Bulgaria and abroad | 38 106 | 37 090 |
| Maintenance fee on deposit accounts | 16 563 | 18 605 |
| Servicing fee for loans | 7 567 | 6 109 |
| Fee for commitments and contingencies | 1 317 | 881 |
| Other fees and commissions income, different from banks | 29 306 | 25 666 |
| Other income | 18 646 | 18 633 |
| **Revenue from fees and commissions** | **111 505** | **106 984** |

### 38.2. Expenses from fees and commissions

| | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| Bank transfers in Bulgaria and abroad | (23 005) | (21 072) |
| Account maintenance fees | (575) | (589) |
| Release of precious parcels | (1 415) | (1 903) |
| Transactions with securities | (739) | (526) |
| Other fees and commissions expenses, different from banks | (1 716) | (1 534) |
| Other expenses | (2 661) | (2 814) |
| **Total fees and commissions expenses** | **(30 111)** | **(28 438)** |

## 39. Income tax expense

The relationship between the expected tax expense based on the applicable tax rate of 10 % (2024: 10%) and the reported tax expense in profit or loss can be reconciled as follows:

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| Profit before tax | 146 790 | 140 402 |
| Tax rate | 10% | 10% |
| **Expected tax expense** | **(14 679)** | **(14 040)** |
| Net effect of adjustments of the financial result for tax purpose | 3 451 | 1 600 |
| **Current tax expense** | **(11 228)** | **(12 440)** |
| **Deferred tax expense, resulting from:** | | |
| - origination and reversal of temporary differences | (6 962) | (3 530) |
| **Tax expense** | **(18 190)** | **(15 970)** |
| **Deferred tax expense/income recognized in other comprehensive income** | **(195)** | **(120)** |

Note 12 presents additional information on the deferred tax assets and liabilities, including the amounts recognized in other comprehensive income.

## 40. Earnings per share

Earnings per share have been calculated using the profit attributed to shareholders of the parent company as the numerator.

The weighted average number of outstanding shares used for basic earnings per share as well as the net profit, less the dividend expense, attributable to shareholders, is as follows:

| | 31 December 2025 | 31 December 2024 |
|---|---|---|
| Profit attributable to the shareholders of the Group (BGN) | 113 493 | 99 802 |
| Weighted average number of outstanding shares | 226 463 529 | 226 463 529 |
| **Earnings per share (BGN per share)** | **0.49** | **0.44** |

## 41. Related party transactions

The Group's related parties include its owners, associates and key management personnel. Unless otherwise stated, none of the transactions incorporate special terms and conditions. Outstanding balances are usually settled by bank transfers, in cash or set off.

## 41.1. Transactions with owners

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| **Sale of goods and services, interest income and other income** | | |
| - interest income | 117 | 88 |
| - sale of services | 10 | 10 |
| - other income | 2 | 2 |
| | | |
| **Purchase of services, interest expense and other expenses** | | |
| - purchase of services | (603) | (30) |
| - interest expense | (689) | (692) |

## 41.2. Transactions with associates and other related parties

| **Sale of goods and services, interest income and other income** | **2025<br>BGN '000** | **2024<br>BGN '000** |
|---|---|---|
| Sale of production | | |
| - companies accounted for using the equity method | 870 | 806 |
| - other related parties | 130 | 141 |
| | | |
| Sale of finished goods | | |
| - companies accounted for using the equity method | 58 | 66 |
| - other related parties | 698 | 647 |
| | | |
| Sale of services | | |
| - companies accounted for using the equity method | 11 088 | 11 211 |
| - other related parties | 3 977 | 6 489 |
| | | |
| Interest income | | |
| - companies accounted for using the equity method | 30 | 69 |
| - other related parties | 3 545 | 2 755 |
| | | |
| Other income | | |
| - companies accounted for using the equity method | 188 | 67 |
| - other related parties | 612 | 209 |

| **Purchases of services and interest expense** | **2025<br>BGN '000** | **2024<br>BGN '000** |
|---|---|---|
| Purchases of services | | |
| - companies accounted for using the equity method | (12 082) | (11 761) |
| - other related parties | (9 049) | (7 736) |
| | | |
| Interest expense | | |
| - companies accounted for using the equity method | (77) | (285) |
| - other related parties | (145) | (110) |

## 41.3. Transactions with key management personnel

Key management of Chimimport AD includes members of the Managing Board and Supervisory Board of the parent company. Key management personnel remuneration includes the following expenses:

| | 2025<br>BGN'000 | 2024<br>BGN'000 |
|---|---|---|
| Short-term employee benefits: | | |
| Salaries, including bonuses | (168) | (168) |
| Social security costs | (16) | (16) |

| | | |
|---|---|---|
| Short-term employee benefits from subsidiaries | (1 212) | (2 717) |
| **Total short-term benefits** | **(1 396)** | **(2 901)** |

## 42. Related party balances at year-end

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| **Non-current receivables from:** | | |
| - entities accounted for using the equity method | - | 1 793 |
| - other related parties | 4 132 | 78 229 |
| Impairment | - | (54 447) |
| **Total non-current receivables from related parties** | **4 132** | **25 575** |

| **Current receivables from:** | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| - owners | 12 525 | 3 514 |
| - entities accounted for using the equity method | 2 347 | 3 157 |
| - other related parties | 114 249 | 103 056 |
| Impairment | (35 735) | (31 879) |
| **Total current receivables from related parties** | **93 386** | **77 848** |

| **Non-current payable to:** | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| - owners | 3 304 | 3 304 |
| - entities accounted for using the equity method | 13 957 | 13 231 |
| - other related parties | 10 003 | 9 086 |
| **Total non-current payables from related parties** | **27 264** | **25 621** |

| **Current payables to:** | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| - owners | 5 896 | 19 481 |
| - entities accounted for using the equity method | 5 352 | 7 598 |
| - other related parties | 18 245 | 14 933 |
| **Total current payables from related parties** | **29 493** | **42 012** |

## 43. Contingent assets, contingent liabilities and other commitments

The contingent liabilities related to the bank activity of the Group are as follows:

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| Bank guarantees in BGN | 38 528 | 27 439 |
| Bank guarantees in foreign currency | 106 891 | 29 402 |
| Irrevocable commitments | 91 655 | 109 138 |
| **Total contingent liabilities** | **237 074** | **165 979** |

As of December 31 2025, the Group has entered into agreements to extend loans to customers for a total amount of BGN 90 020 thousand (2024: BGN 109 675 thousand). The future drawdown of this amount depends on whether the borrowers meet certain criteria, including whether there are any delinquencies on previous loan tranches, the provision of collateral of a certain quality and liquidity, and others.

The Group's contingent liabilities in respect of non-banking activities are as follows:

As of 31.12.2025, in connection with the requirements of IFRS 9, the Group has recognized BGN 157 thousand (2024: BGN 409 thousand) of liabilities for provisions for expected credit losses related to the Group's contingent liabilities.

As at 31 December 2025 the Group has pledged investment properties with a carrying amount of BGN 97 117 thousand under bank loans.

As of December 31, 2025, the Group has assets from the Property, Plant and Equipment group pledged under bank loans with a carrying amount of BGN 11 781 thousand.

As at 31 December 2025 the Group has pledged bank loans for inventories with a carrying amount of BGN 106 thousand.

The Group is a jointly liable under the following bank credit agreements:

- Loan agreements between a commercial bank and M Car Club EOOD dated October 31, 2025, with a present value of the liability of BGN 1 435 thousand and a maturity date of November 2, 2029; The fair value of the collateral owned by the borrower amounts to BGN 1 399 thousand.
- loan agreements between commercial bank and M Leasing EAD dated 09.08.2019. with present value of the liability BGN 25 645 thousand and maturity on May 31, 2031; The collaterals provided by the borrower are: pledge of all receivables under leasing contracts; pledge of cash receivables on all accounts.
- loan agreements between a commercial bank and Finance Info Assistance EOOD dated 01.09.2021 with a present value of the liability of EUR 6 799 thousand and maturity 28.08.2035. The fair value of the assets pledged as collateral /assets/ owned by the borrower is EUR 7 310 thousand.

On 17.12.2025, four bank guarantees were issued by DSK Bank EAD in favour of the Ministry of Energy, as follows:

- bank guarantee, ref. № 116DSK21282, under the concession agreement for the extraction of crude oil and natural gas from the Marinov Geran Field, in the amount of 400 BGN;
- bank guarantee ref. № 116DSK21283 under the concession agreement for the extraction of crude oil from Dolni Lukovit Field in the amount of BGN 260 thousand;
- bank guarantee ref. № 116DSK21284 under a concession agreement for the extraction of natural gas from the Durankulak Field for 70 BGN;
- bank guarantee ref. № 116DSK21285 under the concession agreement for the extraction of crude oil from Dolni Lukovit-West Field, in the amount of 1 300 BGN.

The amount of all bank guarantees equal 100% of the concession fee (royalty) for 2025, including VAT. The guarantees are valid until September 28, 2027.

On 26.06.2020, a bank guarantee No. 116DSK13926 in the amount of BGN 100 000 was issued by DSK Bank EAD securing the Group's obligations in connection with its registration under the Act on Administrative Regulation of Economic Activities Associated with Oil and Petroleum Products. The term of validity of the guarantee is until 24.06.2022. Amendment No.1 to the bank guarantee No.116DSK13926 extends the term until 24.12.2023. Amendment № 3 dated 02.06.2025 to bank guarantee № 116DSK13926 extends the term until 24.06.2027.

The group has a bank guarantee issued by Eurobank EFG Bulgaria JSC in the amount of BGN 2 600 thousand in favour of the Customs Agency with validity until 05 April 2027.

In 2025, Texim Bank AD issued three bank guarantees totaling BGN 870 thousand, with the beneficiaries as follows:

- BGN 220 thousand, with the Ministry of Energy as the beneficiary and a deadline of September 30, 2026, to secure participation in a procedure for the selection of proposals for the implementation of investments;

- BGN 150 thousand, with the Ministry of Energy as the beneficiary and a deadline of September 30, 2026, to secure participation in a procedure for the selection of proposals for the implementation of investments;
- BGN 500 thousand, with the beneficiary being the Electricity System Operator EAD, and a maturity date of November 12, 2027, to secure the fulfillment of connection obligations under a contract with ESO EAD.

The Group has entered into a bank guarantee agreement to secure a potential claim for the repayment of an advance payment made to the Client, regarding an obligation of the EnergoProekt Consortium–Royal Haskoning under a contract for the design of an Intermodal Terminal in the amount of BGN 1 684 thousand, reduced to BGN 1 200 thousand. Valid until June 30, 2026, inclusive. Security has been provided in the form of bank guarantees and a pledge on receivables.

The Group has entered into a performance bond agreement in favor the Client regarding the fulfillment of obligations by the EnergoProjekt Consortium – Royal Haskoning under a contract for the design of an intermodal terminal in the amount of BGN 263 thousand, valid until June 30, 2026. The security provided is a surety agreement.

Under the concession agreement, the Group is obliged to operate and maintain the Port Terminal - Balchik, a territorial subdivision of the Port of Public Transport of National Significance - Varna, to make investments in accordance with the Investment program, to maintain a certain average annual cargo turnover and to implement a certain social program with respect to the staff.

Under the concession agreement, the Group undertakes:

- to maintain the Port Terminal - Balchik in operational condition for the concession period;
- to perform port services without the right to hire subcontractors for this purpose;
- to carry out the investments under the adopted Investment Programme, the amount of the mandatory investments for the first two years of the concession period to be not less than BGN 1 098 thousand, and for the entire period of the Contract - not less than BGN 3 475 thousand;
- to prepare and submit for the Grantor's approval on an annual basis annual investment program for the Concession Site;
- to coordinate and obtain the Grantor's prior approval for improvements to be made to the Concession Site;
- to pay the concession fee in the amount, under conditions, in accordance with the procedure and within the terms specified in the concession contract;
- to insure the Concession Object;
- to maintain bank performance guarantees for the duration of the contract;
- to implement the proposals made in the Business proposal and the proposal for average annual freight turnover;

The Concessionaire undertakes to provide and maintain for each consecutive year of the validity of the concession contract new, confirmed, unconditional and irrevocable annual bank guarantees, issued by banks approved by the Concessionaire, as follows:

• Guarantee in the amount of EUR 220 thousand.(BGN 430 thousand) to guarantee the implementation of the concession contract, including the obligations to pay the concession fee, for freight turnover, for payment of interest and penalties, etc., specified in the concession contract.

On March 25, 2025, a contract was signed for the issuance of a bank guarantee for the amount of BGN 220 thousand with a guarantee term until July 31, 2026. The Bank Guarantee Agreement was concluded to secure the fulfillment of the Group's obligations under the Concession Agreement.

On October 20, 2010, the contract signed between the Group Company and the Ministry of Transport, Information Technology and Communications regarding the concession of a service on the port terminal "Vidin-North" and the port terminal "Ferry Complex Vidin", parts of the port for public transport of national

importance Vidin, entered into force. The contract is for a period of 30 years. On 24.02.2021, an Additional Agreement was signed to extend the term to 40 years.

The concession fee includes:

- one-time concession fee in the amount of 100 thousand BGN.
- annual concession fees, which contain a fixed and variable part.

The amount of the fixed annual concession fee amounts to EUR 44 thousand. (BGN 87 thousand).

Under the concession agreement, the Group undertakes:

- to operate and maintain the concession object at its own risk;
- to update the master plan of the Port of Vidin regarding the port terminals – Object of the concession;
- to make investments in accordance with the envisaged annual investment programs;
- to develop and submit for approval by the grantor annual investment programs by October 30 of the previous year;
- to coordinate in advance and obtain approval from the Minister of Transport, Information Technology and Communications for making improvements in the concession site, which are not provided for in the respective annual investment program;
- does not change the designation of the concession object;
- presents and maintains bank guarantees;

The concession contract shall be terminated upon expiry of the term of the contract, by mutual agreement, due to circumstances under the Concessions Act or in case of culpable non-fulfillment of the obligations of one of the parties.

In January 1, 2025 – December 31, 2025, the Group has committed to make investments in the port terminals "Vidin-North" and "Ferry Complex Vidin" in the amount of BGN 55 thousand. The book (paid) value as of December 31, 2025 of the investments made in the terminal is BGN 63 thousand.

In 2013, a contract signed between a company from the group and the Ministry of Transport, Information Technology and Communications regarding a concession of a service for the provision of a concession for a service on the port terminal Nikopol Port Terminal, part of the public transport port of national importance Ruse, entered into force. The contract is for a period of 35 years and also provides for a grace period of 60 (sixty) months, which begins to run from the date of entry into force of the concession contract.

The concession fee includes:

- one-time concession fee in the amount of 5 thousand BGN.
- annual concession fees, which contain a fixed and variable part.

The annual concession payment consists of two parts:

- a fixed part of the annual concession payment in the amount of BGN 3 thousand. (excluding VAT).
- a variable part of 3% of the total amount of net revenues from all activities for the current year related to the use of the concession object.

For the duration of the concession, the Group undertakes to carry out construction and installation works determined by directions, types, volume and value and activities for maintenance, rehabilitation, reconstruction and expansion of the port terminal and provision and maintenance of port equipment and other assets and programs in the amount of BGN 57 thousand excluding VAT.

Under the concession agreement, the Group undertakes to:

- management of port services and the concession site.
- for the implementation of the proposed plans and programs.

- reaching an average annual freight turnover of at least 1 600 (one thousand six hundred) conventional transport units within the first 5 years from the entry into force of the concession contract and reaching an average annual load turnover of not less than the proposed average annual freight turnover within every two years of the remaining period of the concession period;

- to provide and maintain confirmed unconditional irrevocable annual guarantees issued by banks approved by the grantor;

- to insure and maintain appropriate and sufficient insurance for the activity of the concession object, at its own expense in favor of the Grantor.

The concession contract shall be terminated upon expiry of the term of the contract, by mutual agreement, due to circumstances under the Concessions Act or in case of culpable non-fulfillment of the obligations of one of the parties.

In January 1, 2025 – December 31, 2025, a company from the group has undertaken to make investments in the Nikopol Port Terminal, part of a public transport port of national importance

In connection with concluded concession contracts, bank guarantees should be maintained for a total amount of BGN 455 thousand.

On March 6, 2013, a contract signed between the Group and the Ministry of Transport, Information Technology and Communications for the granting of a concession to Lom Port Terminal – part of the Lom Public Transport Port, of national importance – public state property for a period of 35 years, entered into force.

Under the concession agreement, the Group undertakes to:

- pays the due concession fees (one-time concession fee in the amount of BGN 150 thousand excluding VAT and annual concession payments, which contain a fixed and variable part);

- performs port services at its own risk, creating conditions for continuity of the provision of services and providing access to the terminals and the port services provided by them for at least 8 hours a day;

- maintains and operates the concession object at its own risk, with the care of a good owner and in accordance with the requirements of the current legislation regulating activities and actions arising from the concession agreement;

- for the period 01 January 2025 – 31 December 2025, investments amounting to 504 thousand BGN have been made with 550 thousand BGN set under the investment program.

- make public the prices and conditions of the port services it provides, as well as possible discounts;

- maintains the infrastructure of the port terminal in good operational condition, carrying out the necessary repairs at its own expense

As a result of an open procedure for granting a concession to the port for public transport of regional importance "Pristis" and by virtue of Decision No. 707 of the Municipal Council of Ruse, adopted by Protocol No. 28 of December 14, 2017, the Group was appointed concessionaire of the port of Pristis. On 04.01.2018, the Municipal Council of Ruse, represented by the Mayor of Ruse Municipality and the Group, signed a Concession Agreement for the Public Transport Port of Regional Importance "Pristis" – public municipal property. The contract enters into force on April 1, 2019 and has a term of 35 years.

With the entry into force of the concession agreement, the contract for granting access for the provision of port services in the port for public transport of regional importance "Pristis" is terminated.

Under the concession agreement, the Group has obligations to:

- makes annual concession payments, consisting of two parts – a fixed part in the amount of BGN 54 thousand; and variable part depending on the activity performed;

- manages and maintains the concession object at its own risk, in accordance with good engineering and operational practice, with the care of a good owner and in accordance with the requirements of the current legislation regulating activities and actions arising from the concession agreement;

- maintains the port in operational suitability and the port infrastructure in good operational condition by carrying out the necessary repairs at its own expense;
- perform port services at its own risk, ensuring their continuity for at least 8 hours a day;
- makes investments in accordance with the envisaged annual investment programs;
- realizes an annual cargo turnover, defined in conditional transport units, as a conditional transport unit is each passenger and/or ship visit served at the port multiplied by 10.

According to the approved investment program for 2025 by the Municipality of Ruse, the company from the group should make investments for rehabilitation, maintenance and purchase of assets in the amount of BGN 5 thousand. In 2025, investments totaling BGN 1 thousand were made, and the difference will be deducted from the excess of investments made in previous years, in accordance with the concession agreement.

The actions of the Management during the next reporting period will focus on fulfilling the concession obligations undertaken for the 2026 investment program. According to the 2026 program approved by the Municipality of Ruse, no investments are planned.

In pursuance of the concession contract for the public transport port of regional importance "Pristis" – public municipal property, Port Pristis Ltd. has been issued a bank guarantee for good performance of the concession contract, in the amount of BGN 100 thousand and valid until 1 March 2028.

On 29 July 2021, a contract was signed between a company from the Group and the Ministry of Transport, Information Technology and Communications regarding a construction concession for the site "Port Terminal with Winter Quarters - Ruse, part of the Public Transport Port of Ruse - public state property. The term of the concession is 35 years.

The concession fee includes:

- one-time concession fee in the amount of BGN 7 thousand.
- annual concession fees, which contain a fixed and variable part.

The amount of the fixed annual concession fee amounts to BGN 22 thousand and the variable is 2% of the total revenue.

Under the concession agreement, the Group undertakes:

- To provide asset management services at the Port Terminal with a winter resort – Ruse;
- to handle cargo and mail;
- to provide maritime technical port services.

By 31 December 2026, the Group has committed to make investments of BGN 545 thousand.

According to the Concession Agreement, the Group has undertaken obligations to operate, maintain and carry out investments for the development of the port terminal Lesport; to implement Annual Investment Programs, to maintain a certain average annual turnover, to maintain bank guarantees for performance for the duration of the contract and to apply a certain social program in relation to the staff.

The concessionaire undertakes to provide and maintain for each consecutive year of the validity of the concession contract confirmed, unconditional, irrevocable bank guarantees for the concession period, as follows:

- Guarantee for the implementation of the Investment Program in the amount of 15 percent of the value of the planned investments for the respective year;
- Guarantee in the amount of EUR 256 thousand. (BGN 501 thousand) for the performance of the contract, including the performance of the contract, including the obligation to pay concession fee, freight turnover, the obligation to pay interest and penalties specified in the contract.

As of December 31, 2025, the Group has concluded a Framework Agreement for the issuance of bank guarantees with a commercial bank for a total value of BGN 500 thousand, valid until January 28, 2028. As collateral under the concluded Framework Agreement for the issuance of a bank guarantee, non-current assets of Port Lesport AD are pledged. Within the framework of this contract, bank guarantees are included:

- in the amount of BGN 42 thousand for the fulfillment of the obligations for 2025 in favor of the Ministry of Transport and Communications with a validity period until June 01, 2026.

- in the amount of BGN 48 thousand for the fulfillment of the obligations for 2026 in favor of the Ministry of Transport and Communications with a period of validity until June 1, 2027.

As of December 31, 2025, the term of the bank guarantee in favor of the Ministry of Transport and Communications in the amount of BGN 256 thousand, guaranteeing good performance for the entire term of the Concession Agreement is until January 28, 2028. It is secured by a pledge over cash funds of a related party under common control.

In 2026, the Group should make investments totaling BGN 317 thousand. According to the approved investment program for this concession for 2026 in the following areas:

• Area: Operational suitability for a total of 177 thousand BGN.

• Area: Consultations on the implementation of the concession contract in the amount of BGN 140 thousand.

The implementation period of the investments is until December 31, 2026.

## 44. Reconciliation of liabilities arising from financing activities

The changes in the Group's long-term liabilities arising from financing activities can be classified as follows:

| | Bond and debenture loans BGN'000 | Bank loans BGN'000 | Other loans BGN'000 | Lease obligations BGN'000 | Total BGN'000 |
|---|---|---|---|---|---|
| **1 January 2025** | **51 241** | **50 770** | **5 505** | **551 836** | **659 352** |
| **Cash flows:** | | | | | |
| Repayment | (6 000) | (23 889) | (5 310) | (2 451) | **(37 650)** |
| Payments for lease contracts | - | - | - | (52 113) | **(52 113)** |
| Proceeds | - | 16 543 | 495 | - | **17 038** |
| Interest paid | (1 802) | (2 271) | (55) | - | **(4 128)** |
| **Non-cash:** | | | | | |
| New obligations under leasing contracts | - | - | - | 73 493 | **73 493** |
| Lease liabilities written off | - | - | - | (992) | **(992)** |
| Interest accrued | 2 044 | 2 692 | 878 | 26 886 | **32 500** |
| Foreign exchange differences | - | - | - | (22 365) | **(22 365)** |
| Set-off | - | - | - | (45 249) | **(45 249)** |
| Reclassification | (845) | 3 774 | 12 929 | - | **15 858** |
| Others | (397) | (2) | - | (89) | **(488)** |
| **31 December 2025** | **44 241** | **47 617** | **14 442** | **528 956** | **635 256** |

| | Bond and debenture loans BGN'000 | Bank loans BGN'000 | Other loans BGN'000 | Lease obligations BGN'000 | Total BGN'000 |
|---|---|---|---|---|---|
| **1 January 2024** | **68 510** | **64 819** | **7 108** | **419 668** | **560 105** |
| **Cash flows:** | | | | | |
| Repayment | (6 661) | (17 623) | (1 911) | - | **(26 195)** |
| Payments for lease contracts | - | - | - | (57 784) | **(57 784)** |
| Proceeds | - | 1 853 | 601 | - | **2 454** |
| Interest paid | (1 901) | (2 233) | 812 | (1 179) | **(4 501)** |
| **Non-cash:** | | | | | |
| New obligations under leasing contracts | - | - | - | 157 330 | **157 330** |
| Lease liabilities written off | - | - | - | (2 037) | **(2 037)** |
| Interest accrued and foreign exchange differences | 2 522 | 3 565 | 156 | 36 403 | **42 646** |
| Set-off | - | (613) | 152 | (440) | **(901)** |
| Reclassification | (11 229) | 887 | (1 413) | - | **(11 755)** |
| Other | - | 115 | - | (125) | **(10)** |
| **31 December 2024** | **51 241** | **50 770** | **5 505** | **551 836** | **659 352** |

## 45. Non-monetary transactions

During the reporting periods presented, the Group has made the following transactions in which no cash or cash equivalents have been used and which are not reflected in the consolidated statement of cash flows from financing activities:

- In connection with the requirements of IFRS 16 Leasing in 2025, the Group has recognized assets with the right to use a total value of BGN 73 million (2024: BGN 157 million).
- Transformation of trade payables into trade loans amounting to BGN 5 477 thousand (2024: BGN 5 447 thousand).
- The Group has carried out an investment transaction for which cash and cash equivalents were not used to set off receivables against liabilities at the amount of BGN 678 thousand with the Ministry of Transport and Communications for a recognized annual investment program for 2025 and annual investment program for 2025 approved for implementation (2024: BGN 360 thousand)
- In 2025, the Group has offset offsetting receivables and loan liabilities in the amount of BGN 3 991 thousand.

## 46. Categories of financial assets and liabilities

The carrying amount of the Group's financial assets and liabilities, can be presented in the following categories:

| **Financial assets** | **Note** | **2025 BGN'000** | **2024 BGN'000** |
|---|---|---|---|
| **Financial assets at fair value through profit or loss:** | 14 | | |
| - Corporate shares, units and rights | | 1 709 449 | 1 532 292 |
| - Bulgarian corporate bonds | | 574 679 | 346 700 |
| - Medium-term Bulgarian government securities | | 67 474 | 83 076 |
| - Long-term Bulgarian government securities | | 290 902 | 96 806 |
| - Securities issued or guaranteed in other countries | | 482 086 | 873 308 |
| - Derivatives held for trading | | - | 306 |
| **Equity instruments at fair value through other comprehensive income:** | 15 | | |
| - Quoted equity instruments | | 15 636 | 14 766 |
| - Unquoted equity instruments | | 50 292 | 51 616 |
| **Debt instruments measured at fair value through other comprehensive income:** | 15 | | |
| - Bonds | | 1 002 573 | 817 180 |
| - Government Securities | | 6 743 | 20 815 |
| **Debt instruments at amortized cost:** | | | |
| - Loans | 13, 16.1 | 3 595 039 | 3 426 844 |
| - Cession receivables | 16.1 | 37 577 | 38 121 |
| - Receivables under repurchase agreements | 16.2 | 471 457 | 639 744 |
| - Debt instruments at amortized cost | 16.3 | 2 080 890 | 1 920 056 |
| - Receivables from related parties | 42 | 133 253 | 189 749 |
| - Trade receivables | 16.4 | 127 716 | 141 148 |
| - Others | 16 | 2 070 | 1 204 |
| *Less: Impairment* | *16* | (211 924) | (278 908) |
| - Cash and cash equivalents | 20 | 3 218 138 | 2 269 589 |
| | | **13 654 050** | **12 184 412** |

| **Financial liabilities** | **Note** | **2025 BGN'000** | **2024 BGN'000** |
|---|---|---|---|
| Financial liabilities measured at amortized cost: | | | |
| Liabilities to depositors | 22 | 9 440 429 | 8 354 635 |
| Borrowings | 23.2, 23.3, 23.4 | 153 154 | 151 621 |

| Financial liabilities | Note | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|---|
| Bank deposits | 23.5 | 23 346 | 13 508 |
| Cession payables | | 38 389 | 50 196 |
| Obligations under repurchase agreements | 23.6 | 12 980 | 12 787 |
| Lease obligations | 28 | 528 956 | 551 836 |
| Trade and other payables | 23.7 | 102 988 | 97 818 |
| Related party payables | 42 | 56 757 | 67 633 |
| | | **10 356 999** | **9 300 034** |
| Derivatives designated as hedging instruments in cash flow (at fair value): | | | |
| Derivatives | 23.1 | - | 19 |
| | | **10 356 999** | **9 300 053** |

See note 4.20 for information on accounting policy for each category of financial instruments. The methods used to measure fair values are described in note 51. A description of Group's policy and objectives for risk management is presented in note 47.

## 47. Financial instruments risks

**Risk management objectives and policies**

Due to the use of financial instruments and as a result of its operating and investment activities, the Group is exposed to various risks – insurance risks, market risk, foreign currency risk, interest risk, as well as price risk. The Group's risk management is coordinated by the Managing board and focuses on actively securing the Group's short to medium-term cash flows by minimizing the exposure to risks. Long-term financial investments are managed to generate lasting returns.

The Group is exposed to different types of risk with regards to its financial instruments. For further information regarding the categories of financial assets and liabilities see note 46. The most significant financial risks to which the Group is exposed to are described below.

### 47.1. Insurance risk

#### 47.1.1. General insurance

Insurance risk is the risk of occurrence of insured events as a result of the portfolio of insurance contracts, in which case the amount of damages and the compensation due exceed the amount of the insurance reserves set aside.

This depends on the frequency with which the insured events occur, the type of insurance portfolio, the amount of insurance claims. To mitigate this risk, the diversity of the insurance portfolio and probability theory is of great importance.

The Group strives to make a relatively even distribution of insurance contracts, as well as to analyze the different types of insurance risks, which is reflected in the general terms and conditions. Through various methods of assessment and control, the Head of Internal Control Department carries out regular risk assessment and monitors the accumulation of insurance amounts by group of clients and regions. Risk management is carried out by the Internal Control Directorate in cooperation with the actuaries and management of the Group.

The main factors on which the positive financial result of the Group depends are the damage quota, the quota of expenses and the income from investments.

Insurance-technical risk is the risk of occurrence of an insured event in which the amount of the insurance indemnity due exceeds the expectations for the manifestation of the risk, expressed by the amount of the formed insurance liabilities, i.e. the insurance-technical risk is present when the total loss for a certain period of time is greater than the calculated premium and the insurance liabilities. Insurance and technical risk is influenced by the frequency and severity of claims.

Every insurance undertaking shall endeavor to ensure that sufficient insurance liabilities are set aside to cover its commitments.

The group manages and equalizes the risks assumed both within and outside the insurance population. Within the insurance population, this is achieved by equalizing the risks assumed at the time, in essence, by place in risk groups and by increasing the number of insured units, i.e. by manifesting the law of large numbers. The Group conducts a systematic analysis of the risks undertaken, their temporal and territorial diversification, offers new insurance products and strives to constantly include new units in the insurance population with a good expected risk manifestation.

Outside the insurance population, the Group equalizes risk by using reinsurance contracts. According to the specifics of the specific insurance products, the choice of reinsurance contract and the respective limits of self-retention are determined. The management of insurance risk is also reflected in the application of restrictions in underwriting procedures – limits on liability are introduced, exclusion of risks that may be affected, use of appropriate methods to assess the necessary premiums and future obligations, implementation of a reinsurance program and monitoring of insurance business. Notwithstanding reinsurance protection, the Group shall not be exempted from its direct obligations to insured persons in respect of the risks transferred, with the result that there is credit risk to the extent consistent with the inability of the reinsurers under the relevant reinsurance contract to meet their financial obligations under it. In order to minimise the manifestation of this credit risk, the Group maintains a register of available data on quantifiable indicators of the financial position of its counterparties.

The Group offers over 70 types of insurance products, thus striving to achieve a diverse and balanced, aggregated insurance portfolio. Ten of the products offered cover risks in Motor Insurance; 18 cover risks in Property Insurance; 40 – in Liability Insurance, Accident and Travel Assistance; 10 are the insurances under Transport Insurance and Financial Risks and a number of other insurances in different areas of non-life insurance. The term of the contracts concluded in the aggregated insurance portfolio is mainly one-year, but there are also such contracts in it, which have a shorter or longer term than one year.

Motor Insurance covers mainly risks related to road accidents, natural disasters and illegal human activity. Risks are material and non-material. The risks covered cover to the fullest extent the insurance coverage needs of owners, users and holders of vehicles. The territorial scope of insurance includes the whole of Europe.

Property insurance covers mainly risks related to fire, natural disasters, accident of machinery and equipment, illegal human activity, etc. In the case of property insurance, the assessment and reinsurance protection with regard to catastrophic risks is essential. In the assessment of these risks, the emphasis is placed on the adequate determination of the sum insured, the prevention carried out, the periodic inspection of the insured objects. The provided territorial coverage for them is only for the territory of the Republic of Bulgaria.

In addition to Third Party Liability, a large number of Professional Liability are covered under Liability Insurance, which are largely mandatory by virtue of various regulations. The coverage under these insurances is provided only for the territory of the Republic of Bulgaria.

Accident and Travel Assistance Insurance cover risks related to: death, permanent and temporary disability of the insured persons as a result of an accident and assisted assistance in case of health risk conditions. The territorial coverage provided for different products in this group varies from coverage only for the Republic of Bulgaria to coverage for the whole world.

Annually, the range of insurance products offered is analyzed, depending on the results of each product, the risk interest of the Group, market needs and other factors, adaptation, supplementation of existing products or development of new products in order to meet specific needs. The latter is carried out after a thorough analysis of consumer demand and market segmentation.

The main assumption underlying the assessments of obligations is that the development of future claims against the Group will generally follow the experience of the development of claims in past years. This includes assumptions about the frequency and severity of each claim, as well as an assessment of the inflation factor for each year of insured events. In addition, a qualitative and quantitative assessment of the degree of bias that can be expected when applying trends from the past into the future is carried out. The group takes into account the impact of external factors, such as changes in legislation, development of case law, etc., on the amount of insurance liabilities.

In order to limit exposure to extreme adverse risk manifestations, in particular with regard to catastrophic events, appropriate reinsurance protection shall apply. Reinsurance contracts allocate risk and minimize the effect of significant losses, which guarantees the capitalization of the Group.

When selecting a reinsurer, the Group shall take into account the relative safety of the reinsurer, as assessed on the basis of public ratings and from studies carried out.

Insurance risk is reflected not only in the pricing process but also in the process of settling claims and setting aside reserves. The table below is an estimate of the provision for outstanding payments included in the financial statements on the basis of claims made and paid, spread over time by year of occurrence of the damage. The table provides a historical overview of the sufficiency of the constituted reserve for outstanding claims. Due to the inherent uncertainty in the reserve determination process, it cannot be assured with absolute certainty that these reserves will suffice as a final result.

| **Event year** | **2021** | **2022** | **2023** | **2024** | **2025** |
|---|---|---|---|---|---|
| Claims assessment (gross, undiscounted) | 91 658 150 | 101 783 421 | 122 364 104 | 131 066 254 | 134 179 612 |
| At the end of the event year | 76 783 702 | 103 678 753 | 107 316 191 | 117 297 488 | 134 179 612 |
| After year 1 | 80 334 180 | 90 858 392 | 106 729 909 | 131 066 254 | |
| After year 2 | 81 112 118 | 90 870 300 | 122 364 104 | | |
| After year 3 | 82 553 926 | 101 783 421 | | | |
| After year 4 | 91 658 150 | | | | |
| Paid claims | 84 229 626 | 92 548 967 | 104 080 745 | 110 616 198 | 73 835 344 |
| **Undiscounted LIC** | 7 428 524 | 9 234 454 | 18 283 358 | 20 450 056 | 60 344 268 |
| Discounting effect | (247 027) | (373 608) | (703 894) | (771 289) | (1 465 739) |
| Correction of non-financial risk | 711 779 | 730 688 | 1 895 607 | 2 624 913 | 5 551 255 |
| **Liability for Incurred Claims (LIC)** | 7 893 275 | 9 591 534 | 19 475 072 | 22 303 680 | 64 429 784 |

In the calculation of insurance liabilities, certain assumptions are made. Assumption determination is the process of calculating neutral estimates of the most likely or expected outcome of insured events. The sources of information on which assumptions are made are based on in-depth studies of the Group's experience. In cases where there is insufficient inside information for the preparation of a reliable assessment of the development of insurance claims, market data acquired from own surveys or published by the Financial Supervision Commission may be used.

With regard to the liability for claims incurred, the expertise of the liquidation specialists is also essential. They review damages in relation to the circumstances of occurrence and right to compensation. On the basis of historically proven experience of the extent of such damage an estimate is made. This assessment shall be reviewed regularly and, where new information becomes available, updated.

To establish the liability for claims incurred, the Group uses various statistical methods based on the accumulated values of the claims paid and on the basis of historical claims. Own data for the period 2009-2025 are used. When large deviations in the development coefficients for a given year are obtained for a given year, not typical for the development of the claims, the respective period is not taken into account in the calculation of the development factors.

For insurances where due to low frequency of or low volume of activity there are no claims and on the basis of a chain-pillar method a zero value of the reserve for incurred but unsettled claims is obtained, the company uses the Bonhütter-Ferguson method, which is based on the volume of premiums earned and claims paid and filed for the period 2009 -2025.

The part of the reinsurers in the Claims Reserve is formed on the basis of the calculations of the reserves under each of the reinsurance contracts, following the methodology for direct business.

The remaining coverage liability is formed to cover claims and administrative expenses that are expected to arise under the relevant insurance or reinsurance contract after the reporting period. In its

calculation, unearned premiums under insurance contracts are also taken into account, as well as the outstanding commission obligations of intermediaries.

The remaining coverage part of reinsurers in the liability side is formed on the basis of the reserve calculations for each of the reinsurance contracts, following the direct business methodology.

The adequacy of liabilities shall be ensured by periodic assessment and testing of sufficient reserves to cover all future payments. When assessing the adequacy of reserves, all expected cash flows of concluded insurance contracts are taken into account, such as: risk payments, administrative costs of servicing contracts, claims costs, etc. The adequacy of the remaining coverage liability and the liability for damage shall be established by appropriate tests.

The impact of the development of insurance indicators on the capital adequacy of the Group is simulated in the sensitivity analysis. For the sensitivity analysis presented below, the indicators Liability for Remaining Coverage and Liability for incurred claims have been selected. The starting point for the analysis is the Group's capital position at the financial statement date.

| | 2025 | | | | |
|---|---|---|---|---|---|
| **in thousands BGN** | **Change in assumptions** | **Equity impact, gross from reinsurance** | **Equity impact, net from reinsurance** | **% of SCR coverage** | **% of MCR coverage** |
| Expense increase | +10% | (7 911) | (7 704) | 116% | 437% |
| Expense decrease | -10% | 7 911 | 7 704 | 125% | 473% |
| Increase of loss ratio | +10% | (17 734) | (12 322) | 113% | 427% |
| Decrease of loss ratio | -10% | 17 734 | 12 322 | 127% | 484% |
| Increase in inflation rates | +1% | 611 | 396 | 121% | 456% |
| Decrease in inflation rates | -1% | (586) | (378) | 120% | 454% |

| | 2024 | | | | |
|---|---|---|---|---|---|
| **in thousands BGN** | **Change in assumptions** | **Equity impact, gross from reinsurance** | **Equity impact, net from reinsurance** | **% of SCR coverage** | **% of MCR coverage** |
| Expense increase | +10% | (10 639) | (10 639) | 134% | 497% |
| Expense decrease | -10% | 5 003 | 5 003 | 147% | 546% |
| Increase of loss ratio | +10% | (1 780) | 442 | 133% | 490% |
| Decrease of loss ratio | -10% | 1 780 | (442) | 148% | 553% |
| Increase in inflation rates | +1% | 485 | 55 | 140% | 521% |
| Decrease in inflation rates | -1% | (470) | (48) | 140% | 521% |

Of the scenarios considered, the one with the greatest impact on the Group’s capital is the scenario involving a change in the amount of the liability for incurred claims. This scenario reflects the inherent uncertainty in the measurement of the liability, as it represents a current estimate of the expected future payments related to incurred claims. This uncertainty is most pronounced with respect to incurred but not reported claims, as well as insurance products characterized by a longer claims settlement process, primarily compulsory Motor Third Party Liability insurance and other types of liability insurance.

#### 47.1.1.1. Reinsurance strategy

The reinsurance campaign of the Group is aimed at preserving its financial stability and ensuring maximum protection of the interests of insured persons in the event of the occurrence of insurance events that carry the risk of sensitive losses as a result of the occurrence of single insurance events and those of a catastrophic nature. This objective shall be achieved through continuous analysis of the structure of the insurance portfolio, ensuring the accumulation of risks assumed for coverage in amounts not exceeding the financial capacity of the Group.

The reinsurance program:

- is a capital management tool aimed at reducing the cost of capital funds in the event of adverse events;
- is a measure to protect the Group's capital adequacy from the accumulation of risks, including catastrophic risks;
- covers almost all risks and classes of businesses recorded by the Group. The types of reinsurance protections and the limits of the contracts are fully consistent with the risk appetites of the Company, the type of portfolio and the underwriting rules of the Group;

- define precisely and clearly the specific risk transfer needs as well as the correct type of specific contracts;
- determines the levels of self-retention by individual classes of business;
- aims at the continuous optimization of reinsurance contracts in order to alleviate capital pressures through the application of different reinsurance options that can partially or fully achieve optimization of capital adequacy;
- reduces fluctuations in the event of insurance events;
- evaluates and equalizes the risks of different types of insurance coverage.

The Group reinforces some of its risks in order to control its exposures to losses and to protect its capital resources. All optional reinsurance contracts are approved in advance by management. Before concluding a reinsurance contract, the Group shall analyze the credit rating of the reinsurers concerned. Reinsurers with a high credit score are selected to control exposure to losses resulting from a single insured event. The Group shall periodically analyze the current financial situation of reinsurers with whom reinsurance commitments have been concluded.

### 47.1.1.2. Claims settlement process

In 2025, the gross loss ratio for the business as a whole is 43%, which after taking into account the effect of reinsurance amounts to a net 47%.

The following table presents the gross and net claims ratio, which makes it possible to follow the development of risk during the reporting periods by separate types of insurance:

| Type of insurance | 2024 Loss ratio, gross | 2024 Loss ratio, net | 2025 Loss ratio, gross | 2025 Loss ratio, net |
|---|---|---|---|---|
| Income protection insurance | 56% | 56% | 52% | 49% |
| Workers' compensation insurance | 5% | 18% | 27% | 22% |
| Motor Third Party Liability Insurance | 72% | 92% | 44% | 71% |
| Other motor vehicle insurance | 49% | 50% | 46% | 45% |
| Marine, aviation and transport insurance | 27% | 199% | -1% | -9% |
| Fire and other damage to property insurance | 46% | 14% | 34% | 51% |
| General liability insurance | 179% | 83% | 45% | 36% |
| Credit and guarantees insurance | 33% | 33% | 2% | 2% |
| Assistance | 46% | 46% | 43% | 43% |
| Miscellaneous financial loss insurance | -3% | -3% | 14% | 16% |
| **Total** | **51%** | **52%** | **43%** | **47%** |

The insurance product with the largest relative share in the Group's portfolio—"Casco of Vehicles"—continued to demonstrate favorable risk development in 2025, with a gross loss ratio of 46% and a net loss ratio of 45%, compared to a gross loss ratio of 49% and a net loss ratio of 50% in 2024.

The change in the net loss ratio for the Group's overall operations—49% for 2010, 53% for 2011, 59% for 2012, 53% for 2013, 59% for 2014, 46% for 2015, 56% for 2016, 41% for 2017, 43% for 2018, 47% for 2019, 46% for 2020, 32% for 2021, 40% for both 2022 and 2023, 52% for 2024, and 47% for 2025—demonstrates fluctuations in net loss experience between 32% and 59%. The most recent year once again shows very favourable levels, contributing to a strong positive net result.

The following table presents the development of the average amount of paid claims by type of insurance:

| Type of insurance | Number 2025 | Amount in BGN | Average claims 2025 | Number 2024 | Amount in BGN | Average claims 2024 |
|---|---|---|---|---|---|---|
| Income protection insurance | 3 837 | 1 135 034 | 296 | 3 827 | 1 224 081 | 320 |
| Workers' compensation insurance | 67 | 386 159 | 5 764 | 67 | 584 355 | 8 722 |
| Motor Third Party Liability Insurance | 4 890 | 19 446 813 | 3 977 | 4 661 | 18 568 716 | 3 984 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Other motor vehicle insurance | 68 683 | 103 736 681 | 1 510 | 65 748 | 91 386 922 | 1 390 |
| Marine, aviation and transport insurance | 52 | 769 853 | 14 805 | 36 | 1 069 923 | 29 720 |
| Fire and other damage to property insurance | 2 049 | 5 691 611 | 2 778 | 2 420 | 10 180 612 | 4 207 |
| General liability insurance | 28 | 412 441 | 14 730 | 21 | 667 961 | 31 808 |
| Credit and guarantees insurance | - | - | - | - | - | - |
| Assistance | 1 442 | 900 571 | 625 | 1 033 | 765 054 | 741 |
| **Total:** | **81 048** | **132 479 163** | | **77 813** | **124 447 624** | |

The average damage paid in 2025 is BGN 1 635 and compared to the same indicator for the previous years: BGN 1 668. The highest is the amount of average damage under insurance "Aviation liability insurance" and the lowest - under "Accident" and "Travel Assistance" insurance.

### 47.1.2. Life insurance

Insurance risk is the risk of occurring insured events resulting from the portfolio of insurance contracts held in which the amount of claims and compensations due exceeds the amount of the insurance reserves set aside.

This depends on the frequency with which insured events occur, the type of insurance portfolio, the amount of insurance claims. To mitigate this risk, the diversity of the insurance portfolio and probability theory are of great importance.

The main risks to which the Group is exposed are:

- Mortality – risk of loss as a result of increasing the mortality of the insured persons above the expected;
- Morbidity – risk of loss as a result increasing the morbidity of the insured persons above the expected;
- Survival – risk of loss as a result of survival of the insured persons with rent insurances above the expected;
- Risk associated with return on investments made - risk of loss when the return on investments differs from expected.
- Cost risk – risk of loss when costs differ from what is expected;
- Risk of loss for errors related to insured persons - when individuals terminate their insurance contracts.

In the life business, the Group operates within the framework of Solvency 2 and IFRS 17 which impact the financial statements, risk management and capital requirements.

Solvency 2:

- Regulates the capital of EU insurers.
- Requires minimum regulatory capital according to risk profile.

IFRS 17:

- Standard for accounting for insurance contracts.
- Significantly affects the measurement and presentation of insurance liabilities.
- Requires a detailed approach, including risk adjustment and discounting of cash flows

These two frameworks require the company to maintain a high degree of transparency and accountability in its financial operations.

The Group meets all minimum capital and solvency requirements in reinsurance business

For a portfolio of insurance contracts that are subject to the probability theory of pricing and provisioning, the main risk the Group faces in its insurance contracts is that actual claims and claims payments may exceed the book value of liabilities under insurance contracts. This may occur because the frequency or amount of claims and benefits or the amount of future costs is greater than expected. Insured events are incidental and the actual number and amount of claims and benefits vary from year to year from the level established using statistical techniques. The purpose of statistical methods is to minimize the deviation of real figures from those expected.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative volatility of the expected outcome will be. In addition, a less diversified portfolio is less likely to be affected by a change in any subset of the portfolio. The Group has developed its insurance strategy to diversify the type of insurance risks accepted and to achieve a large enough population of risks in each of these categories to reduce the variability of the expected outcome.

For contracts where death is the insured risk, the most important factors that could increase the overall frequency of claims are epidemics or widespread lifestyle changes such as poor diet, smoking and insufficient exercise, resulting in earlier or more claims than expected. Currently, these risks do not vary significantly depending on the location of the insured.

The Group strives to make a relatively even distribution of insurance contracts, as well as to analyze the different types of insurance risks, which is reflected in the general terms and conditions. Through various assessment and control methods, those performing the roles of key functions in the Group perform and assist in carrying out a regular risk assessment, as appropriate, and report promptly to the Group Management. The main factors on which the positive financial result of the Group depends are the damage quota, the cost quota and investment income.

The methods for measuring risks include both quantitative and qualitative approaches. Underwriting practices are applied when concluding policies and are monitored after signing through their statistical behavior. Actuarial analyses and risk models are used and for estimating future cash flows. In addition, the company prepares sensitivity analyses and scenario analyses, for example to assess the impact of changes in interest rates on the value of insurance liabilities. The company is subject to regulation under Solvency II requirements, which includes additional analysis and management of risks related to assets and liabilities arising from insurance contracts, as well as other business risks such as market, credit and operational risk. To limit the impact of extreme events, the company enters into reinsurance contracts.

**Claims Settlement Process:**

The exposure of each risk expressed in terms of the insurer's liabilities:

| Portfolio | Model | Insurance / reinsurance | Insurance liabilities |
|---|---|---|---|
| Borrower's risk life insurance | General | Insurance | (927) |
| Risk insurance "Life" | General | Insurance | (400) |
| Mixed "Life" insurance | General | Insurance | (193) |
| Insurance "Sickness" | General | Insurance | (72) |
| Reinsurance | General | Reinsurance | (48) |

**Developing of claims:**

| Year | Start | | Development | | | | | | | | End | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Nominal reserves | Discounted reserves | Year. 1 | Year. 2 | Year. 3 | Year. 4 | Year. 5 | Year. 6 | Year. 7 | Year. 8 | Nominal reserves | Discounted reserves |
| 2018 | 6 | 6 | 466 | 211 | 13 | 35 | 2 | 0 | 0 | 0 | 1.3 | 1.3 |
| 2019 | 12 | 12 | 373 | 111 | 37 | 5 | 19 | 47 | 8 | | 1.6 | 1.6 |
| 2020 | 21 | 20 | 344 | 152 | 15 | 33 | 0 | 0 | | | 5.5 | 5.4 |
| 2021 | 48 | 48 | 412 | 171 | 11 | 12 | 33 | | | | 11.5 | 11.3 |
| 2022 | 94 | 93 | 563 | 255 | 24 | 2 | | | | | 28.7 | 28.0 |
| 2023 | 153 | 152 | 563 | 258 | 8 | | | | | | 43.2 | 42.2 |
| 2024 | 407 | 405 | 552 | 167 | | | | | | | 51.1 | 49.9 |
| 2025 | - | - | 652 | | | | | | | | 253.1 | 247.3 |
| Total | 740 | 736 | 3 925 | 1 325 | 107 | 87 | 54 | 47 | 8 | 0 | 396.0 | 386.9 |
| Discount Effect | | | | | | | | | | | (10.8) | |
| Risk additive | | | | | | | | | | | 1.7 | |
| Final | | | | | | | | | | | 386.9 | |

## 47.2. Foreign currency risk

The foreign currency risk is a potential cause for losses for the Group when the foreign currency rates fluctuate.

**Group's policy regarding other than banking activities**

Most of the Group's transactions are carried out in BGN. The foreign transactions of the Group, denominated in US dollars, expose the Group to currency risk. The Group has long-term trade payables and short-term finance lease liabilities in US dollars, the greater part of which is related to the purchase of aircraft.

These liabilities are stated at amortized cost. The Group has short-term and long-term US dollar loans. These receivables are classified as loans and receivables.

The foreign transactions of the Group denominated in euro do not expose the Group to currency risk as the exchange rate of the Bulgarian lev is fixed to the euro under the Currency Board Act.

In order for the foreign currency risk to be decreased, the non-BGN cash flows are monitored by the Group. Generally, the Group has different procedures for risk management for the short-term (due within 6 months) and long-term non-BGN cash flows.

Information on significant positions in currencies other than the BGN and the Euro in the pension activity at 31 December 2025 is as follows:

| | USD | Other | Total |
|---|---|---|---|
| FINANCIAL ASSETS | | | |
| Cash in hand and bank | 47 616 | 128 | 47 744 |
| Debt securities issued or guaranteed by the State | 37 304 | - | 37 304 |
| Corporate bonds of foreign issuers | 16 683 | - | 16 683 |
| Debt securities issued or guaranteed by third countries or countries specified in a regulation of the FSC and their central banks | 11 100 | - | 11 100 |
| Shares and units of collective investment schemes and alternative investment funds | 372 | - | 372 |
| Shares and rights of foreign issuers | 53 025 | 42 090 | 95 115 |
| Shares and units of collective investment schemes and alternative investment funds of foreign issuers | 49 988 | - | 49 988 |
| Debt securities issued or guaranteed by Member States and their central banks, by the ECB and/or by the EIB | 103 156 | - | 103 156 |
| Receivables | 47 | - | 47 |
| **TOTAL ASSETS** | **319 291** | **42 218** | **361 509** |

Information on significant positions in currencies other than the BGN and the Euro in the pension activity at 31 December 2024 is as follows:

| | USD | Other | Total |
|---|---|---|---|
| FINANCIAL ASSETS | BGN '000 | BGN '000 | BGN '000 |
| Cash in hand and bank | 1 191 | 17 | 1 208 |
| Debt securities issued or guaranteed by the State | 4 478 | - | 4 478 |
| Corporate bonds of foreign issuers | 30 190 | - | 30 190 |
| Debt securities issued or guaranteed by third countries or countries specified in a regulation of the FSC and their central banks | 44 438 | - | 44 438 |
| Shares and units of collective investment schemes and alternative investment funds | 243 | - | 243 |
| Shares and rights of foreign issuers | 51 830 | 32 710 | 84 540 |
| Shares and units of collective investment schemes and alternative investment funds of foreign issuers | 21 752 | - | 21 752 |
| Debt securities issued or guaranteed by Member States and their central banks, by the ECB and/or by the EIB | 157 856 | - | 157 856 |
| Receivables | 196 | - | 196 |
| **TOTAL ASSETS** | **312 174** | **32 727** | **344 901** |

## Group's policies regarding the banking activities

In the Republic of Bulgaria, the exchange rate of the Bulgarian lev to the euro is fixed by the Currency Board Act, which is why the Group's long position in euro does not pose a risk to the Group.

The risk-weighted net currency position as at 31 December 2025 in financial instruments denominated in currencies other than leva or euro is less than 2% of the capital base and no foreign exchange risk capital requirements on the part of the Group with respect to banking activities.

Due to the low size of this position, the potential effect of changes in exchange rate will not lead to significant effects on equity and therefore the risk-weighted effect on capital will be below the materiality threshold for the Group and the regulatory framework – EU Regulation 2013/575.

The currency structure of financial assets and liabilities at book value as of 31 December 2025 is as follows:

| | BGN | EUR | USD | Other | Total |
|---|---|---|---|---|---|
| **FINANCIAL ASSETS** | BGN '000 | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| Cash and cash balances with the Central Bank | 1 719 796 | 234 828 | 21 272 | 52 132 | 2 028 028 |
| Provided resources and advances to banks | 43 | 971 081 | 6 625 | 38 520 | 1 016 269 |
| Receivables under repurchase agreements | 367 532 | 44 541 | - | - | 412 073 |
| Financial assets at fair value through profit or loss | 223 130 | 1 345 | 669 | 6 241 | 231 385 |
| Loans and advances to customers | 3 020 994 | 297 466 | 59 | 256 746 | 3 575 265 |
| Financial assets measured at fair value in other comprehensive income | 502 898 | 515 849 | 12 513 | 876 | 1 032 136 |
| Financial assets at amortized cost | 494 776 | 1 409 422 | 35 440 | 140 450 | 2 080 088 |
| **TOTAL ASSETS** | **6 329 169** | **3 474 532** | **76 578** | **494 965** | **10 375 244** |
| | | | | | |
| **FINANCIAL LIABILITIES** | | | | | |
| Deposits from banks | 589 | 4 470 | 4 546 | 20 941 | 30 546 |
| Bank loans | - | - | - | 874 | 874 |
| Liabilities to other depositors | 7 010 536 | 2 017 691 | 170 383 | 393 042 | 9 591 652 |
| Issued bonds | - | 25 463 | - | - | 25 463 |
| Other liabilities | 28 171 | 11 209 | - | 3 483 | 42 863 |
| **TOTAL LIABILITIES** | **7 039 296** | **2 058 833** | **174 929** | **418 340** | **9 691 398** |
| **NET POSTION** | **(710 127)** | **1 415 699** | **(98 351)** | **76 625** | **683 846** |

The currency structure of financial assets and liabilities at book value as of 31 December 2024 is as follows:

| | BGN | EUR | USD | Other | Total |
|---|---|---|---|---|---|
| **FINANCIAL ASSETS** | BGN '000 | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| Cash and cash balances with the Central Bank | 1 768 273 | 130 503 | 36 957 | 70 386 | 2 006 119 |
| Provided resources and advances to banks | 26 | 131 650 | 25 354 | 23 519 | 180 549 |
| Receivables under repurchase agreements | 551 518 | 40 549 | - | - | 592 067 |
| Financial assets at fair value through profit or loss | 211 439 | 18 581 | 3 224 | 5 508 | 238 752 |
| Loans and advances to customers | 2 820 293 | 325 289 | 46 | 245 922 | 3 391 550 |
| Financial assets measured at fair value in other comprehensive income | 584 915 | 248 960 | 12 085 | 844 | 846 804 |
| Financial assets at amortized cost | 503 570 | 1 283 864 | 47 403 | 83 099 | 1 917 936 |
| **TOTAL ASSETS** | **6 440 034** | **2 179 396** | **125 069** | **429 278** | **9 173 777** |
| | | | | | |
| **FINANCIAL LIABILITIES** | | | | | |
| Deposits from banks | 1 770 | 7 379 | 2 799 | 6 442 | 18 390 |
| Liabilities to other depositors | 6 086 828 | 1 838 446 | 209 300 | 333 693 | 8 468 267 |
| Issued bonds | - | 25 463 | - | - | 25 463 |
| Other liabilities | 23 732 | 16 687 | - | - | 40 419 |
| **TOTAL LIABILITIES** | **6 112 330** | **1 887 975** | **212 099** | **340 135** | **8 552 539** |
| **NET POSTION** | **327 704** | **291 421** | **(87 030)** | **89 143** | **621 8** |

## 47.3. Interest risk analysis

**Group's policy regarding other than banking activities**

The policy of the Group is aimed at minimizing interest rate risk on long-term financing. Therefore, long-term loans are usually with fixed interest rates. As at 31 December 2025, the Group is exposed to the risk of a change in market interest rates on its variable-rate bank loans. All other financial assets and liabilities of the Group have fixed interest rates. All investments in the Group's bonds are paid on a fixed interest rate basis.

**Group's policies regarding the banking activities**

Interest rate risk is the probability of a potential change in net interest income or net interest margin due to a change in overall market interest rates. Interest rate risk management in the Group seeks to minimize the risk of reducing net interest income as a result of changes in interest rates.

For measuring and assessing interest rate risk, the Group uses the GAR-analysis method (mismatch / imbalance analysis). It identifies the sensitivity of the expected revenues and expenditures to the development of the interest rate.

The GAP analysis method aims to determine the Group's position, generally and by individual types of financial assets and liabilities, in terms of expected changes in interest rates and the impact of this change on net interest income. It assists in the management of assets and liabilities and is a tool to provide sufficient and stable net interest rate profitability.

The Group's imbalance between interest rate assets and interest-bearing liabilities as of 31 December 2025 is negative, amounting to BGN (1 539 939) thousand. The GAP coefficient, as an expression of this imbalance, compared to the Group's total profitable assets (interest-bearing assets, derivatives and investments in subsidiaries) is minus 18.25 %.

| | Up to 1 month | 1 to 3 months | 3 to 12 months | 1 to 5 years | Over 5 years | Total |
|---|---|---|---|---|---|---|
| INTEREST-BEARING ASSETS | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 |
| Provided resources and advances to banks | 1 013 352 | - | - | 2 917 | - | 1 016 269 |
| Receivables under repurchase agreements | 107 228 | 138 684 | 166 161 | - | - | 412 073 |
| Financial assets measured at fair value through profit or loss | - | - | - | 16 167 | - | 16 167 |
| Loans and advances to customers | 62 646 | 171 002 | 490 668 | 1 508 177 | 1 342 772 | 3 575 265 |
| Financial assets measured at fair value in other comprehensive income | - | 13 | 22 070 | 168 809 | 817 842 | 1 008 734 |
| Financial assets at amortized cost | 200 998 | 521 091 | 342 790 | 497 601 | 517 608 | 2 080 088 |

| | | | | | | |
|---|---|---|---|---|---|---|
| TOTAL INTEREST-BEARING ASSETS | 1 384 224 | 830 790 | 1 021 689 | 2 193 671 | 2 678 222 | 8 108 596 |
| INTEREST-BEARING LIABILITIES | | | | | | |
| Deposits from banks | 30 546 | - | - | - | - | 30 546 |
| Loans from banks | 2 | - | 41 | 602 | 229 | 874 |
| Liabilities to other depositors | 4 176 583 | 407 101 | 976 467 | 4 029 215 | 2 286 | 9 591 652 |
| Issued bonds | - | - | - | - | 25 463 | 25 463 |
| TOTAL INTEREST–BEARING LIABILITIES | 4 207 131 | 407 101 | 976 508 | 4 029 817 | 27 978 | 9 648 535 |
| IMBALANCE BETWEEN INTEREST BEARING ASSETS AND LIABILITIES, NET | (2 822 907) | 423 689 | 45 181 | (1 836 146) | 2 650 244 | (1 539 939) |

The Group's imbalance between interest rate assets and interest-bearing liabilities as of 31 December 2024 is negative, amounting to BGN 1 633 161 thousand. The GAP coefficient, as an expression of this imbalance, compared to the Group's total profitable assets (interest-bearing assets, derivatives and investments in subsidiaries) is minus 23.6%.

| | Up to 1 month | 1 to 3 months | 3 to 12 months | 1 to 5 years | Over 5 years | Total |
|---|---|---|---|---|---|---|
| INTEREST-BEARING ASSETS | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 |
| Provided resources and advances to banks | 177 631 | - | - | 2 918 | - | 180 549 |
| Receivables under repurchase agreements | 256 988 | 143 604 | 191 475 | - | - | 592 067 |
| Financial assets measured at fair value through profit or loss | - | - | - | 6 545 | 7 020 | 13 565 |
| Loans and advances to customers | 46 447 | 177 713 | 441 880 | 1 484 216 | 1 241 294 | 3 391 550 |
| Financial assets measured at fair value in other comprehensive income | 1 477 | 46 | 9 650 | 160 929 | 652 040 | 824 142 |
| Financial assets at amortized cost | 247 388 | 291 405 | 285 874 | 480 857 | 612 412 | 1 917 936 |
| TOTAL INTEREST-BEARING ASSETS | 729 931 | 612 768 | 928 879 | 2 135 465 | 2 512 766 | 6 919 809 |
| INTEREST-BEARING LIABILITIES | | | | | | |
| Deposits from banks | 18 390 | - | - | - | - | 18 390 |
| Liabilities to other depositors | 3 629 945 | 494 978 | 1 103 862 | 3 238 672 | 810 | 8 468 267 |
| Issued bonds | - | - | - | - | 25 463 | 25 463 |
| Lease liabilities | 991 | 1 982 | 8 921 | 24 587 | 4 369 | 40 850 |
| TOTAL INTEREST–BEARING LIABILITIES | 3 649 326 | 496 960 | 1 112 783 | 3 263 259 | 30 642 | 8 552 970 |
| IMBALANCE BETWEEN INTEREST BEARING ASSETS AND LIABILITIES, NET | (2 919 395) | 115 808 | (183 904) | (1 127 794) | 2 482 124 | (1 633 161) |

Maintaining a negative imbalance exposes the Group to the risk of a decrease in net interest income when interest rates rise. The impact of the imbalance reported as of 31 December 2025 on net interest income, with a forecast of 2% increase in interest rates over a 1-year horizon, is a decrease in net interest income by BGN 6 106 thousand (2024: BGN 6 242).

In the tables above, part of the attracted funds on current accounts without residual maturity in the amount of BGN 4 028 759 thousand as of 31 December 2025 (2024: BGN 3 161 759 thousand) is presented in the range from 1 year to 5 years, as the Group considers this availability to be a reliable long-term resource based on the average daily availability on these accounts in 2025 and 2024.

In its operations, the Group uses base fixed interest rates as well as interest rates that are based on the Base Reference Interest Rate (BRIR). The Group has material exposure only to exposures denominated in euros, whose reference interest rate index is EURIBOR.

The table below presents the Group's exposure and the effects on its financial results from financial assets whose reference interest rate is EURIBOR as at 31 December 2025:

| Gross exposures | 31 December 2025 | Effect on profit or loss from a 1% increase in EURIBOR | Effect on profit or loss from a 1% decrease in EURIBOR |
|---|---|---|---|
| | BGN'000 | BGN'000 | BGN'000 |
| Loans and advances to customers | 219 178 | 2 192 | (2 192) |
| Financial assets measured at fair value through other comprehensive income | 901 333 | 9 013 | (9 013) |
| **Net interest exposure to EURIBOR** | **1 120 511** | **-** | **-** |
| **Net effect from changes in the interest rate index** | **-** | **11 205** | **(11 205)** |

The table below presents the Group's exposure and the effects on its financial results from financial assets whose reference interest rate is EURIBOR as at 31 December 2024:

| Gross exposures | 31 December 2024 | Effect on profit or loss from a 1% increase in EURIBOR | Effect on profit or loss from a 1% decrease in EURIBOR |
|---|---|---|---|
| | BGN'000 | BGN'000 | BGN'000 |
| Loans and advances to customers | 369 575 | 3 696 | (3 696) |
| Financial assets measured at fair value through other comprehensive income | 551 628 | 5 516 | (5 516) |
| **Net interest exposure to EURIBOR** | **921 203** | **-** | **-** |
| **Net effect from changes in the interest rate index** | **-** | **9 212** | **(9 212)** |

## 47.4. Credit risk analysis

**Group's policy regarding other than banking activities**

Credit risk is the risk that counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits etc. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at the reporting date, as summarized below:

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| Financial assets – carrying amounts: | | |
| Financial assets measured at fair value through profit or loss | 3 124 590 | 2 932 488 |
| Equity instruments at fair value through other comprehensive income | 65 928 | 66 382 |
| Debt instruments measured at fair value through other comprehensive income | 1 009 316 | 837 995 |
| Debt instruments at amortized cost | 6 236 078 | 6 077 958 |
| Cash and cash equivalent | 3 218 138 | 2 269 589 |
| **Carrying amount** | **13 654 050** | **12 184 412** |

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group and incorporates this information into its credit risk controls. The Group's policy is to deal only with creditworthy counterparties. The Group's management considers that all the above financial assets that are not impaired or past due for each of the reporting dates under review are of good credit quality.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in different industries and geographical areas. Based on historical indicators, the management considers that the trade receivables that are not past due are of good credit quality.

The credit risk related to cash and cash equivalents and financial market funds is considered immaterial as the contracting parties are banks with good reputation and good credit rating.

The carrying amounts presented above represent the maximum exposure to credit risk the Group might experience, regarding these financial instruments.

**Group's policies regarding the banking activities**

Credit risk is the probability of a loss arising from the non-performance of contractual obligations of the counterparty on financial assets held by the Group. The Group manages credit risk inherent in both the banking and trading book. The Group has structured credit risk monitoring and management units for individual business segments by applying individual credit policies. The credit risk of individual exposures is managed over the life of the exposure - from the decision to form the exposure to its full repayment. In order to minimize credit risk in the credit process, detailed procedures are applied for the analysis of the economic feasibility of each project, the control over the use of the funds allocated and the administration related to this activity.

To reduce credit risk, appropriate type and value collateral and guarantees are adhered to, in accordance with the Internal Rules, the approach used for calculating capital requirements and current banking legislation.

Cash, cash equivalents and cash balances in Central bank amounting to BGN 2 028 028 thousand are not carrying significant credit risk for the Group due to their nature and the Group's ability for disposal

The provided resources and advances to banks amounting to BGN 1 016 269 housand are primarily deposits with international and Bulgarian financial institutions with a maturity of up to 7 days.

Receivables under repurchase agreements of securities at the amount of BGN 412 073 thousand bear credit risk for the Group, depending on the risk inherent in the provided collateral. Part of the receivables amounting to BGN 41 598 thousand is secured by government securities issued by the Republic of Bulgaria. The remaining receivables amounting to BGN 370 475 thousand are secured by corporate securities and bear risk depending on the issuer of the securities provided as collateral.

Financial assets carried at fair value through profit or loss amounted to BGN 231 385 thousand, represent: equity instruments (shares) in Bulgarian companies in the amount of BGN 69 339 thousand and in foreign credit institutions in the amount of BGN 6 241 thousand and foreign non-financial companies in the amount of BGN 1 304 thousand; shares in Bulgarian mutual funds in the amount of BGN 138 334 thousand - with a risk weight depending on the type of underlying asset; debt instruments issued by the Republic of Bulgaria in the amount of BGN 16 167 thousand.

Equity securities carried at fair value through other comprehensive income amounting to BGN 23 402 thousand represent shares in financial and non-financial entities that carry credit risk, the maximum exposure of which in percentage is 100% or BGN 23 402 thousand in absolute amount.

Debt securities carried at fair value through other comprehensive income and issued by the Republic of Bulgaria amounting to BGN 6 161 thousand carry 0% credit risk for the Bank.

Debt securities carried at fair value through other comprehensive income and issued by domestic and foreign companies amounting to BGN 1 002 573 housand carry credit risk for the Group, the maximum exposure to which in percentage terms is 100% or BGN 1 002 573 thousand in absolute amount.

Debt securities valued at amortized cost and issued by the Republic of Bulgaria have a carrying amount of BGN 868 491 thousand and bear 0% credit risk depending on the original currency of the issue. Debt securities reported at amortized cost and issued by other countries and central banks have a carrying amount of BGN 1 185 458 thousand and bear credit risk for the Group depending on the credit rating of the issuing country.

Debt securities carried at amortised cost and issued by domestic and foreign companies with a carrying amount of BGN 26 139 thousand carry credit risk for the Group, the maximum exposure to which is dependent on the credit rating of the issuer.

Loans and advances to customers with a carrying amount of BGN 3 575 265 thousand bear credit risk for the Group. To determine the amount of the Group's exposure to this risk, an analysis of the individual risk for the Group arising from each specific exposure is performed, the Group applying the criteria for assessment and classification of risk exposures set out in the banking legislation of the Republic of Bulgaria and IFRS. According to these criteria and the performed analysis, the maximum exposure of the Credit Risk Group amounts to BGN 1 613 480 thousand.

As of 31 December 2025, the amount of the provisions formed by the Group to cover expected credit losses on loans and advances is BGN 54 525 thousand.

The models used by the Group for assessing credit losses have not been modified in relation to specific macroeconomic, political, and geopolitical trends, as their accuracy and adequacy depend on the risk parameters that serve to calculate the amount of expected credit losses, and they are considered with their actual values, as reported by the statistical and financial government authorities.

In 2025, the quality of the Group's portfolio of exposures remains stable, and there is no increase in the share of non-performing exposures; the models used to assess credit losses have adequately evaluated the size of the expected credit losses.

According to the current "Rules for Acceptance, Evaluation and Management of Collateral for Credit Transactions", the valuations of collateral, incl. Commercial real estate is updated every 12 months and residential real estate every three years. If necessary, the parent bank may also require more frequent updates, e.g. When there is a change in the parameters of a credit transaction or when the information available to it shows that their value has fallen significantly relative to the general market prices. Real estate valuations are carried out by independent certified appraisers and reviewed by the Group.

### 47.4.1. Assets quality

In the tables below, the Group presents the structure and the change in the adjustment for expected credit losses.

| **BGN '000**<br>**Impairment loss - Loans and advances to banks at amortized cost** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
|---|---|---|---|---|
| **Impairment loss on 1 January 2025** | **35** | **-** | **-** | **35** |
| **Change in impairment loss** | **(10)** | **-** | **-** | **(10)** |
| Accrued for the period | 11 | - | - | 11 |
| Derecognized for the period | (21) | - | - | (21) |
| **Currency and other movements** | **(1)** | **-** | **-** | **(1)** |
| **Impairment loss on 31 December 2025** | **24** | **-** | **-** | **24** |

| **BGN '000**<br>**Impairment loss - Loans and advances to banks at amortized cost** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
|---|---|---|---|---|
| **Impairment loss on 1 January 2024** | **33** | **-** | **-** | **33** |
| Change in impairment loss | (8) | - | - | (8) |
| Accrued for the period | 10 | - | - | 10 |
| Derecognized for the period | (18) | - | - | (18) |
| **Impairment loss on 31 December 2024** | **25** | **-** | **-** | **25** |

| **BGN '000**<br>**Impairment loss – Receivables under repurchase agreements of securities** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
|---|---|---|---|---|
| **Impairment loss on 1 January 2025** | **2 186** | **-** | **-** | **2 186** |
| Change in impairment loss | (641) | - | - | (641) |
| Accrued for the period | 1 544 | - | - | 1 544 |
| Derecognized for the period | (2 185) | - | - | (2 185) |
| **Impairment loss on 31 December 2025** | **1 545** | **-** | **-** | **1 545** |

| **BGN '000**<br>**Impairment loss – Receivables under repurchase agreements of securities** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
|---|---|---|---|---|
| **Impairment loss on 1 January 2024** | **1 552** | **-** | **-** | **1 552** |
| Change in impairment loss | 634 | - | - | 634 |
| Accrued for the period | 2 186 | - | - | 2 186 |

| | | | | |
|---|---|---|---|---|
| Derecognized for the period | (1 552) | - | - | (1 552) |
| **Impairment loss on 31 December 2024** | **2 186** | **-** | **-** | **2 186** |

| **BGN '000**<br>**Impairment loss – Loans and advances granted to customers at amortized cost** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
|---|---|---|---|---|
| **Impairment loss on 1 January 2025** | **16 658** | **4 140** | **31 066** | **51 864** |
| **Change in impairment loss recognized in Profit and loss** | **(115)** | **608** | **3 041** | **3 534** |
| – Transfer to Stage 1 | 119 | (90) | (29) | - |
| – Transfer to Stage 2 | (9) | 48 | (39) | - |
| – Transfer to Stage 3 | (6) | (11) | 17 | - |
| – Increase due to change in credit risk | 1 | 46 | 193 | 240 |
| – Decrease due to change in credit risk | (1 081) | (51) | (1 436) | (2 568) |
| – Increase due to originated or purchased assets | 2 071 | 1 071 | 1 241 | 4 383 |
| – Change in risk parameters | (1 210) | (405) | 3 094 | 1 479 |
| **Decrease due to derecognition for uncollectibility** | **-** | **-** | **(871)** | **(871)** |
| **Decrease due to derecognition for transfer** | **-** | **-** | **-** | **-** |
| **Currency differences and other adjustments** | **-** | **-** | **(2)** | **(2)** |
| **Impairment loss on 31 December 2025** | **16 543** | **4 748** | **33 234** | **54 525** |

| **BGN '000**<br>**Impairment loss – Loans and advances granted to customers at amortized cost** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
|---|---|---|---|---|
| **Impairment loss on 1 January 2024** | **16 299** | **351** | **29 952** | **46 602** |
| **Change in impairment loss recognized in Profit and loss** | **359** | **3 789** | **2 287** | **6 435** |
| – Transfer to Stage 1 | 239 | (129) | (110) | - |
| – Transfer to Stage 2 | (55) | 77 | (22) | - |
| – Transfer to Stage 3 | (3) | (15) | 18 | - |
| – Increase due to change in credit risk | 1 | 100 | 323 | 424 |
| – Decrease due to change in credit risk | (2 828) | (127) | (907) | (3 862) |
| – Increase due to originated or purchased assets | 2 222 | 3 913 | 566 | 6 701 |
| – Change in risk parameters | 783 | (30) | 2 419 | 3 172 |
| **Decrease due to derecognition for uncollectibility** | **-** | **-** | **(1 098)** | **(1 098)** |
| **Decrease due to derecognition for transfer** | **-** | **-** | **(84)** | **(84)** |
| **Currency differences and other adjustments** | **-** | **-** | **10** | **10** |
| **Impairment loss on 31 December 2024** | **16 658** | **4 140** | **31 067** | **51 865** |

| **BGN '000**<br>**Impairment loss – Investments in debt securities at amortized cost** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
|---|---|---|---|---|
| **Impairment loss on 1 January 2025** | **2 121** | **-** | **-** | 2 121 |
| **Change in impairment loss** | **(1 320)** | **-** | **-** | (1 320) |
| Accrued for the period | 334 | - | - | 334 |
| Derecognized for the period | (1 654) | - | - | (1 654) |
| **Impairment loss on 31 December 2025** | **801** | **-** | **-** | **801** |

| **BGN '000**<br>**Impairment loss – Investments in debt securities at amortized cost** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
|---|---|---|---|---|
| **Impairment loss on 1 January 2024** | **2 260** | **-** | **-** | 2 260 |
| **Change in impairment loss** | **(139)** | **-** | **-** | (139) |
| Accrued for the period | 279 | - | - | 279 |
| Derecognized for the period | (418) | - | - | (418) |
| **Impairment loss on 31 December 2024** | **2 121** | **-** | **-** | **2 121** |

| **BGN '000**<br>**Impairment loss – Investments in debt securities at FVTOCI** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
|---|---|---|---|---|
| **Impairment loss on 1 January 2025** | **7 935** | **191** | **-** | **8 126** |
| **Change in impairment loss** | **1 596** | **212** | **-** | **1 808** |
| Accrued for the period | 3 055 | 403 | - | 3 458 |
| Derecognized for the period | (1 459) | (191) | - | (1 650) |
| **Impairment loss on 31 December 2025** | **9 531** | **403** | **-** | **9 934** |

| BGN '000<br>Impairment loss – Investments in debt securities at FVTOCI | Stage 1<br>12-month<br>ECL | Stage 2<br>Lifetime<br>ECL | Stage 3<br>Lifetime ECL | Total |
|---|---|---|---|---|
| **Impairment loss on 1 January 2024** | **5 417** | **-** | **-** | **5 417** |
| **Change in impairment loss** | **2 518** | **191** | **-** | **2 709** |
| Accrued for the period | 4 115 | 191 | - | 4 306 |
| Derecognized for the period | (1 597) | - | - | (1 597) |
| **Impairment loss on 31 December 2024** | **7 935** | **191** | **-** | **8 126** |

| BGN '000<br>Impairment loss – Loan commitments | Stage 1<br>12-month<br>ECL | Stage 2<br>Lifetime<br>ECL | Stage 3<br>Lifetime<br>ECL | Total |
|---|---|---|---|---|
| **Impairment loss on 1 January 2025** | **314** | **210** | **13** | **537** |
| **Change in impairment loss** | **39** | **(205)** | **(6)** | **(172)** |
| Accrued for the period | 819 | 16 | 13 | 848 |
| Derecognized for the period | (780) | (221) | (19) | (1 020) |
| Currency and other movements | 2 | - | (2) | - |
| **Impairment loss on 31 December 2025** | **355** | **5** | **5** | **365** |

| BGN '000<br>Impairment loss – Loan commitments | Stage 1<br>12-month<br>ECL | Stage 2<br>Lifetime<br>ECL | Stage 3<br>Lifetime<br>ECL | Total |
|---|---|---|---|---|
| **Impairment loss on 1 January 2024** | **300** | **3** | **16** | **319** |
| **Change in impairment loss** | **14** | **207** | **(3)** | **218** |
| Accrued for the period | 671 | 217 | 35 | 923 |
| Derecognized for the period | (663) | (12) | (30) | (705) |
| Currency and other movements | 6 | 2 | (8) | - |
| **Impairment loss on 31 December 2024** | **314** | **210** | **13** | **537** |

| BGN '000<br>Impairment loss – Financial guarantee contracts | Stage 1<br>12-month<br>ECL | Stage 2<br>Lifetime<br>ECL | Stage 3<br>Lifetime<br>ECL | Total |
|---|---|---|---|---|
| **Impairment loss on 1 January 2025** | **5** | **2** | **-** | **7** |
| **Change in impairment loss** | **80** | **2** | **-** | **82** |
| Accrued for the period | 85 | 2 | - | 87 |
| Derecognized for the period | (5) | - | - | (5) |
| **Impairment loss on 31 December 2025** | **85** | **4** | **-** | **89** |

| BGN '000<br>Impairment loss – Financial guarantee contracts | Stage 1<br>12-month<br>ECL | Stage 2<br>Lifetime<br>ECL | Stage 3<br>Lifetime<br>ECL | Total |
|---|---|---|---|---|
| **Impairment loss on 1 January 2024** | **10** | **2** | **-** | **12** |
| **Change in impairment loss** | **(5)** | **-** | **-** | **(5)** |
| Accrued for the period | 7 | 2 | - | 9 |
| Derecognized for the period | (12) | (2) | - | (14) |
| **Impairment loss on 31 December 2024** | **5** | **2** | **-** | **7** |

In the tables below, the Group presents the structure and the change in the gross values of the asset categories as of 31.12.2025 and 31.12.2024 and their change until the end of the financial period.

| BGN '000<br>Carrying amount before impairment – Loans and advances granted to banks at amortized cost | Stage 1<br>12-month<br>ECL | Stage 2<br>Lifetime ECL | Stage 3<br>Lifetime ECL | Total |
|---|---|---|---|---|
| **Gross carrying amount at 1 January 2025** | **180 574** | **-** | **-** | **180 574** |
| **Change in the gross carrying amount** | **835 719** | **-** | **-** | **835 719** |
| Increase for the period | 1 660 170 | - | - | 1 660 170 |
| Decrease for the period | (824 451) | - | - | (824 451) |
| Other changes | - | - | - | - |
| **Gross carrying amount at December 31 December 2025** | **1 016 293** | **-** | **-** | **1 016 293** |
| Impairment loss at 31 December 2025 | (24) | - | - | (24) |
| **Carrying amount at 31 December 2025** | **1 016 269** | **-** | **-** | **1 016 269** |

| BGN '000<br>Carrying amount before impairment – Loans and advances granted to banks at amortized cost | Stage 1<br>12-month<br>ECL | Stage 2<br>Lifetime ECL | Stage 3<br>Lifetime ECL | Total |
|---|---|---|---|---|
| **Gross carrying amount at 1 January 2024** | **154 626** | **-** | **-** | **154 626** |

| | | | | |
|---|---|---|---|---|
| **Change in the gross carrying amount** | **25 948** | **-** | **-** | **25 948** |
| Increase for the period | 900 439 | - | - | 900 439 |
| Decrease for the period | (874 491) | - | - | (874 491) |
| Other changes | - | - | - | - |
| **Gross carrying amount at December 31 December 2024** | **180 574** | **-** | **-** | **180 574** |
| Impairment loss at 31 December 2024 | (25) | - | - | (25) |
| **Carrying amount at 31 December 2024** | **180 549** | **-** | **-** | **180 549** |

| **BGN '000**<br>**Carrying amount before impairment – Receivables under repurchase agreements of securities** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
|---|---|---|---|---|
| **Gross carrying amount at 1 January 2025** | **594 253** | **-** | **-** | **594 253** |
| **Change in the gross carrying amount** | **(180 635)** | **-** | **-** | **(180 635)** |
| Increase for the period | 413 617 | - | - | 413 617 |
| Decrease for the period | (594 252) | - | - | (594 252) |
| **Gross carrying amount at December 31 December 2025** | **413 618** | **-** | **-** | **413 618** |
| Impairment loss at 31 December 2025 | (1 545) | - | - | (1 545) |
| **Carrying amount at 31 December 2025** | **412 073** | **-** | **-** | **412 073** |

| **BGN '000**<br>**Carrying amount before impairment – Receivables under repurchase agreements of securities** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
|---|---|---|---|---|
| **Gross carrying amount at 1 January 2024** | **443 272** | **-** | **-** | **443 272** |
| **Change in the gross carrying amount** | **150 981** | **-** | **-** | **150 981** |
| Increase for the period | 594 253 | - | - | 594 253 |
| Decrease for the period | (443 272) | - | - | (443 272) |
| **Gross carrying amount at December 31 December 2024** | **594 253** | **-** | **-** | **594 253** |
| Impairment loss at 31 December 2024 | (2 186) | - | - | (2 186) |
| **Carrying amount at 31 December 2024** | **592 067** | **-** | **-** | **592 067** |

| **BGN '000**<br>**Loans and advances granted to customers at amortized cost** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
|---|---|---|---|---|
| **Gross carrying amount at 1 January 2025** | **3 290 025** | **117 220** | **36 170** | **3 443 415** |
| **Change in the gross carrying amount** | **163 402** | **18 038** | **5 807** | **187 247** |
| – Transfer to Stage 1 | 3 675 | (3 537) | (138) | - |
| – Transfer to Stage 2 | (5 338) | 5 450 | (112) | - |
| – Transfer to Stage 3 | (296) | (380) | 676 | - |
| – Increase due to change in credit risk | 9 | 19 | 6 | 34 |
| – Decrease due to change in credit risk | (246 688) | (13 209) | (519) | (260 416) |
| – Increase due to originated or purchased assets | 603 495 | 29 170 | 2 | 632 667 |
| – Change in risk parameters | (191 455) | 525 | 5 892 | (185 038) |
| **– Decrease due to write-off for uncollectibility** | **-** | **-** | **(871)** | **(871)** |
| **– Decrease due to write-off for transfer** | **-** | **-** | **(1)** | **(1)** |
| **– Currency differences and other adjustments** | **-** | **-** | **-** | **-** |
| **Gross carrying amount at 31 December 2025** | **3 453 427** | **135 258** | **41 105** | **3 629 790** |
| Impairment loss at 31 December 2025 | (16 543) | (4 748) | (33 234) | (54 525) |
| **Carrying amount at 31 December 2025** | **3 436 884** | **130 510** | **7 871** | **3 575 265** |

| **BGN '000**<br>**Loans and advances granted to customers at amortized cost** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
|---|---|---|---|---|
| **Gross carrying amount at 1 January 2024** | **3 251 469** | **14 638** | **41 008** | **3 307 115** |
| **Change in the gross carrying amount** | **38 556** | **102 582** | **(3 643)** | **137 495** |
| – Transfer to Stage 1 | 5 199 | (4 973) | (226) | - |
| – Transfer to Stage 2 | (21 827) | 22 121 | (294) | - |
| – Transfer to Stage 3 | (769) | (684) | 1 453 | - |
| – Increase due to change in credit risk | 26 | 52 | 655 | 733 |
| – Decrease due to change in credit risk | (358 434) | (3 411) | (739) | (362 584) |
| – Increase due to originated or purchased assets | 606 571 | 92 118 | 136 | 698 825 |
| – Change in risk parameters | (192 210) | (2 641) | (4 628) | (199 479) |
| **– Decrease due to write-off for uncollectibility** | **-** | **-** | **(1 098)** | **(1 098)** |
| **– Decrease due to write-off for transfer** | **-** | **-** | **(97)** | **(97)** |
| **– Currency differences and other adjustments** | **-** | **-** | **-** | **-** |
| **Gross carrying amount at 31 December 2024** | **3 290 025** | **117 220** | **36 170** | **3 443 415** |
| Impairment loss at 31 December 2024 | (16 659) | (4 139) | (31 067) | (51 865) |
| **Carrying amount at 31 December 2024** | **3 273 366** | **113 081** | **5 103** | **3 391 550** |

| BGN '000<br>Carrying amount before impairment – Investments in debt securities at amortized cost | Stage 1<br>12-month ECL | Stage 2<br>Lifetime ECL | Stage 3<br>Lifetime ECL | Total |
|---|---|---|---|---|
| **Gross carrying amount at 1 January 2025** | **1 920 057** | **-** | **-** | **1 920 057** |
| **Change in the gross carrying amount** | **160 832** | **-** | **-** | **160 832** |
| Increase for the period | 1 446 576 | - | - | 1 446 576 |
| Decrease for the period | (1 285 744) | - | - | (1 285 744) |
| Other changes | - | - | - | - |
| **Gross carrying amount at 31 December 2025** | **2 080 889** | **-** | **-** | **2 080 889** |
| Impairment loss at 31 December 2025 | (801) | - | - | (801) |
| **Carrying amount at 31 December 2025** | **2 080 088** | **-** | **-** | **2 080 088** |

| BGN '000<br>Carrying amount before impairment – Investments in debt securities at amortized cost | Stage 1<br>12-month ECL | Stage 2<br>Lifetime ECL | Stage 3<br>Lifetime ECL | Total |
|---|---|---|---|---|
| **Gross carrying amount at 1 January 2024** | **1 550 516** | **-** | **-** | **1 550 516** |
| **Change in the gross carrying amount** | **369 541** | **-** | **-** | **369 541** |
| Increase for the period | 846 216 | - | - | 846 216 |
| Decrease for the period | (476 675) | - | - | (476 675) |
| Other changes | - | - | - | - |
| **Gross carrying amount at 31 December 2024** | **1 920 057** | **-** | **-** | **1 920 057** |
| Impairment loss at 31 December 2024 | (2 121) | - | - | (2 121) |
| **Carrying amount at 31 December 2024** | **1 917 936** | **-** | **-** | **1 917 936** |

| BGN '000<br>Carrying amount before impairment – Investments in debt securities at FVTOCI | Stage 1<br>12-month ECL | Stage 2<br>Lifetime ECL | Stage 3<br>Lifetime ECL | Total |
|---|---|---|---|---|
| **Gross carrying amount at 1 January 2025** | **837 296** | **9 508** | **-** | **846 804** |
| **Change in the gross carrying amount** | **185 332** | **-** | **-** | **185 332** |
| Increase for the period | 312 658 | - | - | 312 658 |
| Decrease for the period | (127 326) | - | - | (127 326) |
| **Gross carrying amount at 31 December 2025** | **1 022 628** | **9 508** | **-** | **1 032 136** |
| Impairment loss at 31 December 2025 | (9 531) | (403) | - | (9 934) |

| BGN '000<br>Carrying amount before impairment – Investments in debt securities at FVTOCI | Stage 1<br>12-month ECL | Stage 2<br>Lifetime ECL | Stage 3<br>Lifetime ECL | Total |
|---|---|---|---|---|
| **Gross carrying amount at 1 January 2024** | **608 190** | **-** | **-** | **608 190** |
| **Change in the gross carrying amount** | **229 106** | **9 508** | **-** | **238 614** |
| Increase for the period | 402 900 | 9 508 | - | 412 408 |
| Decrease for the period | (173 794) | - | - | (173 794) |
| **Gross carrying amount at 31 December 2024** | **837 296** | **9 508** | **-** | **846 804** |
| Impairment loss at 31 December 2024 | (7 935) | (191) | - | (8 126) |

| BGN '000<br>Loan commitments | Stage 1<br>12-month ECL | Stage 2<br>Lifetime ECL | Stage 3<br>Lifetime ECL | Total |
|---|---|---|---|---|
| **Total amount of loan commitments at 1 January 2025** | **104 665** | **4 884** | **126** | **109 675** |
| **Change in the amount of loan commitments** | **(12 879)** | **(4 710)** | **(67)** | **(17 656)** |
| Increase for the period | 25 008 | 59 | 12 | 25 079 |
| Decrease for the period | (37 887) | (4 769) | (79) | (42 735) |
| **Other movements** | **(21)** | **32** | **(11)** | **-** |
| **Total amount of loan commitments at 31 December 2025** | **91 765** | **206** | **48** | **92 019** |
| ECL allowance at 31 December 2025 | (355) | (5) | (5) | (365) |

| BGN '000<br>Loan commitments | Stage 1<br>12-month ECL | Stage 2<br>Lifetime ECL | Stage 3<br>Lifetime ECL | Total |
|---|---|---|---|---|
| **Total amount of loan commitments at 1 January 2024** | **108 866** | **251** | **214** | **109 331** |
| **Change in the amount of loan commitments** | **(4 185)** | **4 627** | **(97)** | **345** |
| Increase for the period | 38 970 | 4 727 | 18 | 43 715 |
| Decrease for the period | (43 155) | (100) | (115) | (43 370) |
| **Other movements** | **(16)** | **7** | **8** | **(1)** |
| **Total amount of loan commitments at 31 December 2024** | **104 665** | **4 885** | **125** | **109 675** |
| ECL allowance at 31 December 2024 | (314) | (210) | (13) | (537) |

| BGN '000<br>Financial guarantee contracts | Stage 1<br>12-month ECL | Stage 2<br>Lifetime ECL | Stage 3<br>Lifetime ECL | Total |
|---|---|---|---|---|
| **Total amount of guarantees at 1 January 2025** | **56 824** | **23** | **-** | **56 847** |
| **Change in the gross carrying amount** | **88 660** | **-** | **-** | **88 660** |
| Increase for the period | 106 725 | - | - | 106 725 |
| Decrease for the period | (18 065) | - | - | (18 065) |
| **Other changes** | **-** | **-** | **-** | **-** |
| **Total amount of guarantees at 31 December 2025** | **145 484** | **23** | **-** | **145 507** |
| ECL allowance at 31 December 2025 | (85) | (4) | - | (89) |

| BGN '000<br>Financial guarantee contracts | Stage 1<br>12-month ECL | Stage 2<br>Lifetime ECL | Stage 3<br>Lifetime ECL | Total |
|---|---|---|---|---|
| **Total amount of guarantees at 1 January 2024** | **52 957** | **12** | **-** | **52 969** |
| **Change in the gross carrying amount** | **3 868** | **11** | **-** | **3 879** |
| Increase for the period | 25 885 | 23 | - | 25 908 |
| Decrease for the period | (22 017) | (12) | - | (22 029) |
| **Other changes** | **(1)** | **-** | **-** | **(1)** |
| **Total amount of guarantees at 31 December 2024** | **56 824** | **23** | **-** | **56 847** |
| ECL allowance at 31 December 2024 | (5) | (2) | - | (7) |

| BGN '000<br>ECL by type of asset | 2025 | 2024 |
|---|---|---|
| Loans and advances granted to banks at amortized cost | (24) | (25) |
| Receivables under repurchase agreements of securities | (1 545) | (2 186) |
| Loans and advances granted to customers at amortized cost | (54 525) | (51 865) |
| Investments in debt securities at amortized cost | (801) | (2 121) |
| Investments in debt securities at FVTOCI | (9 934) | (8 126) |
| | **(66 829)** | **(64 323)** |

| BGN '000<br>Loans and advances granted to customers | 2025<br>Gross carrying amount | Impairment loss | 2024<br>Gross carrying amount | Impairment loss |
|---|---|---|---|---|
| 0-29 days | 3 588 726 | (21 246) | 3 403 610 | (20 850) |
| 30-59 days | 3 880 | (75) | 3 769 | (72) |
| 60-89 days | 291 | (56) | 692 | (39) |
| 90-180 days | 550 | (86) | 595 | (87) |
| Over 181 days | 36 343 | (33 062) | 34 749 | (30 817) |
| **Total** | **3 629 790** | **(54 525)** | **3 443 415** | **(51 865)** |

| BGN '000 | 2025 | 2024 |
|---|---|---|
| Loans and advances granted to customers at amortized cost | 3 629 790 | 3 443 415 |
| Less impairment for uncollectibility | (54 525) | (51 865) |
| **Total loans and advances granted to customers** | **3 575 265** | **3 391 550** |

| BGN '000 | 31.12.2025 | | | 31.12.2024 | | |
|---|---|---|---|---|---|---|
| | Gross carrying amount | ECL impairment | Carrying amount | Gross carrying amount | ECL impairment | Carrying amount |
| **Retail banking** | | | | | | |
| Mortgages | | | | | | |
| Consumer loans | 1 019 002 | (624) | 1 018 378 | 893 876 | (563) | 893 313 |
| Credit cards | 937 635 | (8 087) | 929 548 | 855 009 | (7 902) | 847 107 |
| Other | 14 857 | (1 014) | 13 843 | 16 537 | (1 026) | 15 511 |
| **Total retail banking** | 2 639 | (2 639) | - | 2 620 | (2 620) | - |
| **Corporate lending** | **1 974 133** | **(12 364)** | **1 961 769** | **1 768 042** | **(12 111)** | **1 755 931** |
| **Total** | **1 655 657** | **(42 161)** | **1 613 496** | **1 675 373** | **(39 754)** | **1 635 619** |
| **Retail banking** | **3 629 790** | **(54 525)** | **3 575 265** | **3 443 415** | **(51 865)** | **3 391 550** |

| BGN '000 | 2025 | | | |
|---|---|---|---|---|
| **Placements with, and advances to, banks at amortized cost** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
| ***Category*** | 1 016 293 | - | - | 1 016 293 |
| **Total gross carrying amount** | **1 016 293** | **-** | **-** | **1 016 293** |
| Impairment loss | (24) | - | - | (24) |
| **Carrying amount** | **1 016 269** | **-** | **-** | **1 016 269** |

| BGN '000 | 2024 | | | |
|---|---|---|---|---|
| **Placements with, and advances to, banks at amortized cost** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
| ***Category*** | 180 574 | - | - | 180 574 |
| **Total gross carrying amount** | **180 574** | **-** | **-** | **180 574** |
| Impairment loss | (25) | - | - | (25) |
| **Carrying amount** | **180 549** | **-** | **-** | **180 549** |

| BGN '000 | 2025 | | | |
|---|---|---|---|---|
| **Receivables under repurchase agreements of securities** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
| ***Category*** | 413 618 | - | - | 413 618 |
| **Total gross carrying amount** | **413 618** | **-** | **-** | **413 618** |
| Impairment loss | (1 545) | - | - | (1 545) |
| **Carrying amount** | **412 073** | **-** | **-** | **412 073** |

| BGN '000 | 2024 | | | |
|---|---|---|---|---|
| **Receivables under repurchase agreements of securities** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
| ***Category*** | 594 253 | - | - | 594 253 |
| **Total gross carrying amount** | **594 253** | **-** | **-** | **594 253** |
| Impairment loss | (2 186) | - | - | (2 186) |
| **Carrying amount** | **592 067** | **-** | **-** | **592 067** |

| BGN '000 | 2025 | | | |
|---|---|---|---|---|
| **Loans and advances to customers at amortized cost** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
| ***Category*** | 3 453 427 | 135 258 | 41 105 | 3 629 790 |
| **Total gross carrying amount** | **3 453 427** | **135 258** | **41 105** | **3 629 790** |
| Impairment loss | (16 543) | (4 748) | (33 234) | (54 525) |
| **Carrying amount** | **3 436 884** | **130 510** | **7 871** | **3 575 265** |

| BGN '000 | 2024 | | | |
|---|---|---|---|---|
| **Loans and advances to customers at amortized cost** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
| ***Category*** | 3 290 025 | 117 220 | 36 170 | 3 443 415 |
| **Total gross carrying amount** | **3 290 025** | **117 220** | **36 170** | **3 443 415** |
| Impairment loss | (16 659) | (4 139) | (31 067) | (51 865) |
| **Carrying amount** | **3 273 366** | **113 081** | **5 103** | **3 391 550** |

| BGN '000 | 2025 | | | |
|---|---|---|---|---|
| **Investments in debt securities at amortized cost** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
| ***Category*** | 2 080 889 | - | - | 2 080 889 |
| **Total gross carrying amount** | **2 080 889** | **-** | **-** | **2 080 889** |
| Impairment loss | (801) | - | - | (801) |
| **Carrying amount** | **2 080 088** | **-** | **-** | **2 080 088** |

| BGN '000 | 2024 | | | |
|---|---|---|---|---|
| **Investments in debt securities at amortized cost** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
| ***Category*** | 1 920 057 | - | - | 1 920 057 |
| **Total gross carrying amount** | **1 920 057** | **-** | **-** | **1 920 057** |
| Impairment loss | (2 121) | - | - | (2 121) |
| **Carrying amount** | **1 917 936** | **-** | **-** | **1 917 936** |

| BGN '000 | 2025 | | | |
|---|---|---|---|---|
| **Investments in debt securities at FVTOCI** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
| ***Category*** | 1 022 628 | 9 508 | - | 1 032 136 |
| **Total gross carrying amount** | **1 022 628** | **9 508** | **-** | **1 032 136** |
| Impairment loss | (9 531) | (403) | - | (9 934) |

| BGN '000 | 2024 | | | |
|---|---|---|---|---|
| **Investments in debt securities at FVTOCI** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
| ***Category*** | 837 296 | 9 508 | - | 846 804 |
| **Total gross carrying amount** | **837 296** | **9 508** | **-** | **846 804** |
| Impairment loss | (7 935) | (191) | - | (8 126) |

| BGN '000 | 2025 | | | |
|---|---|---|---|---|
| **Loan commitments** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
| ***Category*** | 91 765 | 206 | 48 | 92 019 |
| **Total gross carrying amount** | **91 765** | **206** | **48** | **92 019** |
| Impairment loss | (355) | (5) | (5) | (365) |

| BGN '000 | 2024 | | | |
|---|---|---|---|---|
| **Loan commitments** | **Stage 1 12-month ECL** | **Stage 2 Lifetime ECL** | **Stage 3 Lifetime ECL** | **Total** |
| ***Category*** | 104 665 | 4 885 | 126 | 109 676 |
| **Total gross carrying amount** | **104 665** | **4 885** | **126** | **109 676** |
| Impairment loss | (314) | (210) | (13) | (537) |

| BGN '000 | 2025 | | | |
|---|---|---|---|---|
| Financial guarantee contracts | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| ***Category*** | 145 484 | 23 | - | 145 507 |
| **Total gross carrying amount** | **145 484** | **23** | **-** | **145 507** |
| Impairment loss | (85) | (4) | - | (89) |

| BGN '000 | 2024 | | | |
|---|---|---|---|---|
| Financial guarantee contracts | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| ***Category*** | 56 824 | 23 | - | 56 847 |
| **Total gross carrying amount** | **56 824** | **23** | **-** | **56 847** |
| Impairment loss | (5) | (2) | - | (7) |

Concentration risk is the possibility of loss due to incorrect diversification of exposures to customers, groups of connected clients, customers in the same economic sector or geographic area.

The tables below represent a cross-section of the concentrations of the different asset classes of the Group by region and by economic sector.

| Placements with, and advances to, banks at amortized cost | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| **Concentration by sector** | | |
| Central banks | 956 090 | 1 377 |
| Bulgarian commercial banks | 2 629 | 59 924 |
| Foreign commercial banks | 57 574 | 119 273 |
| **Total** | **1 016 293** | **180 574** |
| **Concentration by region** | | |
| Europe | 985 058 | 143 914 |
| America | 8 168 | 24 898 |
| Asia | 23 067 | 11 762 |
| **Total** | **1 016 293** | **180 574** |

| Receivables under repurchase agreements of securities | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| ***Corporate:*** | | |
| Construction | 54 582 | 63 749 |
| Commerce and finance | 249 323 | 384 494 |
| Transport and communications | 26 969 | 25 748 |
| Industry | 20 497 | 29 919 |
| Other | 62 247 | 90 343 |
| **Total** | **413 618** | **594 253** |
| **Concentration by region** | | |
| Europe | 413 618 | 594 253 |
| **Total** | **413 618** | **594 253** |

| Investments in debt securities at amortized cost | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| **Concentration by sector** | | |
| States | 2 034 883 | 1 872 673 |
| Bank | 30 681 | 19 465 |
| ***Corporate:*** | | |
| Commerce and finance | 14 524 | 25 798 |
| **Total** | **2 080 088** | **1 917 936** |
| **Concentration by region** | | |
| Europe | 2 043 420 | 1 871 983 |
| Asia | 9 719 | 9 707 |
| America | 26 949 | 36 246 |

| | | |
|---|---|---|
| **Total** | **2 080 088** | **1 917 936** |

| **Investments in debt securities at FVTOCI** | **2025 BGN '000** | **2024 BGN '000** |
|---|---|---|
| **Concentration by sector** | | |
| States | 6 160 | 6 961 |
| Banks | 1 081 | 1 074 |
| | | |
| ***Corporate:*** | | |
| Construction | 286 032 | 288 630 |
| Industry | 15 851 | 8 440 |
| Commerce and finance | 507 792 | 375 872 |
| Transport and communications | 41 475 | 6 278 |
| Agriculture and forestry | - | 12 162 |
| Other | 150 343 | 124 725 |
| **Total** | **1 008 734** | **824 142** |
| | | |
| **Concentration by region** | | |
| Europe | 1 008 734 | 824 142 |
| **Total** | **1 008 734** | **824 142** |

## 47.4.2. Credit risk concentration

| Loans and advances at amortized cost granted to customers | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| **Concentration by sector** | | |
| ***Retail banking:*** | **1 974 133** | **1 768 042** |
| Mortgage | 1 019 002 | 893 876 |
| Consumer | 937 635 | 855 009 |
| Credit cards | 14 857 | 16 537 |
| Other | 2 639 | 2 620 |
| **Corporate:** | **1 655 657** | **1 675 373** |
| Agriculture and forestry | 75 531 | 82 922 |
| Industry | 57 035 | 49 361 |
| Construction | 659 759 | 671 415 |
| Commerce and finance | 635 602 | 654 546 |
| Transport and communications | 88 232 | 87 168 |
| Other | 139 498 | 129 961 |
| **Total** | **3 629 790** | **3 443 415** |
| **Concentration by region** | | |
| Europe | 3 629 355 | 3 443 238 |
| America | 385 | 65 |
| Asia | 50 | 112 |
| **Total** | **3 629 790** | **3 443 415** |

| Credit commitments | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| **Concentration by sector** | | |
| ***Retail banking:*** | **61 261** | **58 654** |
| Mortgage | 4 956 | 3 521 |
| Consumer | 12 920 | 14 468 |
| Credit cards | 43 385 | 40 665 |
| ***Corporate:*** | **30 758** | **51 022** |
| Agriculture and forestry | 2 501 | 5 614 |
| Industry | 4 073 | 2 715 |
| Construction | 11 798 | 25 596 |
| Commerce and finance | 10 587 | 10 176 |
| Transport and communications | 776 | 5 778 |
| Other | 1 023 | 1 143 |
| **Total** | **92 019** | **109 676** |
| **Concentration by region** | | |
| Europe | 91 990 | 109 653 |
| America | 2 | - |
| Middle East and Africa | 27 | 23 |
| **Total** | **92 019** | **109 676** |

| Financial guarantee contracts | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| **Concentration by sector** | | |
| ***Retail banking:*** | **31** | **45** |
| Other | 31 | 45 |
| ***Corporate:*** | **145 476** | **56 802** |
| Agriculture and forestry | 362 | 202 |
| Industry | 18 451 | 6 230 |
| Construction | 51 437 | 9 834 |
| Commerce and finance | 56 729 | 28 683 |
| Transport and communications | 14 932 | 8 328 |
| Other | 3 565 | 3 525 |
| **Total** | **145 507** | **56 847** |
| **Concentration by regions** | | |
| Europe | 145 507 | 56 847 |
| **Total** | **145 507** | **56 847** |

**Credit exposures with restructuring measures**

As exposures with restructuring measures the Group accepts credit exposures that have modified the original terms of the contract caused by a deterioration in the financial condition of the debtor leading to the inability to repay the full amount of the debt in due time and which discounts the Group would not circumstances.

Amendments to the original terms of the contract in connection with the implementation of the restructuring measures may include:

- Postponing or rescheduling the payment of principal interest or where applicable fees resulting in a reduction in the amount of the financial commitment;
- Partial or total refinancing of a troubled debt contract which is only allowed when the debtor is in financial difficulties;
- Partial or total debt write-off, which write-off leads to a reduction in the amount of the financial liability:
- An amendment involving repayments resulting from a collateral acquisition by the Group is treated as a restructuring measure when the debtor is in financial difficulty;
- Granted rebates to a debtor who is in default before granting the rebates;
- Decrease in the interest rate under the contract except for a change in the agreed interest rate resulting from changes in market interest rates.

The information on exposures with restructuring measures is as follows:

| **2025** | **Corporate customers BGN'000** | **Individuals BGN'000** |
|---|---|---|
| Amount before impairment | 9 558 | 470 |
| Impairment | (9 116) | (227) |
| **Amount after impairment** | **442** | **243** |

| **2024** | **Corporate customers BGN'000** | **Individuals BGN'000** |
|---|---|---|
| Amount before impairment | 20 186 | 927 |
| Impairment | (9 262) | (291) |
| **Amount after impairment** | **10 924** | **636** |

**Collaterals on loans granted**

**Housing mortgage loans to individuals**

The table below presents the carrying amount of reported housing mortgage loans to individuals based on loan-to-value ratio. The ratio is calculated as a correlation of the gross amount of loan exposure to the collateral value. Collateral value on housing mortgage loans is determined upon loan granting and is updated in case of significant changes in the prices of real estate market.

| **Collateral ratio (Loan-to-value)** | **2025 BGN '000** | **2024 BGN '000** |
|---|---|---|
| Below 50% | 523 215 | 390 137 |
| From 50% to 75% | 327 231 | 307 229 |
| From 75% to 90% | 101 222 | 130 369 |
| From 90% to 100% | 1 195 | 1 720 |
| Above 100% | 806 | 3 023 |
| **Total** | **953 669** | **832 478** |

**Loans granted to legal entities**

With respect to loans to legal entities the Group identifies the creditworthiness of each individual client as the most appropriate risk exposure indicator. For this the Group has adopted an approach to individual credit assessment and impairment testing of loans to corporates. To ensure additional security in addition to regular monitoring of the financial position of borrowing enterprises the Group

also requires collateral to be set up in the credit exposures. The Group accepts collateral for loans to legal persons mortgages on real estate a pledge of a commercial enterprise a special pledge of tangible assets as well as other guarantees and rights of ownership.

The Group periodically analyses and updates the value of the collateral taking into account significant changes in the market environment the regulatory framework or other occurring circumstances. In the event that there is a decrease in the value of the collateral as a result of which the Group considers that it is not sufficient the Group requires that the debtor be constituted additional collateral by setting a certain period within which the supplementation will be fulfilled.

### 47.4.3. Analysis of credit risk

Credit risk is the risk that a counterparty will not pay its obligation to the Company. In managing credit risk, the Company monitors the risk of non-performance by counterparties in transactions with financial instruments. The monitoring of risk exposure takes into account fluctuations in the fair value of financial instruments. The Company manages its risk by only dealing with counterparties that have a high credit rating and where necessary requires collateral.
The Company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date as set out below:

| | 2025 '000 BGN | 2024 '000 BGN |
|---|---|---|
| **Groups of financial assets - carrying amounts:** | | |
| Financial assets at fair value through profit or loss | 170 406 | 162 135 |
| Financial assets at fair value through other comprehensive income | 10 205 | 10 205 |
| Financial assets and other receivables | 44 742 | 40 448 |
| Receivables from related parties | 121 110 | 47 992 |
| Cash and cash equivalents | 26 396 | 56 480 |
| **Balance** | **372 859** | **317 260** |

The Company's management believes that all of the aforementioned financial assets that were not impaired during the reporting periods presented are highly credit rated financial assets, including those that have matured. Credit risk on cash and cash equivalents is considered immaterial as the counterparties are banks in good standing.

Due to the specific nature of the Bulgarian financial market, the majority of the Company's holdings of CCBs are unrated, with only the Company's holdings of government securities and CCB shares being unrated. The following tables present an analysis of the credit quality of the Company's securities.

| | Credit rating AAA BGN '000 | Credit rating AA BGN '000 | Credit rating A BGN '000 | Credit rating BBB BGN '000 | Credit rating BB BGN '000 | Credit free rating BGN '000 | Total BGN '000 |
|---|---|---|---|---|---|---|---|
| **31 December 2025** | | | | | | | |
| Government securities | - | - | - | 31 751 | - | - | 31 751 |
| Stock | - | - | - | - | 17 264 | 39 726 | 56 990 |
| Shares | - | - | - | - | - | 91 870 | 91 870 |
| **Total assets** | **-** | **-** | **-** | **31 751** | **17 264** | **131 596** | **180 611** |

| | Credit rating AAA BGN '000 | Credit rating AA BGN '000 | Credit rating A BGN '000 | Credit rating BBB BGN '000 | Credit rating BB BGN '000 | Credit free rating BGN '000 | Total BGN '000 |
|---|---|---|---|---|---|---|---|
| **31 December 2024** | | | | | | | |
| Government securities | - | - | - | 30 757 | - | - | 30 757 |
| Stocks | - | - | - | - | 14 477 | 40 345 | 54 822 |
| Shares | - | - | - | - | - | 86 761 | 86 761 |
| **Total assets** | **-** | **-** | **-** | **30 757** | **14 477** | **127 106** | **172 340** |

ZAD Armeec's reinsurance policy is aimed at progressively optimising reinsurance costs through the flexible use of appropriate reinsurance methods consistent with the improving financial stability of individual insurance and in line with the circumstances of the reinsurance market.

In 2025, the priority of the proportional method of reinsurance is maintained in the well-balanced property industry with an appropriate level of self-retention and its respective protections. In this way, the company protects the assumed responsibilities in case of large fluctuations – especially in the frequency of events.

A trend will be to further expand the capacity of protections under Non-proportional contracts to protect the ZAD Armeec's portfolio against catastrophic risks. This is necessary not only because of the continuous increase in the volume of activity of the company, including the accumulation of large responsibilities, but also in view of the rapidly changing climatic conditions worldwide.

In 2025, reinsurance of risks under "Car Casco" is maintained on a proportional assignment basis in combination with an accident contract.

Aviation risk reinsurance covers reinsurance of risks at airlines and airports insured with the ZAD Armeec, either alone or in co-insurance jointly with other insurers. Reinsurance is carried out primarily on an optional basis in the case of reinsurers in the London reinsurance market. Due to the high liability values exceeding USD 100 million, the amount of the ceded cession is significant (almost 100%) and is decided immediately before the conclusion of each individual contract. For this type of insurance, ZAD Armeec strictly adheres to the specific requirements of the international reinsurance market for each particular client, as well as the nature of the single risks.

Reinsurance of other classes of insurance, beyond those described above, for all types of insurance coverage, for which no contractual contracts have been concluded, are protected on a case-by-case basis. The type of reinsurance cover is chosen depending on the class of insurance, liability limits, risks covered and other factors affecting the particular case.

The reinsurance policy of ZAD Armeec is in direct relation to the latest trends in the international reinsurance market. The partners with whom the Company works and will continue to work are financially stable, internationally recognized, proven their professionalism and first-class reinsurance protection. This applies not only to reinsurance companies, but also to intermediaries through whom reinsurance contracts are concluded, as well as to surveying companies and those who settle damages. The reinsurer companies involved in the Group's reinsurance contracts are mainly rated AA and A.

The following tables provide an analysis of the credit quality of the Group's reinsurance contract assets held.

| | Credit rating AAA | Credit rating AA | Credit rating A | Credit rating BBB | Credit rating BB | No credit rating | Total |
|---|---|---|---|---|---|---|---|
| | 000' BGN | 000' BGN | 000' BGN | 000' BGN | 000' BGN | 000' BGN | 000' BGN |
| **31 December 2025** | | | | | | | |
| Reinsurance contract assets | - | 48 141 | 30 147 | 4 | 6 | 743 | 79 041 |
| **Total assets** | **-** | **48 141** | **30 147** | **4** | **6** | **743** | **79 041** |

| | Credit rating AAA | Credit rating AA | Credit rating A | Credit rating BBB | Credit rating BB | No credit rating | Total |
|---|---|---|---|---|---|---|---|
| | 000' BGN | 000' BGN | 000' BGN | 000' BGN | 000' BGN | 000' BGN | 000' BGN |
| **31 December 2024** | | | | | | | |
| Reinsurance contract assets | - | 49 102 | 31 477 | 606 | 5 | 173 | 81 363 |
| **Total assets** | **-** | **49 102** | **31 477** | **606** | **5** | **173** | **81 363** |

### 47.4.4. Capital risk

Capital risk measures the coverage of a Group risk assets with capital in order to meet the regulatory requirements for the Group operations, strategic development and planned growth.

The minimum capital ratios for the Group are set by BNB and Regulation No. 575/2013, with the Group historically maintaining higher capital ratios than the minimum threshold.

In accordance with the requirements of the regulatory body in the Republic of Bulgaria - Bulgarian National Bank, parent Bank makes separate public disclosure of the elements of the capital for supervisory purposes and the supervisory indicators for capital coverage of the risks in its activity, within the relevant terms, required by the supervisory body.

## 47.5. Liquidity risk analysis

Liquidity risk is the risk that the Group cannot meet its liabilities. The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash in- and outflows due to day-to-day business. Liquidity needs are monitored in various time bands on a day-to-day and week-to-week basis as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly. The need for cash is compared to the available loans in order to determine shortage or surplus. This analysis determines whether the loans available will be enough to cover the Group's needs for the period. The Group holds cash to meet its liquidity needs for periods of up to 30 days. Funds for long-term liquidity needs are provided through loans in the appropriate amount and sale of long-term financial assets.

As at 31 December 2025, the maturities of the Group's contractual obligations (containing interest payments, where applicable) are summarized as follows:

| | Current | Non-current | |
|---|---|---|---|
| | **Within 12 months BGN'000** | **From 2 to 5 years BGN'000** | **Within 12 months BGN'000** |
| Bank and other loans | 44 013 | 98 822 | 10 319 |
| Related party payables | 29 493 | 27 264 | - |
| Lease liabilities | 74 894 | 245 155 | 208 907 |
| Liabilities to other depositors | 5 829 053 | 3 610 473 | 903 |
| Deposits from banks | 23 346 | - | - |
| Obligations under repo agreements | 12 980 | - | - |
| Liabilities under cession agreements | 25 388 | 13 001 | - |
| Trade and other payables | 102 657 | 331 | - |
| Derivatives | - | - | - |
| **Total** | **6 141 824** | **3 995 046** | **220 129** |

As at 31 December 2024, the maturities of the Group's contractual obligations (containing interest payments, where applicable) are summarized as follows:

| | Current | Non-current | |
|---|---|---|---|
| | **Within 12 months BGN'000** | **From 2 to 5 years BGN'000** | **Within 12 months BGN'000** |
| Bank and other loans | 44 105 | 97 300 | 10 216 |
| Related party payables | 42 012 | 25 621 | - |
| Lease liabilities | 77 598 | 241 818 | 232 420 |
| Liabilities to other depositors | 5 158 622 | 3 195 214 | 799 |
| Deposits from banks | 13 508 | - | - |
| Obligations under repo agreements | 12 787 | - | - |
| Liabilities under cession agreements | 37 725 | 12 471 | - |
| Trade and other payables | 97 296 | 522 | - |
| Derivatives | 19 | - | - |
| **Total** | **5 483 672** | **3 572 946** | **243 435** |

The amounts disclosed in this obligation maturity analysis represent the undiscounted cash flows under the contracts that may differ from the carrying amounts of the liabilities at the reporting date.

**Group's policies regarding the banking activities**

The liquidity risk arises from the discrepancy between the maturity structure of assets and liabilities and the lack of sufficient funds, with which the Group has to meet payments on current financial liabilities, as well as to provide financing for the increase of financial assets, and possible claims on off-balance sheet liabilities.

Quantitative measure of the liquidity risk according to the regulations of the BNB and EBA is the Liquid Coverage Ratio - the LCR indicator. This ratio represents the excess of the liquidity buffer (liquid assets) of the Group over net outflows.

The Group's liquidity coverage ratio as at 31.12.2025 amounted to 280.90% (31.12.2024: 341.14%) and exceeded the statutory requirement of 100%.

The allocation of the Group's financial liabilities as at 31 December 2025 based on their residual maturity is as follows:

| | Up to 1 month | 1 to 3 months | 3 to 12 months | 1 to 5 years | Over 5 years | Total |
|---|---|---|---|---|---|---|
| | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 |
| **FINANCIAL ASSETS** | | | | | | |
| Cash and cash balances with the Central Bank | 2 028 028 | - | - | - | - | 2 028 028 |
| Placements with, and advances to banks | 1 013 359 | - | - | 2 934 | - | 1 016 293 |
| Receivables under repurchase agreements | 107 634 | 139 221 | 166 763 | - | - | 413 618 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Financial assets at fair value through profit or loss | 2 010 | - | 211 114 | 10 170 | 8 091 | 231 385 |
| Loans and advances to customers, net | 63 264 | 171 425 | 495 348 | 1 541 281 | 1 358 472 | 3 629 790 |
| Financial assets measured at fair value in other comprehensive income | 23 402 | 13 | 22 070 | 168 809 | 817 842 | 1 032 136 |
| Financial assets at amortized cost | 201 002 | 521 108 | 342 877 | 498 012 | 517 890 | 2 080 889 |
| **TOTAL FINANCIAL ASSETS** | 3 438 699 | 831 767 | 1 238 172 | 2 221 206 | 2 702 295 | 10 432 139 |
| | | | | | | |
| **FINANCIAL LIABILITIES** | | | | | | |
| Deposits from banks | 30 546 | - | - | - | - | 30 546 |
| Loans from banks | 2 | - | 41 | 602 | 229 | 874 |
| Liabilities to other depositors | 4 176 583 | 407 101 | 976 467 | 4 029 215 | 2 286 | 9 591 652 |
| Issued bonds | - | - | - | - | 25 463 | 25 463 |
| Provisions for liabilities | - | - | 454 | - | - | 454 |
| Other liabilities | 1 106 | 2 226 | 10 015 | 29 167 | 3 089 | 45 603 |
| **TOTAL FINANCIAL LIABILITIES** | 4 208 237 | 409 327 | 986 977 | 4 058 984 | 31 067 | 9 694 592 |

The allocation of the Group's financial liabilities as at 31 December 2024 based on their residual maturity is as follows:

| | Up to 1 month | 1 to 3 months | 3 to 12 months | 1 to 5 years | Over 5 years | Total |
|---|---|---|---|---|---|---|
| | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 |
| **FINANCIAL ASSETS** | | | | | | |
| Cash and cash balances with the Central Bank | 2 006 119 | - | - | - | - | 2 006 119 |
| Placements with, and advances to banks | 177 640 | - | - | 2 934 | - | 180 574 |
| Receivables under repurchase agreements | 257 928 | 144 162 | 192 163 | - | - | 594 253 |
| Financial assets at fair value through profit or loss | 21 447 | - | 202 305 | 6 545 | 8 455 | 238 752 |
| Loans and advances to customers, net | 47 560 | 179 891 | 445 363 | 1 516 389 | 1 254 212 | 3 443 415 |
| Financial assets measured at fair value in other comprehensive income | 24 139 | 31 | 9 638 | 161 218 | 651 778 | 846 804 |
| Financial assets at amortized cost | 247 390 | 291 411 | 286 387 | 481 589 | 613 280 | 1 920 057 |
| **TOTAL FINANCIAL ASSETS** | 2 782 223 | 615 495 | 1 135 856 | 2 168 675 | 2 527 725 | 9 229 974 |
| **FINANCIAL LIABILITIES** | | | | | | |
| Deposits from banks | | | | | | |
| Liabilities to other depositors | 18 390 | - | - | - | - | 18 390 |
| Issued bonds | 3 629 945 | 494 978 | 1 103 862 | 3 238 672 | 810 | 8 468 267 |
| Provisions for liabilities | - | - | - | - | 25 463 | 25 463 |
| Other liabilities | - | - | 544 | - | - | 544 |
| **TOTAL FINANCIAL LIABILITIES** | 991 | 1 982 | 8 921 | 24 587 | 4 369 | 40 850 |
| **FINANCIAL ASSETS** | 3 649 326 | 496 960 | 1 113 327 | 3 263 259 | 30 642 | 8 553 514 |

Financial liabilities of the Group are formed mainly by borrowing from other depositors – deposits of natural persons and legal entities.

## 48. Fair value measurement

### 48.1. Fair value measurement of financial instruments

Financial assets and liabilities at fair value in the consolidated financial statements of financial position are grouped into three levels according to the fair value hierarchy

This hierarchy groups are based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset that are not based on observable market data.

A financial asset or liability is classified to the lowest level of significant input information used to determine its fair value.

| **31 December 2025** | **Level 1 BGN'000** | **Level 2 BGN'000** | **Level 3 BGN'000** | **Total BGN'000** |
|---|---|---|---|---|
| **Assets** | | | | |

| | | | | |
|---|---|---|---|---|
| Financial assets measured at fair value through profit or loss | 2 493 467 | 93 313 | 537 810 | 3 124 590 |
| Equity instruments at fair value through other comprehensive income | 15 583 | 755 | 49 590 | 65 928 |
| Debt instruments measured at fair value through other comprehensive income | 840 729 | - | 168 587 | 1 009 316 |
| **Total assets** | **3 349 779** | **94 068** | **755 987** | **4 199 834** |
| | | | | |
| **Liabilities** | | | | |
| Derivatives | - | - | - | - |
| **Total liabilities** | **-** | **-** | **-** | **-** |

| **31 December 2024** | **Level 1 BGN'000** | **Level 2 BGN'000** | **Level 3 BGN'000** | **Total BGN'000** |
|---|---|---|---|---|
| **Assets** | | | | |
| Financial assets measured at fair value through profit or loss | 2 296 611 | 74 976 | 560 900 | 2 932 487 |
| Equity instruments at fair value through other comprehensive income | 5 572 | - | 60 810 | 66 382 |
| Debt instruments measured at fair value through other comprehensive income | 670 378 | - | 167 617 | 837 995 |
| **Total assets** | **2 972 561** | **74 976** | **789 327** | **3 836 864** |
| | | | | |
| **Liabilities** | | | | |
| Derivatives | - | 19 | - | 19 |
| **Total liabilities** | **-** | **19** | **-** | **19** |

There have been no transfers between levels during the reporting period.

**Measurement of fair value**

**Valuation techniques and significant unobservable inputs**

The following table presents the valuation techniques used in the measurement of Level 3 fair values and the significant unobservable inputs used:

| **Valuation technique** | **Significant Unobservable input data** | **Relationship between key unobservable inputs and fair value** |
|---|---|---|
| Net book value of assets method | NAV is not a market valuation of assets. Figures are calculated from the Companies' most recently available financial statements | Significant difference between the valuation of the assets and the market values of the valued assets. |
| Method of market multiples of comparable companies | Adjustments to market multiples of comparable companies for:<br>- Country risk<br>- Size and profitability<br>- Other | If the adjustment factors increase/(decrease), the fair value will be higher/(lower). |
| Discounted cash flow method | – Net cash flows<br>– Discount rate<br>– Growth rate | If the value of the company's net cash flows increases/(decreases), the fair value will be higher/(lower). If the value of the discount rate increases/(decreases), the fair value will be lower/(higher).If the value of the growth rate |

| Valuation technique | Significant Unobservable input data | Relationship between key unobservable inputs and fair value |
|---|---|---|
| | | increases/(decreases), the fair value will be higher/(lower). |

## 48.2. Fair value measurements of non-financial assets

The following table shows the levels within the hierarchy of non-financial assets measured at fair value on a recurring basis at 31 December 2025:

| 31 December 2025 | Level 1 BGN '000 | Level 2 BGN '000 | Level 3 BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| **Investment property:** | | | | |
| - Land, building, machines and equipment | - | - | 589 283 | 589 283 |
| **Right of use assets:** | | | | |
| - aircrafts | - | - | 559 226 | 559 226 |

| 31 December 2024 | Level 1 BGN '000 | Level 2 BGN '000 | Level 3 BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| **Investment property:** | | | | |
| - Land, building, machines and equipment | - | - | 582 779 | 582 779 |
| **Right of use assets:** | | | | |
| - aircrafts | - | - | 541 331 | 541 331 |

Fair value of the Group's main property assets is estimated based on appraisals performed by independent qualified appraisers.

***Land and buildings (Level 3)***

The land and buildings are revaluated on 31 December 2025.

The following table presents the valuation techniques used in the measurement of Level 3 fair values and the significant unobservable inputs used:

| Valuation technique | Significant unobservable input data | Relationship between key unobservable inputs and fair value |
|---|---|---|
| Market comparable method | Adjustments of comparable with coefficients for:<br>- Method of sale<br>- Location<br>- Area<br>- General condition, functionality, etc. | If the adjustment factors for contracting, area, location, general condition, functionality, etc. increase/(decrease), the fair value will be higher/(lower). |
| Income capitalisation method | – Rent value per square meter<br>– Capitalisation rate | If the rental value per square meter is increased/(decreased), the fair value will be higher/(lower).<br>If the value of the capitalization rate increases/(decreases), the fair value will be lower/(higher). |

| Valuation technique | Significant unobservable input data | Relationship between key unobservable inputs and fair value |
|---|---|---|
| Net book value of assets method | NAV is not a market valuation of assets. Figures are calculated from the Companies' most recently published financial statements without further adjustments to the value of the items on the statement | Significant difference between asset valuation and market values of the assets being valued. |
| Method of market multiples of comparable companies | Adjustments to market multiples of comparable companies for:<br>- Country risk<br>- Size and profitability | If the adjustment factors increase/(decrease), the fair value will be higher/(lower). |
| Discounted cash flow method | – Net cash flows<br>– Discount rate<br>– Growth rate | If the value of the company's net cash flows increases/(decreases), the fair value will be higher/(lower). If the value of the discount rate increases/(decreases), the fair value will be lower/(higher). If the value of the growth rate increases/(decreases), the fair value will be higher/(lower). |
| Method of comparative analogues | - Offer ratio<br>- Area ratio<br>- Functionality ratio<br>- Condition ratio<br>- Marketability ratio<br>- Coefficient for ideal parts of land<br>- Location ratio<br>- Functionality ratio<br>- - Location ratio<br>- Functionality ratio | When the ratios increase, the market value of the property also increases. |
| Income value method | - Location ratio<br>- Condition ratio<br>- - Marketability ratio | When the ratios increase, the market value of the property also increases. |
| Cost method | - Market value ratio of production costs /construction costs/ per unit area<br>- Price level ratio<br>- Condition ratio | When the ratios increase, the market value of the property also increases. |

**Aircraft (Level 3)**

The fair value of the Group's aircraft has been determined based on independent licensed valuer's reports and subsequent confirmation. The fair value measurement is based on a comparative (market comparable) approach. Specific factors such as technical condition of the aircraft, current usage,

uniqueness of the structure, state of the market at the valuation date have been taken into account in valuing the assets. The latest valuation is as of April 2026.

Significant unobservable inputs relate to the adjustment for Group asset specific factors. The extent and direction of this adjustment depends on the number and characteristics of observable market transactions in similar assets that are used for valuation purposes. Although these inputs are a subjective judgement, management believes that the final valuation would not be materially affected by other possible assumptions.

In using the methods from the comparative approach, a comparative study is made of information from the established market value of the subject at the time of the valuation i.e. now. It is based on the proposition "a reasonable buyer would not pay more for a given object than the value of an comparable object available for purchase" and is used in determining the value starting from data on recent purchase and sale transactions with comparable objects or with sufficiently adjusted values of existing offers for sale. Thus, the ultimate objective of the methods of the comparative (market) approach is the determination of market value.

In assessing the value using the market approach, the following steps were taken:

studying the market and offers for sale of similar objects, i.e. such objects that are most comparable to the valued object;

selection of comparable;

collecting, studying and verifying the information on each selected object - sale price and offer prices, payment of the transaction, technical characteristics and conditions of sale;

analysis and comparison of each object with the valued object in terms of technical characteristics and conditions of sale;

adjustment of the sale prices or offer prices of each of the comparable objects in accordance with the differences existing between them and the object being valued.

Significant unobservable inputs relate to the adjustment for the Group's aircraft specific factors. The extent and direction of this adjustment depends on the number and characteristics of the observed market transactions in similar assets that are used for valuation purposes. Although these inputs are a subjective judgement, management believes that the final valuation would not be materially affected by other possible assumptions. The principal factors affecting the price are:

- number of passengers for which the aircraft is equipped;
- the hours flown since the start of operation of the aircraft;
- the number of landings since the aircraft commenced operations;
- the condition of the aircraft engines;
- the years of operation of the airplane since its date of manufacture;
- the equipment of the aircraft;
- the condition of the interior and the condition of the paint and varnish finish of the aircraft body;
- the technical condition of the aircraft.

When using the market approach, the value of the object of valuation is determined by comparison with the sales prices of identical or similar objects. The rationale for using this approach is that the value of the valuation object is directly related to the selling price of similar objects, which is a baseline for assessing risk in operations for the purpose of the valuation - for financial reporting purposes. Each comparable sale is compared to the subject of the valuation on its most important parameters. Adjustments are made to the price of comparable sales to reflect material differences between them.

## 49. Capital management policies and procedures

The Group’s capital management objectives are:

- To ensure the Group’s ability to continue as a going concern; and

- To provide an adequate return to the shareholders by pricing products and services commensurately with the level of risk.

The Group monitors capital on the basis of the correlation between capital to net debt.

The Group determines the capital based on the carrying amount of the equity presented in the statement of financial position.

Net debt is calculated as total liabilities less the carrying amount of the cash and cash equivalents.

Group's goal is to maintain a capital-to-net-debt ratio in a reasonable range which would ensure relevant and conservative ratio of financing.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure the Group may adjust the amount of dividends paid to shareholders return capital to shareholders issue new shares or sell assets to reduce debt.

The capital for the presented reporting periods is summarized as follows:

| | 2025<br>BGN'000 | 2024<br>BGN'000 |
|---|---|---|
| Shareholders' equity | 2 016 955 | 1 915 076 |
| **Equity** | **2 016 955** | **1 915 076** |
| | | |
| Debt | 13 532 513 | 12 134 935 |
| - Cash and cash equivalents | (3 218 138) | (2 269 589) |
| **Net debt** | **10 314 375** | **9 865 346** |
| | | |
| **Capital to net debt** | **1:5.11** | **1:5.07** |

In 2025 the change in the ratio is minimal. The Group has complied with its contractual obligations including the maintenance of certain capital ratios.

## 50. Post-reporting date events

No significant adjusting and other non-adjusting events occurred between the date of the consolidated financial statements and the date of their approval by management for publication.

According to Art. 33 of the Law on the Introduction of the Euro in the Republic of Bulgaria (ZVERB), the amount of the capital of commercial companies entered in the commercial register, as well as the registered nominal value of the shares in a joint-stock company, are automatically replaced with the values in euros and euro cents. The currency conversion is carried out ex officio by the Registry Agency.

On 01.01.2026, the amount of the registered capital of the Parent Company was converted to 122 219 596.17 euros, distributed in 239 646 267 ordinary, registered, dematerialized and freely transferable shares, all with voting rights and with a nominal value of 0.51 euros.

Since the end of February, there has been an escalation of tension related to the conflict in Iran, which contributes to increased geopolitical uncertainty in the region and at a global level. The potential consequences of these events include increased volatility in energy markets, additional fluctuations in the macroeconomic environment and increased uncertainty about future economic conditions. The Bank's management is monitoring the development of the situation and has taken into account the available information in the preparation of accounting estimates and assumptions; at present, no need for adjustments to the financial statements has been identified, beyond the disclosures made.

By Decision 235/13.03.2026, the Commission for Protection of Competition permits a concentration between undertakings, which will be implemented through the acquisition by the Group of direct sole control over Silver Wings Bulgaria OOD

On 22.01.2026, through a purchase and sale agreement, the Group acquired an Airbus 320 aircraft with registration number LZ-FBD

On 22.04.2026, through a purchase and sale agreement, the Group acquired an Airbus 319 aircraft with registration number LZ-FBA.

At a meeting of the Board of Directors of the Group's airline, held on 02.02.2026, a decision was made to sign an Aircraft Lease Agreement with general terms and conditions between the Group and "TUI Airlines Belgium" N.V., pursuant to which the two companies agree to lease and use three aircraft (AC), type Airbus A320.

With regard to banking activities, the significant non-adjusting events after the balance sheet date are summarized below:

According to the Law on the Introduction of the Euro in the Republic of Bulgaria, as of 1 January 2026, the official currency and legal tender in the Republic of Bulgaria is the euro. The fixed exchange rate is 1.95583 BGN for 1 euro. The introduction of the euro as the official currency in the Republic of Bulgaria represents a change in the functional currency, which will be accounted for prospectively and does not represent an adjusting event after the date of the financial statements.

On 17.03.2026, the Financial Supervision Commission approved a Prospectus for the initial public offering and admission to trading on a regulated market of an issue of senior unpreferred unsecured bonds, structured to meet the requirements for instruments of eligible liabilities (within the meaning of Chapter XIII, Section II of the Law on the Recovery and Restructuring of Credit Institutions and Investment Intermediaries) of "Central Cooperative Bank" AD. The parameters of the issue are up to 500 interest-bearing, dematerialized, registered, non-convertible, senior, unpreferred, unsecured, freely transferable bonds, structured to meet the requirements for instruments of eligible liabilities within the meaning of Chapter XIII, Section II of the Law on the Recovery and Restructuring of Credit Institutions and Investment Intermediaries with a single nominal value of EUR 100,000 each, a total offered nominal value of up to EUR 50,000,000.

At an extraordinary General Meeting of Shareholders held on 02.04.2026, the following decisions were adopted:

• The General Meeting of Shareholders dismissed Ivo Kamenov Georgiev as a member of the Supervisory Board and elected Miroljub Panchev Ivanov as a member of the Supervisory Board with a term of office until the expiration date of the term of office of the Supervisory Board of the company, entered in the Commercial Register;

• Adoption of amendments to the Articles of Association of CCB AD, conditioned by the adoption of the euro as the official currency of the Republic of Bulgaria

At a General Meeting of Bondholders held on 08.04.2026, a decision was made to give consent to Central Cooperative Bank AD to issue an Issue of dematerialized unsecured bonds, the terms of which should meet the requirements for instruments of eligible liabilities within the meaning of the provisions of Chapter Thirteen, Section II of the Law on Recovery and Restructuring of Credit Institutions and Investment Intermediaries with basic parameters and conditions adopted by Decision of 18.12.2025 of the General Meeting of Shareholders of Central Cooperative Bank AD and additional terms and conditions, pursuant to a Decision of the Management Board of Central Cooperative Bank AD dated 17.02.2026 and in accordance with a decision of 17.03.2026 of the Financial Supervision Commission.

## 51. Authorization of the consolidated financial statements

The consolidated financial statements for the year ended 31 December 2025 (including comparative information) were approved by the Managing board on 30 April 2026.

2025



# ANNUAL CONSOLIDATED ACTIVITY REPORT



CHIMIMPORT
PUBLIC HOLDING COMPANY

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# INTRODUCTION

The present Consolidated Activity Report of the Group of Chimimport AD presents comments and analyses of the financial statements and other material data on the financial position and the results of the Company's activity covering the one-year period from 1 January 2025 until 31 December 2025. The report is prepared in accordance with the requirements of the Accountancy Act, Art. 100n, par. 7 of the Public Offering of Securities Act and Appendix № 2 to Art. 10 from Ordinance № 2 of 09 November 2021.

More than 75 years “Chimimport” AD is one of the most successful Bulgarian enterprises. It started as a foreign trade company specializing in the marketing of chemical products, today “Chimimport” AD is an established holding company, uniting successful businesses. The main area of activity of “Chimimport” AD is the acquisition, sale of shares in Bulgarian and foreign companies, restructuring and management of subsidiaries of the portfolio. Subsidiaries of the Group occupy leading positions in various economic sectors, which operate:

- banking and finance;
- non-life insurance;
- life insurance;
- pensions;
- air transport and ground activities on servicing and repair of aircraft;
- manufacture, production and marketing of petroleum and chemical products and natural gas;
- production, processing and trade with cereals and vegetable oils.

Each of every nearly 5 000 employees in the structure of “Chimimport” AD contributes to the successful integration of Bulgarian business to European standards. Recent years have strengthened the company as a leader of the “Bulgarian Stock Exchange” AD, included in “Premium” segment share, in the indices SOFIX, BGBX40 and BGTR30, which is the result of proper planning of investments and professional actions and efforts of management. The parent company’s activities as a public company is the creation and establishment of effectively functioning corporate governance models to ensure equal treatment and protection of the rights of all shareholders. The common practice is the transparent and fair disclosure of information needed by current shareholders, stakeholders and potential investors.

At this stage the main advantages of the Group of "Chimimport" AD are:

- Knowledge of economic and political conditions and resources in Bulgaria, needs and specificities of clients conquered good positions in strategic sectors of the economy;
- Approved management team - the group has a highly motivated team of managers with a vision for the growth of the holding company, with proven skills and experience in management, acquisition and restructuring of companies in both favourable and unfavourable market environment.






Mirolyub Ivanov
CEO /Chief Executive Officer/

# INFORMATION FOR THE GROUP OF CHIMIMPORT AD

Chimimport AD, parent company, is a public company with a two-tier management system.

All members of the Management Board and the Supervisory Board shall meet the legal requirements for taking up their position. Management bodies of the Parent Company are: General Meeting of Shareholders, Supervisory Board and Management Board. The Management Board manages in accordance with the established vision, goals and strategy of Chimimport AD. All members and management and supervisory bodies are guided by their generally accepted principles of integrity, managerial and professional competence.

The basic strategy and investment policy of “Chimimport” AD are focused on positioning the group as a significant partner in servicing the traditional for the country and region trade activities. In particular, this motivates the entry of the group in sectors such as transport, agriculture, financial operations and real estate.

The companies of the economic group of Chimimport AD are 65, in total, in the following leading and key sectors:

- The financial sector, an area where the group strives to offer a full range of services to its clients. The financial group under the “Chimimport” AD includes a universal commercial bank, which has traditionally good positions in lending, life and non-life insurance companies, pension company, management company (mutual funds).

- Transport is an important sector for the group. Bulgaria is geographically located at the crossroads between Europe and Asia / Middle East, as five of the ten Trans European transport corridors pass through the country. The group of “Chimimport” AD develops air, river and sea transport, and in all three cases seek to cover the entire spectrum of activities, not just transport ( incl. the management of airports and ports, repair and maintenance vehicles, cargo handling, agency).

- Both in the transport sector and in agriculture, “Chimimport” AD seeks to spread its activities over the full spectrum of business - in this case, focusing firstly on buying, trading, logistics, storage of grain and oilseeds, actively seeking and exploiting interconnections and synergies with other businesses (transport, finance, etc.).

- The sector exploration and production of oil and gas is primarily developed through its subsidiary PDNG AD, which is the only Bulgarian company engaged in the full range of activities in prospecting, exploration, development and exploitation of oil and gas fields and processing crude oil into finished products for the market. And is the successor of the main geological, scientific research and production enterprises and objects of Bulgarian oil industry with over 50 years of history.

# THE COMPANY TODAY

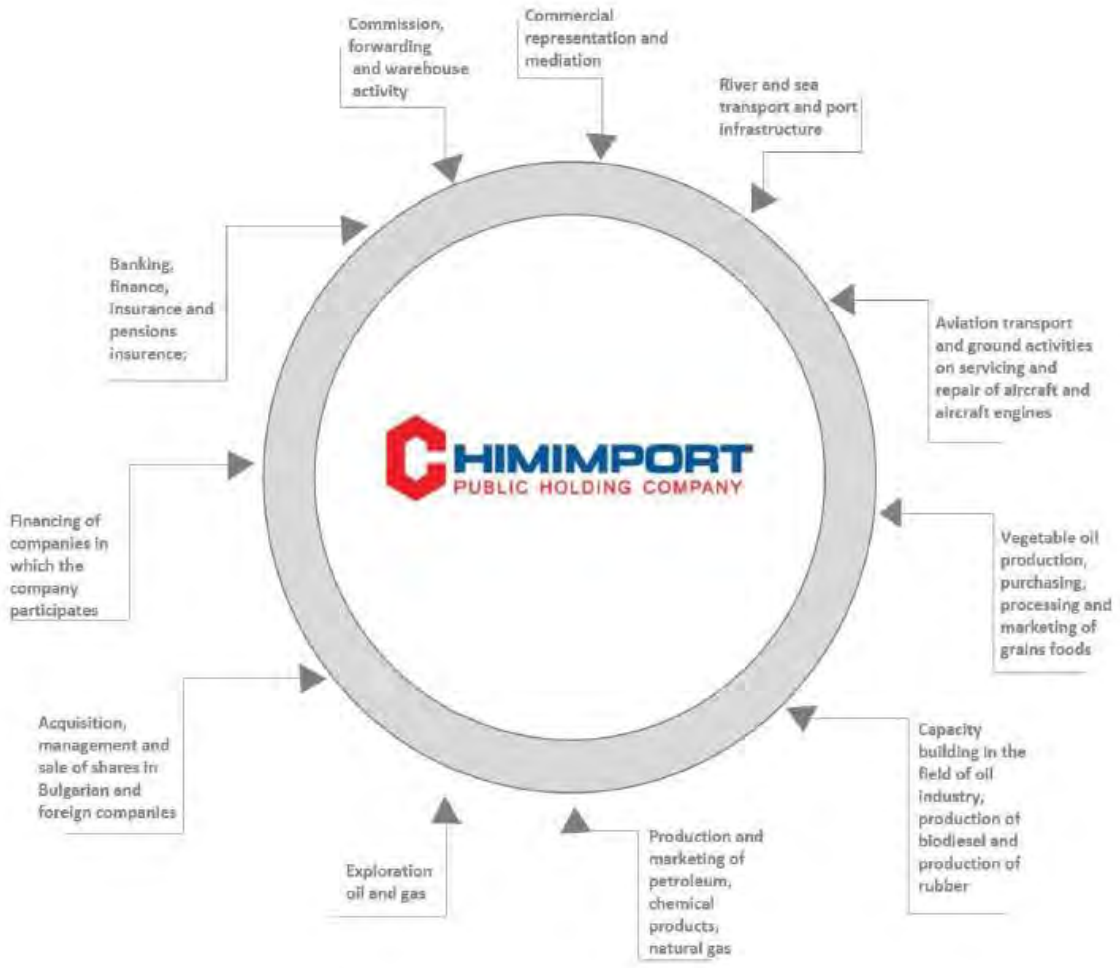
| | |
|---|---|
| **Share capital** | BGN 239 646 thousand |
| ***owned by subsidiaries*** | *BGN (13 183) thousand* |
| **Equity /consolidated/** | BGN 2 061 955 thousand |
| **Assets /consolidated/** | BGN 15 594 468 thousand |
| **Profit for the year attributable to the shareholders of Chimimport AD** | BGN 113 493 thousand |
| **Executive director** | Mirolyub Ivanov |
| **Majority shareholder** | The parent company management in the face of “Invest Capital” AD -72.39 % |
| **Minority shareholders of Chimimport AD are respected international companies and institutions** | UniCredit Bank Austria – Austria<br>Eaton Vance Emerging Markets Funds – USA<br>Raiffeisen Bank International – Austria<br>BNP Paribas Securities Services S.C.A. – France<br>Approximately 160 legal entities and over 2 800 individuals and global trusties. |

# MANAGING BODIES



# SCOPE OF ACTIVITY

Chimimport AD develops its activities through its subsidiaries. Its financial position, operating results and prospects are directly dependent on the status, results and prospects of its subsidiaries.





## LIST OF SUBSIDIARIES

| Name of the subsidiary | Country of incorporation | Main activities | 31.12.2025 Percentage of consolidation | 31.12.2025 Nominal percentage | 31.12.2024 Percentage of consolidation | 31.12.2024 Nominal percentage |
|---|---|---|---|---|---|---|
| Central Cooperative Bank AD | Bulgaria | Finance | 77,13% | 77,13% | 77,13% | 77,13% |
| Central Cooperative Bank AD – Skopje | Macedonia | Finance | 71,85% | 91,83% | 71,85% | 91,83% |
| AO Investment Cooperative Bank | Russia | Finance | 86,27% | 86,27% | 86,27% | 86,27% |
| CCB Group EAD | Bulgaria | Finance | 100,00% | 100,00% | 100,00% | 100,00% |
| CCB Assets Management EAD | Bulgaria | Finance | 77,13% | 100,00% | 77,13% | 100,00% |
| ZAD Armeec | Bulgaria | Finance | 96,26% | 96,26% | 96,26% | 96,26% |
| ZEAD CCB Life | Bulgaria | Finance | 100,00% | 100,00% | 100,00% | 100,00% |
| POAD CCB Sila | Bulgaria | Finance | 87,03% | 92,25% | 87,03% | 92,25% |
| DPF CCB Sila | Bulgaria | Finance | 87,03% | 100,00% | 87,03% | 100,00% |
| UPF CCB Sila | Bulgaria | Finance | 87,03% | 100,00% | 87,03% | 100,00% |
| PPF CCB Sila | Bulgaria | Finance | 87,03% | 100,00% | 87,03% | 100,00% |
| FIPP CCB Sila | Bulgaria | Finance | 87,03% | 100,00% | 87,03% | 100,00% |
| FRP CCB Sila | Bulgaria | Finance | 87,03% | 100,00% | 87,03% | 100,00% |
| Zarneni Hrani Bulgaria AD | Bulgaria | Production, Trade and Services | 68,00% | 68,00% | 68,00% | 68,00% |
| Oil and Gas Exploration and Production AD | Bulgaria | Production, Trade and Services | 49,90% | 66,25% | 49,90% | 66,25% |
| Bulgarska Petrolna Rafinieria EOOD | Bulgaria | Production, Trade and Services | 49,90% | 100,00% | 49,90% | 100,00% |
| Slanchevi lachi Provadia EOOD | Bulgaria | Production, Trade and Services | 68,00% | 100,00% | 68,00% | 100,00% |
| Asenova Krepost AD | Bulgaria | Production, Trade and Services | 47,22% | 67,41% | 47,72% | 67,41% |
| PDNG Service EOOD | Bulgaria | Production, Trade and Services | 49,90% | 100,00% | 49,90% | 100,00% |
| Izdatelstvo Geologia i Mineralni Resursi OOD | Bulgaria | Production, Trade and Services | 34,93% | 70,00% | 34,93% | 70,00% |
| Bulchimtrade OOD | Bulgaria | Production, Trade and Services | 44,88% | 66,00% | 44,88% | 66,00% |
| Rubber Trade OOD | Bulgaria | Production, Trade and Services | 40,80% | 60,00% | 40,80% | 60,00% |
| Chimceltex EOOD | Bulgaria | Production, Trade and Services | 68,00% | 100,00% | 68,00% | 100,00% |
| Chimoil BG EOOD | Bulgaria | Production, Trade and Services | 49,90% | 100,00% | 49,90% | 100,00% |
| Zarneni Hrani Grain EOOD | Bulgaria | Production, Trade and Services | 68,00% | 100,00% | 68,00% | 100,00% |
| Techno Capital AD | Bulgaria | Production, Trade and Services | 75,42% | 90,00% | 75,42% | 90,00% |
| Dobrich Fair AD | Bulgaria | Production, Trade and Services | 40,78% | 59,97% | 40,78% | 59,97% |
| National Commodity Exchange AD | Bulgaria | Production, Trade and Services | 73,13% | 75,00% | 73,13% | 75,00% |
| Prime Lega Consult EOOD | Bulgaria | Production, Trade and Services | 100,00% | 100,00% | 100,00% | 100,00% |

| Name of the subsidiary | Country of incorporation | Main activities | 31.12.2025 Percentage of consolidation | 31.12.2025 Nominal percentage | 31.12.2024 Percentage of consolidation | 31.12.2024 Nominal percentage |
|---|---|---|---|---|---|---|
| AH HGH Consult OOD | Bulgaria | Production, Trade and Services | 59,34% | 59,34% | 59,34% | 59,34% |
| Omega Finance OOD | Bulgaria | Production, Trade and Services | 83,80% | 96,00% | 83,80% | 96,00% |
| IT Systems Consult EOOD | Bulgaria | Production, Trade and Services | 68,00% | 100,00% | 68,00% | 100,00% |
| Winery Assets EOOD | Bulgaria | Production, Trade and Services | 77,13% | 100,00% | - | - |
| Wine Assets EOOD | Bulgaria | Production, Trade and Services | 77,13% | 100,00% | - | - |
| Bulgarian Shipping Company EAD | Bulgaria | Sea and River Transport | 100,00% | 100,00% | 100,00% | 100,00% |
| Parahodstvo Bulgarsko Rechno Plavane AD | Bulgaria | Sea and River Transport | 80,03% | 80,75% | 80,03% | 80,75% |
| Port Balchik AD | Bulgaria | Sea and River Transport | 78,56% | 100,00% | 78,56% | 100,00% |
| Port Lesport AD | Bulgaria | Sea and River Transport | 99,00% | 99,00% | 99,00% | 99,00% |
| Lesport Project Management EOOD | Bulgaria | Sea and River Transport | 99,00% | 100,00% | 99,00% | 100,00% |
| Mayak - KM AD | Bulgaria | Sea and River Transport | 69,28% | 86,57% | 69,28% | 86,57% |
| Bulgarian Logistic Company EOOD | Bulgaria | Sea and River Transport | 100,00% | 100,00% | 100,00% | 100,00% |
| Port Pristis OOD | Bulgaria | Sea and River Transport | 44,02% | 55,00% | 44,41% | 55,00% |
| Portstroi Invest EOOD | Bulgaria | Sea and River Transport | 100,00% | 100,00% | 100,00% | 100,00% |
| Port Invest EOOD | Bulgaria | Sea and River Transport | 80,03% | 100,00% | 80,03% | 100,00% |
| Port Bimas EOOD | Bulgaria | Sea and River Transport | 80,03% | 100,00% | 80,03% | 100,00% |
| Interlihter Slovakia | Slovakia | Sea and River Transport | 80,03% | 100,00% | 80,03% | 100,00% |
| Blue Sea Horizon Corp | Seychelles | Sea and River Transport | 80,03% | 100,00% | 80,03% | 100,00% |
| Bulgarian Airways Group EAD | Bulgaria | Aviation Transport | 100,00% | 100,00% | 100,00% | 100,00% |
| Bulgaria Air AD | Bulgaria | Aviation Transport | 99,99% | 99,99% | 99,99% | 99,99% |
| Bulgaria Air Technic EOOD | Bulgaria | Aviation Transport | 99,99% | 100,00% | 99,99% | 100,00% |
| Airport Consult EOOD | Bulgaria | Aviation Transport | 100,00% | 100,00% | 100,00% | 100,00% |
| Trans intercar EAD | Bulgaria | Vehicle Transport | 100,00% | 100,00% | 100,00% | 100,00% |
| Energoproekt AD | Bulgaria | Real Estate and engineering | 98,64% | 98,69% | 98,64% | 98,69% |
| Energoproekt Utilities OOD in liquidation | Bulgaria | Real Estate and engineering | 0,00% | 0,00% | 0,00% | 0,00% |
| Bulgaria Air Maintanance EAD | Bulgaria | Real Estate and engineering | 100,00% | 100,00% | 100,00% | 100,00% |
| Golf Shabla AD | Bulgaria | Real Estate and engineering | 32,43% | 65,00% | 32,43% | 65,00% |
| Sporten Complex Varna AD | Bulgaria | Real Estate and engineering | 65,00% | 65,00% | 65,00% | 65,00% |
| Sporten management EOOD | Bulgaria | Real Estate and engineering | 65,00% | 100,00% | 65,00% | 100,00% |
| Human management AD | Bulgaria | Real Estate and engineering | 87,66% | 87,66% | 87,66% | 87,66% |

# GENERAL INFORMATION

| Name of the subsidiary | Country of incorporation | Main activities | 31.12.2025 Percentage of consolidation | 31.12.2025 Nominal percentage | 31.12.2024 Percentage of consolidation | 31.12.2024 Nominal percentage |
|---|---|---|---|---|---|---|
| **Bulchimex GmBH** | Bulgaria | Real Estate and engineering | 100,00% | 100,00% | 100,00% | 100,00% |
| **Invest Capital Consult AD** | Bulgaria | Real Estate and engineering | 95,45% | 100,00% | 95,45% | 100,00% |
| **Sitniakovo Project Estate EOOD** | Bulgaria | Real Estate and engineering | 49,90% | 100,00% | 49,90% | 100,00% |
| **Imoti Activities 1 EOOD** | Bulgaria | Real Estate and engineering | 68,00% | 100,00% | 68,00% | 100,00% |
| **Imoti Bimas EOOD** | Bulgaria | Real Estate and engineering | 80,03% | 100,00% | 80,03% | 100,00% |
| **Imoti BRP EOOD** | Bulgaria | Real Estate and engineering | 80,03% | 100,00% | 80,03% | 100,00% |

The Group includes non-controlling interest (NCI), broken down by segments as follows:

| Name segment | Accumulated non-controlling interest 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| Finance sector | 240 303 | 217 346 |
| Production, trade and services | 118 522 | 118 006 |
| Transport | 13 674 | 14 067 |
| Real Estate | 28 499 | 20 414 |
| **TOTAL** | **400 998** | **369 833** |

In 2025 , BGN 659 thousand were paid to the non-controlling interest (2024: 1 666). Summarised financial information on assets and liabilities before intra-group eliminations is disclosed in the note 7 Segment reporting.

**- an objective review, which presents true and fair the development and results of the Group's activities, as well as its condition, together with a description of the main risks it faces;**

Detailed information is presented in the section Main risks and uncertainties.

**- analysis of financial and non-financial key performance indicators relevant to the business, including information on environmental issues and staff**

Detailed information is presented in the Information section according to Ordinance № 2/ 09.11.2021

**- significant events that occurred after the date on which the annual financial statements were prepared**

No significant adjusting or other non-adjusting events occurred between the date of the consolidated financial statements and the date of their approval for issuance by management.

According to Art. 33 of the Law on the Introduction of the Euro in the Republic of Bulgaria (ZVERB), the amount of the capital of commercial companies entered in the commercial register, as well as the registered nominal value of the shares in a joint-stock company, are automatically replaced with the values in euros and euro cents. The currency conversion is carried out ex officio by the Registry Agency.

On 01.01.2026, the amount of the registered capital of the Parent Company was converted to 122 219 596.17 euros, distributed in 239 646 267 ordinary, registered, dematerialized and freely transferable shares, all with voting rights and with a nominal value of 0.51 euros.

Since the end of February, there has been an escalation of tension related to the conflict in Iran, which contributes to increased geopolitical uncertainty in the region and at a global level. The potential consequences of these events include increased volatility in energy markets, additional fluctuations in the macroeconomic environment and increased uncertainty about future economic conditions. The Bank's management is monitoring the development of the situation and has taken into account the available

information in the preparation of accounting estimates and assumptions; at present, no need for adjustments to the financial statements has been identified, beyond the disclosures made.

By Decision 235/13.03.2026, the Commission for Protection of Competition permits a concentration between undertakings, which will be implemented through the acquisition by the Group of direct sole control over Silver Wings Bulgaria OOD

On 22.01.2026, through a purchase and sale agreement, the Group acquired an Airbus 320 aircraft with registration number LZ-FBD

On 22.04.2026, through a purchase and sale agreement, the Group acquired an Airbus 319 aircraft with registration number LZ-FBA.

At a meeting of the Board of Directors of the Group's airline, held on 02.02.2026, a decision was made to sign an Aircraft Lease Agreement with general terms and conditions between the Group and "TUI Airlines Belgium" N.V., pursuant to which the two companies agree to lease and use three aircraft (AC), type Airbus A320.

With regard to banking activities, the significant non-adjusting events after the balance sheet date are summarized below:

According to the Law on the Introduction of the Euro in the Republic of Bulgaria, as of 1 January 2026, the official currency and legal tender in the Republic of Bulgaria is the euro. The fixed exchange rate is 1.95583 BGN for 1 euro. The introduction of the euro as the official currency in the Republic of Bulgaria represents a change in the functional currency, which will be accounted for prospectively and does not represent an adjusting event after the date of the financial statements.

On 17.03.2026, the Financial Supervision Commission approved a Prospectus for the initial public offering and admission to trading on a regulated market of an issue of senior unpreferred unsecured bonds, structured to meet the requirements for instruments of eligible liabilities (within the meaning of Chapter XIII, Section II of the Law on the Recovery and Restructuring of Credit Institutions and Investment Intermediaries) of "Central Cooperative Bank" AD. The parameters of the issue are up to 500 interest-bearing, dematerialized, registered, non-convertible, senior, unpreferred, unsecured, freely transferable bonds, structured to meet the requirements for instruments of eligible liabilities within the meaning of Chapter XIII, Section II of the Law on the Recovery and Restructuring of Credit Institutions and Investment Intermediaries with a single nominal value of EUR 100,000 each, a total offered nominal value of up to EUR 50,000,000.

At an extraordinary General Meeting of Shareholders held on 02.04.2026, the following decisions were adopted:

• The General Meeting of Shareholders dismissed Ivo Kamenov Georgiev as a member of the Supervisory Board and elected Miroljub Panchev Ivanov as a member of the Supervisory Board with a term of office until the expiration date of the term of office of the Supervisory Board of the company, entered in the Commercial Register;

• Adoption of amendments to the Articles of Association of CCB AD, conditioned by the adoption of the euro as the official currency of the Republic of Bulgaria

At a General Meeting of Bondholders held on 08.04.2026, a decision was made to give consent to Central Cooperative Bank AD to issue an Issue of dematerialized unsecured bonds, the terms of which should meet the requirements for instruments of eligible liabilities within the meaning of the provisions of Chapter Thirteen, Section II of the Law on Recovery and Restructuring of Credit Institutions and Investment Intermediaries with basic parameters and conditions adopted by Decision of 18.12.2025 of the General Meeting of Shareholders of Central Cooperative Bank AD and additional terms and conditions, pursuant to a Decision of the Management Board of Central Cooperative Bank AD dated 17.02.2026 and in accordance with a decision of 17.03.2026 of the Financial Supervision Commission.

**- future development;**

In 2026, the Group continues to follow its path of intensive development in each of the sectors in which it operates. The main focus of the banking activity will be the provision of banking services for the population - consumer and mortgage loans, bank cards and services based on them, electronic banking and payment services.

**- research and development activities;**

The Group does not operate in the field of research and development during the period.

**- information for acquisition of own shares, required by the order of art. 187e of the Commercial Code;**

Information about the Group is presented in the section on own shares below.

**- branches;**

The parent company has no registered branches.

As of December 31, 2025, the activities of the subsidiary Central Cooperative Bank AD are carried out through 47 branches, 203 bank representative offices and 26 outsourced working places in Bulgaria and 1 branch in the Republic of Cyprus and a Varna branch was registered in the subsidiary Bulgaria Air EAD in 2024.

**- information on the financial instruments used by the Company;**

The information is included in point 7 of the Information section according to Ordinance № 2 / 09.11.2021

**- number and nominal value of the acquired and transferred during the year own shares;**

There are no own shares owned by the Parent Company during the period. The shares of the Parent Company held by the subsidiaries are disclosed in Note 22.1 of the consolidated financial statements.

**- number and nominal value of the held own shares;**

There are no own shares owned by the Parent Company during the period. The shares of the Parent Company held by the subsidiaries are disclosed in Note 22.1 of the consolidated financial statements.

**- remuneration received in total during the year from board members**

The information is disclosed in point 17 of the Information section according to Ordinance № 2 / 09.11.2021.

**- the shares and bonds of the issuer acquired, held and transferred by the members of the boards during the year**

The information is disclosed in point 18 of the Information section according to Ordinance № 2 / 09.11.2021.

**- the rights of the members of the boards to acquire shares and bonds of the issuer**

Not applicable.

**- the participation of board members in commercial companies as unlimited partners, the ownership of more than 25 percent of the capital of another company, as well as their participation in the management of other companies or cooperatives as procurators, managers or board members;**

***SUPERVISORY BOARD of the Parent Company***

**Mariana Bazhdarova - Member of the Supervisory Board:**

| Company | UIC | Interest |
|---|---|---|
| **Chimimport AD** | 000627519 | Member of the Supervisory Board |
| **MB CONSULT COMMERS (in liquidation)** | 203868694 | Partner– over 25% |
| **Does not participate in the management of other companies or cooperatives as procurator, manager or member of boards according to art. 247 of the CA;** | | |

***MANAGEMENT BOARD of the Parent Company***

**Tsvetan Botev - Chairman of the Management Board of Chimimport AD:**

| Company | UIC | Interest |
|---|---|---|
| **Chimimport AD** | 000627519 | Chairman of the managing board |
| **Central Cooperative Bank AD** | 831447150 | Chairman of the managing board |
| **Bulhimtrade OOD** | 200477808 | Manager |
| **PHARMA GBS DZZD** | 176397025 | Manager |
| **Chimimport-Biopharm Engineering Consortium DZZD** | 131071224 | Manager |
| **Does not own more than 25 percent of the capital of other commercial companies.** | | |

**Mirolyub Ivanov - Member of the Management Board of Chimimport AD and Executive Director:**

| *Company* | *UIC* | *Interest* |
|---|---|---|
| **Invest Capital AD** | 831541734 | Executive Director and Member of the Board of Directors |
| **Chimimport AD** | 000627519 | Representative and Member of the Board of Directors |

| *Company* | *UIC* | *Interest* |
|---|---|---|
| **ZAD Armeec** | 121076907 | Representative and Member of the Board of Directors |
| **National Commodity Exchange AD** | 115223519 | Member of the Board of Directors |
| **Bulgarian Shipping Company EAD** | 175389730 | Member of the Board of Directors |
| **Oil and Gas Exploration and Production AD** | 824033568 | Member of the Board of Directors |
| **Capital Invest EAD** | 121878333 | Procurator |
| **Invest Capital Asset Management EAD** | 200775128 | Procurator |
| **Omega Finance OOD** | 181385114 | Manager |
| **Prime Lega Consult EOOD** | 130993620 | Manager |
| **Human Management AD** | 121483350 | Executive Director and Member of the Board of Directors |
| **Zarneni Hrani Bulgaria AD** | 175410085 | Member of the Board of Directors |
| **Project Company 1 AD** | 205105587 | Executive Director and Member of the Board of Directors |
| **Rubicon Project EOOD** | 202902446 | Manager |
| **Invest Capital-High Yield Contractual Fund** | 175860666 | Manager |
| **ENERGOMAT EOOD** | 131095780 | Manager |
| **ENERGOPROEKT AD** | 831367237 | Member of the Supervisory Board |
| **CONSORTIUM TECHNOCAPITAL DZZD** | 176018753 | Manager |
| **CENTRAL VACUUM SYSTEMS EOOD** | 200631195 | Manager |
| **KRONE BULGARIA AD** | 130517595 | Executive Director and Member of the Board of Directors |
| **CCB Group EAD** | 121749139 | Member of the Board of Directors |
| **Does not own more than 25 percent of the capital of other commercial companies.** | | |

**Ivo Georgiev - Representative of a legal entity in the Supervisory Board and member of the Management Board and the Management Board of Chimimport AD:**

| Company | UIC | Interest |
|---|---|---|
| **Chimimport AD** | 000627519 | Member of the Management Board |
| **CCB Group EAD** | 121749139 | Member of the Supervisory Board |
| **Central Cooperative Bank AD** | 831447150 | Member of the Supervisory Board |
| **Invest Capital Management OOD** | 103045368 | Partner - over 25% |
| **Varna consulting company OOD** | 103060548 | Partner - over 25% |

| Company | UIC | Interest |
|---|---|---|
| National Martial Arts Association | 176868502 | Representative and manager |
| Georgiev Law firm | 177523879 | Owner and manager |

**Marin Mitev - Member of the Supervisory Board and the Management Board of Chimimport AD:**

| *Company* | *UIC* | *Interest* |
|---|---|---|
| Chimimport AD | 000627519 | Member of the Management Board |
| Golf Shabla AD | 124712625 | Member of the Management Board and Executive Director |
| Varna plod AD | 103106697 | Member of the Management Board |
| CCB Group EAD | 121749139 | Member of the Supervisory Board |
| Association Sports Club TIM | 103014351 | Chairman and Manager |
| Martial Arts Sports Club Association TIM | 103606634 | Chairman of the Board and Manager |
| Bulgarian Karate Kyokoshin Federation | 103570622 | Chairman of the Board and Manager |
| Association - Aerobics Club "TIM - Class" | 103556156 | Member of the Board |
| Association of Black Sea Sports Clubs | 000090542 | Member of the Board |
| National Board of Tourism Association | 175090938 | Member of the Board |
| ET Marin Mitev Project Management | 103326073 | Owner |
| Varna Consulting Company OOD | 103060548 | Partner – over 25% |
| Invest Capital Management OOD | 103045368 | Partner – over 25% |

**Alexander Kerezov - Deputy Chairman and member of the Management Board of Chimimport AD:**

| Company | UIC | Interest |
|---|---|---|
| Chimimport AD | 000627519 | Member of the Board |
| Central Cooperative Bank AD | 831447150 | Member of the Board |
| Bulgarian Airways Group EAD | 131085074 | Member of the Board of Directors |
| CCB Group EAD | 121749139 | Member of the Board |
| Zarneni Hrani Bulgaria AD | 175410085 | Member of the Board and representative |
| ZAD Armeec | 121076907 | Member of the Board |
| Parahodstvo Bulgarsko Rechno Plavane AD | 827183719 | Member of the Board |
| POAD CCB Sila AD | 825240908 | Member of the Supervisory Board |
| Asenova Krepost AD | 115012041 | Member of the Board |
| AH HGH Consult OOD | 130452457 | Manager |
| Protect ART OOD | 203844348 | Manager and Partner - over 25% |
| Association SAGLASIE 066 | 176941060 | Chairman of the Management Board and representative |

| | | |
|---|---|---|
| **Foundation SAGLASIE Sofia** | 205004556 | Chairman of the Management Board and representative |
| **ALEX AS EOOD** | 131105146 | Manager and Owner |
| **Zarneni Hrani Plovdiv EOOD** | 130574490 | Manager |

**Nikola Peev Mishev - Member of the Management Board of Chimimport AD:**

| Company | UIC | Interest |
|---|---|---|
| **Chimimport AD** | 000627519 | Member of the Board |
| **Zarneni Hrani Bulgaria AD** | 175410085 | Member of the Board |
| **Asenova Krepost AD** | 115012041 | Member of the Board and representative |
| **Energoproekt AD** | 831367237 | Member of the Supervisory Board |
| **Ekspert snab OOD** | 131388356 | Manager |
| **Bulhimtrade OOD** | 200477808 | Manager |
| **Rabur Trade OOD** | 130430425 | Manager |
| **Chimceltex EOOD** | 130434434 | Manager |
| **Does not own more than 25 percent of the capital of other commercial companies.** | | |

**- concluded contracts under Art. 240b of the Commercial Code**

Not applicable.

**- the planned economic policy for the next year**

The Group does not anticipate significant changes in its economic policy for the next year.

**-Information on the main intangible resources in relation to Art. 39, para. 2 of the Accountancy Act**

In the current globalized and highly competitive environment, one of the pillars of the strategic management of the Parent Company is the focus on the financial dimension of the value associated with intangible resources.

In order to create sustainable long-term advantages, we analyze the key issues related to the management of intangible resources by applying practices for their identification and measurement.

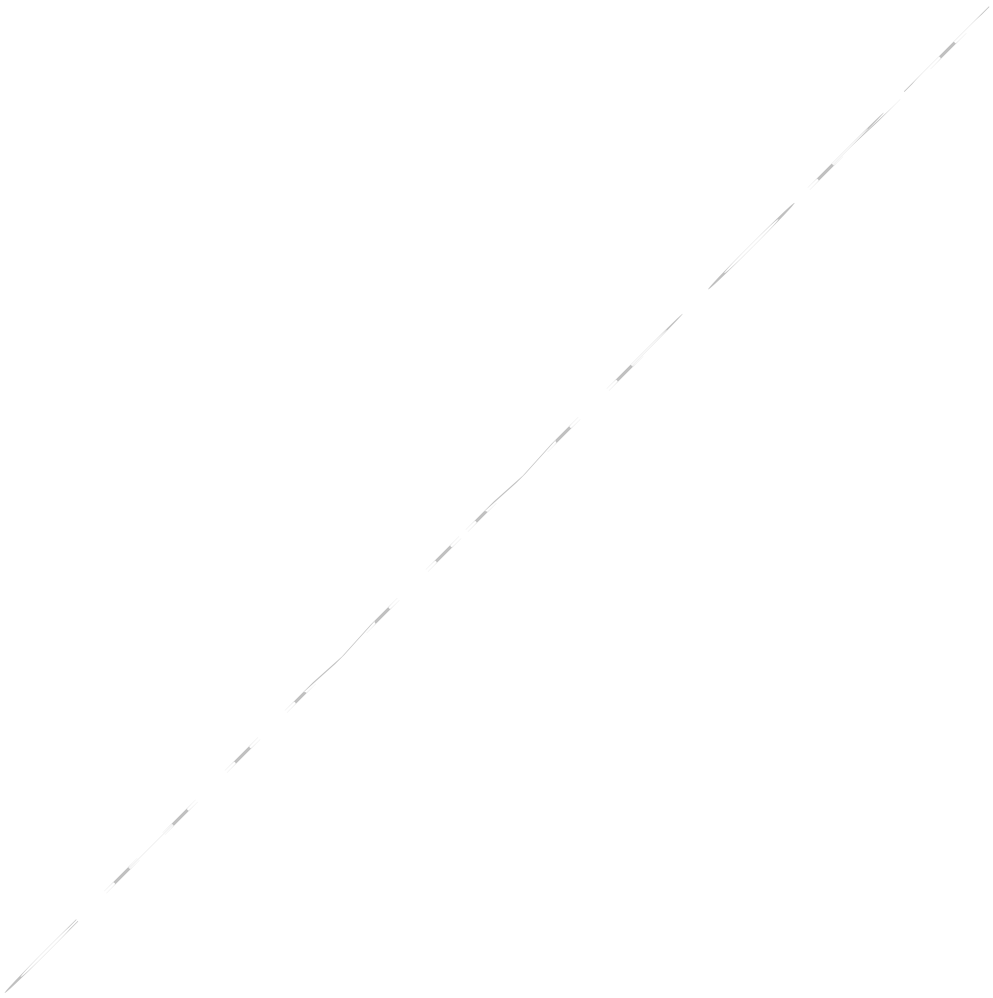
• Investments in subsidiaries – here the emphasis is on rationalization of activities at the individual level, through their permanent financing, with the aim of investing in modernization, technologies and others.

These resources can be autonomously measured and transferred

• Internal resources – the focus is on the employees' distinctive and professional skills, the characteristic knowledge concerning all subsidiaries as a whole, as well as their willingness to engage in the processes to achieve the defined long-term goals of the Group.

• External - company resources - the focus is on creating, maintaining and improving long-term relationships with partners in the form of customers, suppliers and contractors, with the aim of exchanging experience, ideas, improving the quality and sustainability of the supply of services, goods, as well as any potential benefits for the parties involved

These resources cannot be autonomously measured and transferred, but they contribute to the promotion and integration of value.



# INFORMATION ACCORDING TO ORDINANCE № 2 09.11.2021

## *Appendix № 2 to Art. 10 of Ordinance №2 / 09.11.2021*

**1. Information, given in value and quantity, regarding the main categories of goods, products and / or services provided, indicating their share in the revenues from sales of the issuer, respectively the person under § 1e of the additional provisions of POSA, as a whole and the changes during the reporting financial year.**

- Due to the specific nature of the activity of the issuer - holding activity, the main revenues of the company are both income from operating activities and financial, formed by positive differences from operations with financial instruments, interest income and dividends. Operating revenues are mainly related to investment property, services and others.

Changes in Profit from Total Activities of Segment Group:

| Business Segments | Production, Trade and Services | Financial Sector | Transport Sector | Real estate |
|---|---|---|---|---|
| | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| **31 December 2025** | | | | |
| **Share of the single segment in the Group's profit** | 0.67% | 103.82% | 9.00% | 1.43% |
| **31 December 2024** | | | | |
| **Share of the single segment in the Group's profit** | 2.37% | 103.11% | (6.62%) | 1.15% |

The Finance segment has the largest share of the Group's net profit in 2025.

| Operating segment | Transport | Finance | Production, trade and services | Real estate and engineering sector | Eliminations | Consolidated |
|---|---|---|---|---|---|---|
| | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 |
| Income from non-financial activities from external customers | 393 138 | 32 907 | 64 465 | 15 117 | (8 267) | 497 360 |
| Change in fair value of investment property | - | 5 793 | 528 | 301 | - | 6 622 |
| (Loss)/Gain from sale of non-current assets | 157 | 510 | 2 | - | - | 669 |
| Inter-segment income from non-financial activities | 14 198 | 7 541 | 13 424 | 5 040 | (40 203) | - |
| **Total income from non-financial activities** | **407 493** | **46 751** | **78 419** | **20 458** | **(48 470)** | **504 651** |
| Insurance service result | - | 75 582 | - | - | - | 75 582 |
| Net expenses from reinsurance contracts held | - | (31 916) | - | - | - | (31 916) |
| **Net result from insurance** | **-** | **43 666** | **-** | **-** | **-** | **43 666** |
| Interest income | 1 655 | 304 887 | 6 340 | 270 | (18 072) | 295 080 |
| Interest expenses | (33 950) | (21 483) | (6 914) | (1 984) | 18 080 | (46 251) |
| **Net interest income** | **(32 295)** | **283 404** | **(574)** | **(1 714)** | **8** | **248 829** |
| **Net result from transactions with financial instruments** | **5 130** | **169 801** | **1 325** | **133** | **(11 309)** | **165 080** |
| Operating and administrative expenses | (386 950) | (273 283) | (77 552) | (16 587) | 31 548 | (722 824) |
| Net result from investments accounted for using the equity method | - | - | - | - | 5 283 | 5 283 |
| Other financial income/(expenses) | 20 576 | 38 959 | (582) | (65) | (206) | 58 682 |
| Income to be allocatedfrom allocation to social security accounts | - | (148 251) | - | - | - | (148 251) |
| **Profit/(loss) for the year before tax** | **13 954** | **161 047** | **1 036** | **2 225** | **(23 146)** | **155 116** |
| Income tax expense | (4 366) | (13 024) | (387) | (413) | - | (18 190) |
| **Net profit/(loss) for the year** | **9 588** | **148 023** | **649** | **1 812** | **(23 146)** | **136 926** |
| Assets of the segment | 1 451 153 | 15 894 707 | 746 610 | 383 113 | (2 908 466) | 15 567 117 |
| Equity accounted investments | 19 133 | - | 363 | 2 | 7 853 | 27 351 |
| **Total consolidated assets** | **1 470 286** | **15 894 707** | **746 973** | **383 115** | **(2 900 613)** | **15 594 468** |
| Liabilities of the segment | 1 040 289 | 13 164 437 | 298 369 | 102 135 | (1 072 717) | 13 532 513 |
| **Total consolidated liabilities** | **1 040 289** | **13 164 437** | **298 369** | **102 135** | **(1 072 717)** | **13 532 513** |

**2. Information on revenues distributed by different categories of activities, internal and external markets, as well as information on the sources of supply of materials needed for the production of goods or provision of services, reflecting the degree of dependence on each individual seller or buyer / consumer, in case the relative share of any of them exceeds 10 percent of the costs or revenues from sales, information shall be provided for each person separately, for his share in sales or purchases and his relations with the issuer, respectively the person under § 1e of the additional provisions of the Public Offering of Securities Act**

**Income and expenses structure**

| Income from non-financial activities | 2025 BGN '000 | 2024 BGN '000 | Change % |
|---|---|---|---|
| Income from sales of plane tickets | 236 153 | 232 944 | 1% |
| Income from sales of finished goods | 32 891 | 147 305 | -78% |
| Income from services rendered | 155 834 | 40 388 | 286% |
| Income from sales of trading goods | 23 515 | 31 225 | -25% |
| Other | 48 967 | 39 782 | 23% |
| **TOTAL** | **497 360** | **491 644** | |

| (Loss)/Gain on sale of non-current assets | 2025 BGN '000 | 2024 BGN '000 | Change % |
|---|---|---|---|
| Proceeds from sale of non-current assets | 1 913 | 7 836 | -76% |
| Carrying amount of non-current assets sold | (1 244) | (5 160) | -76% |
| **(Loss)/Gain on sale of non-current assets, net** | **669** | **2 676** | |

| Interest income by types of sources: | 2025 BGN '000 | 2024 BGN '000 | Change % |
|---|---|---|---|
| Legal entities | 109 044 | 109 496 | 0% |
| Government securities | 89 410 | 85 887 | 4% |
| Banks | 30 405 | 40 988 | -26% |
| Individuals | 63 394 | 58 308 | 9% |
| Other | 2 827 | 3 284 | -14% |
| **TOTAL** | **295 080** | **297 963** | |

| Interest expenses by depositors: | 2025 BGN '000 | 2024 BGN '000 | Change % |
|---|---|---|---|
| Legal entities | (35 817) | (27 574) | 30% |
| Individuals | (6 216) | (5 573) | 12% |
| Banks | (899) | (4 096) | -1% |
| Other | (3 319) | (4 315) | -35% |
| **TOTAL** | **(46 251)** | **(41 558)** | |

| Results from transactions with financial instruments | 2025 BGN '000 | 2024 BGN '000 | Change % |
|---|---|---|---|
| Gains from transactions with securities and investments | 1 057 116 | 885 860 | 19% |
| Dividend income | 27 607 | 16 808 | 64% |
| **TOTAL** | **1 084 723** | **902 668** | |

| Losses from transactions with securities and investments | 2025 BGN '000 | 2024 BGN '000 | Change % |
|---|---|---|---|

| | | | |
|---|---|---|---|
| Losses from transactions with securities and investments | (919 643) | (805 032) | 14% |
| **TOTAL** | **(919 643)** | **(805 032)** | |
| **Net result from transactions with financial instruments** | **165 080** | **97 636** | |

| **Operating and administrative expenses** | **2025 BGN '000** | **2024 BGN '000** | **Change %** |
|---|---|---|---|
| Hired services | (229 395) | (213 544) | 7% |
| Cost of materials | (90 615) | (92 928) | -2% |
| Cost of goods sold | (24 982) | (27 852) | -10% |
| Employee benefits expense | (147 625) | (138 983) | 6% |
| Depreciation and impairment of non-financial assets | (101 291) | (103 810) | -2% |
| Changes in inventories of products and work in progress | (218) | 2 070 | -111% |
| Impairment of receivables | (60 365) | (50 420) | 20% |
| Impairment of goodwill | (68 333) | (64 441) | 6% |
| Other expenses | **(722 824)** | **(689 908)** | |

| **Other financial income, net** | **2025 BGN '000** | **2024 BGN '000** | **Change %** |
|---|---|---|---|
| Revenue from fees and commissions, net | 81 394 | 78 546 | 4% |
| Net result from foreign exchange differences | (22 396) | 5 189 | -532% |
| Other finance insurance (expenses)/incomes | (316) | (1 757) | -82% |
| Other finance income | - | 4 352 | -100% |
| **TOTAL** | **58 682** | **86 330** | |

| **Revenue from fees and commissions** | **2025 BGN '000** | **2024 BGN '000** | **Change %** |
|---|---|---|---|
| Bank transfers in Bulgaria and abroad | 38 106 | 37 090 | 3% |
| Maintenance fee on deposit accounts | 16 563 | 18 605 | -11% |
| Servicing fee for loans | 7 567 | 6 109 | 24% |
| Fee for commitments and contingencies | 1 317 | 881 | 49% |
| Other fees and commissions income, different from banks | 29 306 | 25 666 | 14% |
| Other income | 18 646 | 18 633 | 0% |
| **Revenue from fees and commissions** | **111 505** | **106 984** | |

| **Expenses for fees and commissions** | **2025 BGN '000** | **2024 BGN '000** | **Change %** |
|---|---|---|---|
| Bank transfers in Bulgaria and abroad | (23 005) | (21 072) | 9% |
| Account maintenance fees | (575) | (589) | -2% |
| Release of precious parcels | (1 415) | (1 903) | -26% |
| Transactions with securities | (739) | (526) | 40% |
| Other fees and commissions expenses, different from banks | (1 716) | (1 534) | 12% |
| Other expenses | (2 661) | (2 814) | -5% |
| **Total fees and commissions expenses** | **(30 111)** | **(28 438)** | |

**3. Information on concluded large transactions.**

In 2025, no major and significant transactions were concluded under Art. 114, para 1 of Public Offering of Securities Act.

**4. Information on the transactions concluded between the issuer, respectively the person under § 1e of the additional provisions of POSA, and related parties, during the reporting period, proposals for such transactions, as well as transactions that are outside its normal activities or significantly deviate from the market conditions under which the issuer, respectively the person under § 1e of the additional provisions of POSA or its subsidiary, is a party indicating the value of transactions, the nature of connectivity and any information necessary to assess the impact on the financial condition of the issuer, respectively the person under § 1e of the additional provisions of POSA**

| Transactions with owners | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| **Sale of goods and services, interest income and other income** | | |
| - interest income | 117 | 88 |
| - sale of services | 10 | 10 |
| - other income | 2 | 2 |
| | | |
| **Purchase of services, interest expense and other expenses** | | |
| - purchase of services | (603) | (30) |
| - interest expense | (689) | (692) |

**Transactions with associates and other related parties**

| Sale of goods and services, interest income and other income | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| **Sale of production** | | |
| - companies accounted for using the equity method | 870 | 806 |
| - other related parties | 130 | 141 |
| | | |
| **Sale of finished goods** | | |
| - companies accounted for using the equity method | 58 | 66 |
| - other related parties | 698 | 647 |
| | | |
| **Sale of services** | | |
| - companies accounted for using the equity method | 11 088 | 11 211 |
| - other related parties | 3 977 | 6 489 |
| | | |
| **Interest income** | | |
| - companies accounted for using the equity method | 30 | 69 |
| - other related parties | 3 545 | 2 755 |
| | | |
| **Other income** | | |
| - companies accounted for using the equity method | 188 | 67 |

| Sale of goods and services, interest income and other income | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| - other related parties | 612 | 209 |

| Purchases of services and interest expense | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| **Purchases of services** | | |
| - companies accounted for using the equity method | (12 082) | (11 761) |
| - other related parties | (9 049) | (7 736) |
| **Interest expense** | | |
| -companies accounted for using the equity method | (77) | (285) |
| - other related parties | (145) | (110) |

| Transactions with key management personnel: | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| **Short-term wages from Chimimport only:** | | |
| - Salaries, including bonuses | (168) | (168) |
| - Social security costs | (16) | (16) |
| - Short-term wages from subsidiaries | (1 212) | (2 717) |
| **Total short-term benefits** | **(1 396)** | **(2 901)** |

| Related party balances at year-end: | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| **Non-current Receivables from:** | | |
| -companies accounted for using the equity method | - | 1 793 |
| - other related parties under common control | 4 132 | 78 229 |
| Impairment | - | (54 447) |
| **Total non-current receivables from related parties** | **4 132** | **25 575** |

| Current Receivables from: | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| - owners | 12 525 | 3 514 |
| -companies accounted for using the equity method | 2 347 | 3 157 |
| - other related parties under common control | 114 249 | 103 056 |
| Impairment | (35 735) | (31 879) |
| **Total current receivables from related parties** | **93 386** | **77 848** |

| Non-current Payables to: | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| - owners | 3 304 | 3 304 |
| -companies accounted for using the equity method | 13 957 | 13 231 |
| - other related parties under common control | 10 003 | 9 086 |
| **Total non-current payables to related parties** | **27 264** | **25 621** |

| Current Payables to: | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| - owners | 5 896 | 19 481 |
| -companies accounted for using the equity method | 5 352 | 7 598 |

| | | |
|---|---|---|
| - other related parties under common control | 18 245 | 14 933 |
| **Total current payables to related parties** | **29 493** | **42 012** |

**Liabilities under securities repurchase agreements**

As at 31 December 2025, liabilities amounting to BGN 12 980 thousand arose from repurchase (repo) transactions with financial instruments. The maturities of the liabilities are 19 March 2025 and 11 April 2025, respectively. The repo liabilities are secured by the financial instruments subject to the repo transactions, with a total carrying amount of BGN 6 207 thousand. The agreed interest rates for the period between the transfer date and the repurchase date of the securities range up to 4.5%.

**5. Information on events and indicators of an unusual nature for the issuer, respectively the person under § 1e of the additional provisions of the Public Offering of Securities Act, having a significant impact on its activities, and the revenues and expenses incurred by it; assessment of their impact on the results in the current year.**

The external factors monitored by management for the purpose of analysing and identifying the risks faced by the Company and the Group are mainly related to the military conflicts in Ukraine and the Middle East, as well as the unstable macroeconomic environment domestically and globally, primarily as a result of geopolitical uncertainties.

Geopolitical Events

**The conflict between Russia and Ukraine**

The geopolitical uncertainty arising from the war in Ukraine, the imposed bans on the entry of aircraft from Russia, and the suspension of travel to and from Russia have had a direct impact on the operations of certain subsidiaries and associates, as part of their revenues had previously been generated from flights, passengers and related services arriving from and departing to/from the Russian Federation. All of these factors continue to affect the pace of growth in revenues from aviation activities and the related cash flows.

**The conflict in the Middle East**

Since the end of February, an escalation of tensions related to the conflict in Iran has been observed, contributing to increased geopolitical uncertainty in the region and globally. The potential consequences of these developments include heightened volatility in energy markets, additional fluctuations in the macroeconomic environment, and increased uncertainty regarding future economic conditions. Specifically, the effects on the Group are expected to relate to investments in subsidiaries whose aviation activities are directly affected by the closure of airspace and the restriction of flights in the Middle East region.

Management is monitoring developments and has considered the available information in preparing accounting estimates and assumptions. As of the present moment, no need for adjustments to the financial statements has been identified beyond the disclosures made.

**Macroeconomic uncertainties**

In assessing the going concern assumption, the current macroeconomic forecasts for the Republic of Bulgaria for 2026 published by the Bulgarian National Bank (BNB) and the Ministry of Finance have been taken into account, including:

- expected GDP growth of 3.1% in 2026;
- inflation of 3.5%, with a tendency to slow compared to 2025;
- low unemployment, stable consumption and moderate wage growth;
- expected absorption of EU funds under the National Recovery and Resilience Plan;
- transition to the euro as of 1 January 2026, which is expected to improve monetary transmission and strengthen confidence in the economic environment.

The forecasts are characterised by a high degree of uncertainty, also stemming from the external environment. The main sources of uncertainty are related to potential changes in US trade policy towards

Europe and other countries, as well as reciprocal reactions by their major trading partners. These factors could have a materially adverse impact on economic activity in Bulgaria.
In 2025, the United States announced new trade tariffs on goods from the EU and China, leading to tensions in the global trading system. According to the European Central Bank and the International Monetary Fund, such measures could result in:

- a slowdown in economic growth in the EU of up to 1.2% of GDP by the end of 2026;
- a decline in exports in key sectors such as automotive manufacturing, pharmaceuticals and electronics;
- increased uncertainty in trade relations, which may affect investment activity and exchange rates.

Management believes that although these factors represent a risk, they do not pose an immediate threat to the Company's operations.

**6. Information on off-balance sheet transactions - nature and business purpose, indication of the financial impact of the transactions on the activity, if the risk and benefits of these transactions are significant for the issuer, respectively the person under § 1e of the additional provisions of POSA, and if the disclosure of this information is essential for assessing the financial condition of the issuer under § 1e of the additional provisions of POSA**

The contingent liabilities related to the bank activity of the Group are as follows:

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Bank guarantees in BGN | 38 528 | 27 439 |
| Bank guarantees in foreign currency | 106 891 | 29 402 |
| Irrevocable commitments | 91 655 | 109 138 |
| Total contingent liabilities | **237 074** | **165 979** |

**Contingent assets, contingent liabilities and commitments**

As of 31 December 2025, the Group has contracted loans to customers for the total amount of BGN 90 020 thousand (2024: BGN 109 675 thousand), respectively. The future disbursement of this amount is subject to the borrowers meeting certain criteria, including no record of default on previous tranches of loans, provision of collateral of a certain quality and liquidity, etc.

The Group's contingent liabilities in respect of non-banking activities are as follows:

As at 31.12.2025, in connection with the requirements of IFRS 9, the Group has recognised a liability of BGN 157 thousand (2024: BGN 409 thousand) for provisions for expected credit losses related to the Group's contingent liabilities.

As of 31 December 2025 the Group has pledged investment properties with a carrying value of BGN 97 117 thousand.

As of 31 December 31 2025, the Group has assets from the Property, Plant and Equipment group pledged under bank loans with a carrying amount of BGN 11 781 thousand.

As of 31 December 2025, the Group has inventories pledged under bank loans with a carrying amount of BGN 106 thousand.

The Group is a joint and several obligor under the following bank loan agreements:

- Loan agreements between a commercial bank and M Car Club EOOD dated 31 October 2025, with a current carrying amount of the liability of BGN 1 435 thousand and a maturity date of 2

November 2029. The fair value of the pledged collateral assets owned by the borrower amounts to BGN 1 399 thousand.

- Loan agreements between a commercial bank and M Leasing EAD dated 9 August 2019, with a current carrying amount of the liability of BGN 25 645 thousand and a maturity date of 31 May 2031. The collateral provided by the borrower includes a pledge over all receivables under leasing contracts and a pledge over cash receivables on all accounts.
- Loan agreements between a commercial bank and Finance Info Assistance EOOD dated 1 September 2021, with a current carrying amount of the liability of EUR 6 799 thousand and a maturity date of 28 August 2035. The fair value of the pledged collateral assets (receivables) owned by the borrower amounts to EUR 7 310 thousand.

On 17 December 2025, four bank guarantees were issued by DSK Bank EAD with the beneficiary being the Ministry of Energy, as follows:

- bank guarantee ref. No. 116DSK21282 under a concession agreement for the extraction of crude oil and natural gas from the Marinov Geran field in the amount of BGN 400;
- bank guarantee ref. No. 116DSK21283 under a concession agreement for the extraction of crude oil from the Dolni Lukovit field in the amount of BGN 260,000;
- bank guarantee ref. No. 116DSK21284 under a concession agreement for the extraction of natural gas from the Durankulak field in the amount of BGN 70;
- bank guarantee ref. No. 116DSK21285 under a concession agreement for the extraction of crude oil from the Dolni Lukovit – West field in the amount of BGN 1 300.

The amounts of the bank guarantees represent 100% of the concession fee (royalty) for 2025, including VAT. The validity period of the guarantees is until 28 September 2027.

On 26 June 2020, a bank guarantee No. 116DSK13926 in the amount of BGN 100 000 was issued by DSK Bank EAD, securing the Group's obligations related to its registration under the Act on the Administrative Regulation of Economic Activities Related to Oil and Petroleum Products. The original validity period of the guarantee was until 24 June 2022. With Amendment No. 1 to bank guarantee No. 116DSK13926, the validity was extended to 24 December 2023. With Amendment No. 3 dated 2 June 2025, the validity was further extended to 24 June 2027.

The Group has a bank guarantee issued by Eurobank Bulgaria AD in the amount of BGN 2,600 thousand in favour of the Customs Agency, with a validity period until 5 April 2027.

During 2025, three bank guarantees were issued by Texim Bank AD with a total amount of BGN 870 thousand, with beneficiaries as follows:

- BGN 220 thousand in favour of the Ministry of Energy, with a validity period until 30 September 2026, securing participation in a procedure for selection of proposals for the implementation of investments;
- BGN 150 thousand in favour of the Ministry of Energy, with a validity period until 30 September 2026, securing participation in a procedure for selection of proposals for the implementation of investments;
- BGN 500 thousand in favour of Electricity System Operator EAD, with a validity period until 12 November 2027, securing the performance of obligations for grid connection under an agreement with ESO EAD.

The Group has entered into a bank guarantee agreement securing a potential claim for repayment of an advance payment in favour of the Contracting Authority, in relation to an obligation of the Consortium Energoproekt – Royal Haskoning under a design contract for an Intermodal Terminal, in the amount of BGN 1 684 thousand, reduced to BGN 1 200 thousand. The validity period is until and including 30 June 2026. The collateral provided includes bank guarantees and a pledge over receivables.

The Group has also entered into a bank guarantee agreement for due performance in favour of the Contracting Authority, in relation to the performance of an obligation of the Consortium Energoproekt – Royal Haskoning under a design contract for an Intermodal Terminal, in the amount of BGN 263 thousand, with a validity period until 30 June 2026. The collateral provided is a surety agreement.

Under a concession agreement, the Group has undertaken obligations to operate and maintain Port Terminal Balchik, a territorially distinct area of the Port for Public Transport of National Significance – Varna, to carry out investments in accordance with an Investment Programme, to maintain a specified average annual cargo throughput, and to implement a defined social programme for personnel.

Under the concession agreement, the Group undertakes to:

- maintain Port Terminal Balchik in operational condition for the duration of the concession;
- provide port services without the right to subcontract such services;
- carry out the investments under the approved Investment Programme, with mandatory investments for the first two years of the concession amounting to no less than BGN 1,098 thousand, and no less than BGN 3,475 thousand for the entire term of the agreement;
- prepare and submit for approval by the Grantor annual investment programmes for the concession object;
- obtain prior coordination and approval from the Grantor for making improvements to the concession object;
- pay the concession fee in the amount, under the terms, in the manner and within the deadlines specified in the concession agreement;
- insure the concession object;
- maintain performance bank guarantees for the term of the agreement;
- fulfil the commitments made in the Business Proposal and the proposal for average annual cargo throughput.

The Concessionaire undertakes to provide and maintain for each successive year of the concession agreement new, confirmed, unconditional and irrevocable annual bank guarantees issued by banks approved by the Grantor, as follows:

- a guarantee in the amount of EUR 220 thousand (BGN 430 thousand) to secure the performance of the concession agreement, including obligations for payment of concession fees, cargo throughput, interest, penalties and other obligations specified in the concession agreement.

On 25 March 2025, an agreement was concluded for the issuance of a bank guarantee in the amount of EUR 220 thousand, with a validity period until 31 July 2026. The bank guarantee agreement was concluded to secure the performance of the Group's obligations under the concession agreement.

On 20 October 2010, an agreement entered into force between a Group company and the Ministry of Transport, Information Technology and Communications regarding a service concession over the port terminal "Vidin – North" and the port terminal "Vidin Ferry Complex", parts of the Port for Public Transport of National Significance – Vidin. The agreement was concluded for a term of 30 years. On 24 February 2021, an Additional Agreement was signed extending the term to 40 years.

The concession fee includes:

- a one-off concession fee in the amount of BGN 100 thousand;
- annual concession fees consisting of a fixed and a variable component.

The fixed annual concession fee amounts to EUR 44 thousand (BGN 87 thousand).

Under the concession agreement, the Group undertakes to:

- operate and maintain the concession object at its own risk;
- update the master plan of the Port of Vidin with respect to the port terminals that are the object of the concession;
- carry out investments in accordance with the approved annual investment programmes;
- develop and submit annual investment programmes for approval by the Grantor by 30 October of the preceding year;

- obtain prior coordination and approval from the Minister of Transport, Information Technology and Communications for improvements to the concession object not included in the respective annual investment programme;
- not change the intended use of the concession object;
- provide and maintain bank guarantees.

The concession agreement is terminated upon expiry of its term, by mutual consent, due to circumstances under the Concessions Act, or due to culpable non-performance by one of the parties.

During the period from 1 January 2025 to 31 December 2025, the Group undertook to carry out investments in the port terminals “Vidin – North” and “Vidin Ferry Complex” amounting to BGN 55 thousand. The recognised (paid) amount of investments made in the terminals as at 31 December 2025 amounts to BGN 63 thousand.

In 2013, an agreement entered into force between a Group company and the Ministry of Transport, Information Technology and Communications regarding a service concession for Port Terminal Nikopol, part of the Port for Public Transport of National Significance – Ruse. The agreement was concluded for a term of 35 years and also provides for a grace period of 60 (sixty) months commencing from the effective date of the concession agreement.

The concession fee includes:

- a one-off concession fee in the amount of BGN 5 thousand;
- annual concession fees consisting of a fixed and a variable component.

The annual concession payment consists of two parts:

- a fixed portion of the annual concession payment amounting to BGN 3 thousand (excluding VAT);
- a variable portion amounting to 3% of the total net revenues from all activities for the current year related to the use of the concession object.

For the duration of the concession, the Group undertakes to perform construction and installation works and activities related to maintenance, rehabilitation, reconstruction and expansion of the port terminal, as well as to provide and maintain port equipment and other assets and programmes, by type, scope and value, in the amount of BGN 57 thousand excluding VAT.

Under the concession agreement, the Group undertakes to:

- manage port services and the concession object;
- implement the proposed plans and programmes;
- achieve an average annual cargo throughput of at least 1,600 (one thousand six hundred) standard transport units within the first five years from the effective date of the concession agreement and to achieve an average annual cargo throughput not lower than the proposed level within each subsequent two-year period of the remaining concession term;
- provide and maintain confirmed, unconditional and irrevocable annual guarantees issued by banks approved by the Grantor;
- insure and maintain, at its own expense and in favour of the Grantor, appropriate and sufficient insurance coverage for the concession object corresponding to the performed activities.

The concession agreement is terminated upon expiry of its term, by mutual consent, due to circumstances provided for under the Concessions Act, or due to culpable non-performance of the obligations by either party.

During the period from 1 January 2025 to 31 December 2025, a Group company undertook an obligation to carry out investments in Port Terminal Nikopol, part of the Port for Public Transport of National Significance.

In connection with the concluded concession agreements, bank guarantees with a total value of BGN 455 thousand are required to be maintained.

On 6 March 2013, an agreement entered into force between the Group and the Ministry of Transport, Information Technology and Communications for granting a concession for "Port Terminal Lom" – part of the Port for Public Transport of National Significance – Lom, public state property, for a term of 35 years.
Under the concession agreement, the Group undertakes to:

- pay the due concession fees (a one-off concession fee of BGN 150 thousand excluding VAT and annual concession payments consisting of a fixed and a variable component);
- provide port services at its own risk, ensuring continuity of services and access to terminals and port services for not less than 8 hours per day;
- maintain and operate the concession object at its own risk, with due care of a prudent trader and in compliance with the applicable legislation governing activities and actions arising from the concession agreement;
- during the period from 1 January 2025 to 31 December 2025, investments of BGN 504 thousand were made against planned investments of BGN 550 thousand under the investment programme;
- publicly disclose the prices and terms of the port services provided, as well as any applicable discounts;
- maintain the port terminal infrastructure in good operational condition, performing the necessary repairs at its own expense.

As a result of an open procedure for granting a concession for the Port for Public Transport of Regional Significance "Pristis", and pursuant to Resolution No. 707 of the Municipal Council of Ruse adopted by Minutes No. 28 dated 14 December 2017, the Group was designated as concessionaire of Port "Pristis". On 4 January 2018, a concession agreement was signed between the Municipal Council of Ruse, represented by the Mayor of Ruse Municipality, and the Group for granting a concession for the Port for Public Transport of Regional Significance "Pristis" – public municipal property. The agreement entered into force on 1 April 2019 and has a term of 35 years.
Upon the entry into force of the concession agreement, the agreement for granting access for the provision of port services at the Port for Public Transport of Regional Significance "Pristis" was terminated.
Under the concession agreement, the Group undertakes to:

- make annual concession payments consisting of two components – a fixed component amounting to BGN 54 thousand and a variable component depending on the activity performed;
- manage and maintain the concession object at its own risk, in accordance with good engineering and operational practices, exercising due care of a prudent trader and in compliance with applicable legislation;
- maintain the port in operational condition and the port infrastructure in good working order, performing the necessary repairs at its own expense;
- provide port services at its own risk, ensuring service continuity for not less than 8 hours per day;
- carry out investments in accordance with the approved annual investment programmes;
- achieve annual cargo throughput defined in standard transport units, where one standard transport unit represents each served passenger and/or vessel call multiplied by 10.

According to the investment programme for 2025 approved by Ruse Municipality, the Group company is required to carry out investments for rehabilitation, maintenance and acquisition of assets amounting to BGN 5 thousand. During 2025, investments of BGN 1 thousand were made, with the difference to be offset against excess investments made in prior years in accordance with the concession agreement.
Management's actions in the next reporting period will be focused on fulfilling the undertaken concession obligations under the 2026 investment programme. According to the programme approved by Ruse Municipality for 2026, no investments are planned.

In execution of the concession agreement for the Port for Public Transport of Regional Significance "Pristis" – public municipal property, a performance bank guarantee was issued to Port Pristis OOD in the amount of BGN 100,000, with a validity period until 1 March 2028.

On 29 July 2021, an agreement was signed between a Group company and the Ministry of Transport, Information Technology and Communications for a construction concession for the project "Port Terminal with Winter Harbour – Ruse", part of the Port for Public Transport – Ruse, public state property, with a concession term of 35 years.

The concession fee includes:

- a one-off concession fee of BGN 7 thousand;
- annual concession fees consisting of a fixed and a variable component.

The fixed annual concession fee amounts to BGN 22 thousand, while the variable component is 2% of total revenues.

Under the concession agreement, the Group undertakes to:

- provide asset management services for the Port Terminal with Winter Harbour – Ruse;
- handle cargo and mail;
- provide marine and technical port services.

By 31 December 2026, the Group has undertaken to make investments amounting to BGN 545 thousand. Pursuant to a concession agreement, the Group has undertaken obligations to operate, maintain and make development investments in Lesport Port Terminal; to implement annual investment programmes; to maintain a specified average annual cargo throughput; to maintain performance bank guarantees for the term of the agreement; and to apply a defined social programme for personnel.

The concessionaire undertakes to provide and maintain for each successive year of the concession term confirmed, unconditional and irrevocable bank guarantees as follows:

- a guarantee for performance of the Investment Programme amounting to 15% of the value of the planned investments for the respective year;
- a guarantee in the amount of EUR 256 thousand (BGN 501 thousand) for performance of the agreement, including obligations for payment of concession fees, cargo throughput, interest and penalties specified in the agreement.

As at 31 December 2025, the Group has entered into a Framework Agreement for the issuance of bank guarantees with a commercial bank in the total amount of BGN 500 thousand, with a term until 28 January 2028. As collateral under the agreement, non-current assets of "Lesport Port" AD have been pledged. The following bank guarantees are included under this framework:

- BGN 42 thousand for performance of obligations for 2025 in favour of the Ministry of Transport and Communications, valid until 1 June 2026;
- BGN 48 thousand for performance of obligations for 2026 in favour of the Ministry of Transport and Communications, valid until 1 June 2027.

As at 31 December 2025, the bank guarantee in favour of the Ministry of Transport and Communications in the amount of EUR 256 thousand, securing due performance for the entire term of the concession agreement, is valid until 28 January 2028 and is secured by a pledge over cash funds of a related party under common control.

In 2026, the Group is required to make investments amounting to BGN 317 thousand. According to the approved investment programme for 2026, investments are to be made in the following areas:

- Operational readiness – BGN 177 thousand;
- Consultancy services related to the implementation of the concession agreement – BGN 140 thousand.

The deadline for completion of these investments is 31 December 2026.

**7. Information on share participations of the issuer, respectively the person under § 1e of the additional provisions of POSA, for its main investments in the country and abroad (in securities, financial instruments, intangible assets and real estate), as well as investments in equity securities outside its group of enterprises within the meaning of the Accounting Act and the sources / methods of financing.**

**Investments accounted for using the equity method**

| | 2025 BGN' 000 | 2024 BGN' 000 |
|---|---|---|
| Investments in associates | 25 637 | 24 957 |
| Investments in joint ventures | 1 714 | 1 986 |
| **Total investments accounted for using the equity method** | **27 351** | **26 943** |
| **Gain from investments under equity method** | **5 283** | **5 661** |

Investments in associates are presented in the financial statements of the Group using the equity method. Associates have a reporting date as at 31 December. The carrying amount of the Group's investments and percentage of participation in the voting rights and equity of associates may be presented as follows:

| Name of the associate | Country of incorporation and principal place of business | Main activities | 2025 BGN '000 | Share % | 2024 BGN '000 | Share % |
|---|---|---|---|---|---|---|
| Lufthansa Technik Sofia OOD | Bulgaria | Aircraft repair activity | 8 236 | 24.90% | 9 117 | 24.90% |
| Swissport Bulgaria AD | Bulgaria | Ground handling services | 2 997 | 49.00% | 3 665 | 49.00% |
| Silver Wings Bulgaria OOD | Bulgaria | Catering services | 3 299 | 42.50% | 3 461 | 42.50% |
| VTC AD | Bulgaria | Maritime and port services | 7 449 | 41.00% | 6 221 | 41.00% |
| Kavarna Gas OOD | Bulgaria | Gas transmission services | 551 | 35.00% | 544 | 35.00% |
| Amadeus Bulgaria OOD | Bulgaria | Reservation services | 354 | 44.99% | 351 | 44.99% |
| Dufry Sofia OOD | Bulgaria | Duty free shop | 2 751 | 20.00% | 1 598 | 20.00% |
| | | | **25 637** | | **24 957** | |

Summary of financial information about the significant associates of the Group is presented below. It reflects the amount presented in the financial statements of the associate concerned after adjustments in connection with the application of the equity method:

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Non-current assets | 154 578 | 158 038 |
| Current assets | 97 044 | 103 237 |
| **Total assets** | **251 622** | **261 275** |
| | | |
| Non-current liabilities | 97 149 | 119 714 |
| Current liabilities | 73 474 | 64 279 |
| **Total liabilities** | **170 623** | **183 993** |
| **Net assets** | **80 999** | **77 282** |
| | | |
| **Revenues** | 398 721 | 350 271 |
| **Profit for the period** | 23 084 | 19 754 |
| **Profit after taxes** | 20 306 | 17 324 |
| **Other comprehensive income/(loss)** | (122) | (335) |
| **Total comprehensive income for the year** | **20 184** | **16 989** |

A reconciliation of the financial information set out above with the carrying amount of investments in significant associates is presented as follows:

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Total net assets as of January 1 | 77 282 | 73 523 |
| Change from net assets of companies acquired during the period | (5) | (52) |
| Profit for the year | 20 306 | 17 324 |
| Other comprehensive (loss)/income for the year | (122) | (335) |
| Dividends paid | (16 462) | (13 178) |
| **Total net assets as of December 31** | **80 999** | **77 282** |
| | | |
| Share participation of the Group (in thousand BGN) | 25 637 | 24 866 |
| Reputation | - | 91 |
| **Carrying value of investment** | **25 637** | **24 957** |
| | | |
| **Share of the Group's profits in profits and losses** | **5 426** | **5 055** |
| Share of other comprehensive income for the Group | (31) | (102) |
| **Share of total comprehensive income for the Group** | **5 395** | **4 953** |
| | | |
| Impairment of goodwill | **-** | **-** |
| **Gain of investments in associates recognized in Consolidated statement of profit or loss and other comprehensive income** | **5 426** | **5 055** |

All transfers of cash to the Group, e.g. payment of dividends is made after the approval of at least 51% of all owners of associates. In 2025 and 2024, the Group received dividends amounting to TBGN 5 130 and TBGN 3 901 by associates.

### Investments in joint ventures

Investments in joint ventures are accounted using the equity method. Joint ventures have a reporting date as at 31 December. The carrying amount of the Group's investments and percentage of participation in the voting rights and equity of joint ventures may be presented as follows:

| Name of the joint venture | Country of incorporation and principal place of business | Main activities | 2025 BGN '000 | Share % | 2024 BGN '000 | Share % |
|---|---|---|---|---|---|---|
| Nuance BG AD | Bulgaria | Duty free trade | 1 118 | 50% | 1 502 | 50% |
| Bulgaria Air – Direction DZZD | Bulgaria | Sale of airline tickets and hotel accommodation | 264 | 90% | 241 | 90% |
| Consortium Bulgaria Air and Direction DZZD | Bulgaria | Sale of airline tickets and hotel accommodation | 146 | 70% | 95 | 70% |
| Bulgaria Air and Direction Keti DZZD | Bulgaria | Sale of airline tickets and hotel accommodation | 103 | 60% | 18 | 60% |
| Senshi Academy DZZD | Bulgaria | Sports activity | 83 | 70% | 130 | 70% |
| | | | **1 714** | | **1 986** | |

Summary of financial information of the Group's major joint ventures is presented below. It reflects the amounts presented in the financial statements of the associate concerned after adjustments in connection with the application of the equity method (including fair value adjustments) or adjustments for differences in accounting policies:

| | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| Non-current assets | 11 644 | 5 947 |
| Current assets | 9 188 | 10 377 |
| **Total assets** | **20 832** | **16 324** |
| | | |
| Non-current liabilities | 7 548 | 2 036 |
| Current liabilities | 10 254 | 10 665 |
| **Total liabilities** | **17 802** | **12 701** |
| **Net assets** | **3 030** | **3 623** |
| | | |
| **Revenues** | 63 435 | 51 658 |
| **Profit/(loss) for the period** | (478) | 1 255 |
| **Profit/(loss) after taxes** | (409) | 1 089 |
| **Total comprehensive income/(loss) for the year** | **(409)** | **1 089** |

A reconciliation of the financial information set out above with the carrying amount of investments in significant joint ventures is presented as follows:

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Total net assets as of January 1 | 3 623 | (8 653) |
| Change in net assets acquired and sold during the period | 1 | 14 577 |
| Profit for the year | (409) | 1 089 |
| Dividends paid | (185) | (3 390) |
| **Total net assets as of December 31** | **3 030** | **3 623** |
| | | |
| Share participation of the Group (in thousand BGN) | (143) | 606 |
| Share of loss not recognised by the Group | - | - |
| **Carrying value of investment** | **(143)** | **606** |

All cash transfers to the Group, e.g. dividend payments, are made after approval by the joint ventures. In 2025, the Group did not received dividends from joint ventures (2024: BGN 1 781 thousand).

**Financial assets at fair value through profit or loss**

Financial assets measured at fair value through profit or loss can be summarized as follows:

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Financial assets measured at fair value through profit or loss: | | |
| Corporate shares and rights | 1 709 449 | 1 532 292 |
| Bulgarian and foreign corporate bonds | 574 679 | 346 700 |
| Medium-term Bulgarian government securities | 67 474 | 83 076 |
| Long-term Bulgarian government securities | 290 902 | 96 806 |
| Securities issued or guaranteed in other countries | 482 086 | 873 308 |
| Derivatives held for trading | - | 306 |
| | **3 124 590** | **2 932 488** |

Financial assets are measured at fair value based on stock quotes at the date of the financial statements or on the basis of estimates by independent valuers as at the date of the financial statements.

Gains and losses are recognized in the consolidated statement of profit or loss and other comprehensive income within "Result from operations with financial instruments".

**Debt instruments at fair value through other comprehensive income**

The financial assets at fair value through other comprehensive income, including bonds and government securities, is presented as follows:

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Bonds | 1 002 573 | 817 180 |
| Government securities | 6 743 | 20 815 |
| **Total debt instruments at fair value through other comprehensive income** | **1 009 316** | **837 995** |

As of 31 December 2025, the financial assets measured at fair value in other comprehensive income formed a related impairment loss amounting to BGN 9 934 thousand (2024: BGN 8 126 thousand), which is reflected in the equity and did not reduce the book value of the assets.

**Equity instruments at fair value through other comprehensive income**

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Quoted equity instruments | 15 636 | 14 776 |
| Unquoted equity instruments | 50 292 | 51 616 |
| **Total equity instruments at fair value through other comprehensive income** | **65 928** | **66 382** |

**Debt instruments measured at amortized cost**

As at 31 December 2025, debt instruments measured at amortized cost consist of Bulgarian government bonds, government bonds of EU countries, Bulgarian corporate bonds and foreign corporate bonds, including the amount of accrued interest and discount / premium on the basis of their original maturity, as follows:

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Bulgarian government Bonds | 869 158 | 834 258 |
| Foreign government bonds | 1 185 584 | 1 046 168 |
| Bulgarian corporate bonds | - | 7 963 |
| Foreign corporate bonds | 26 148 | 31 667 |
| Impairment loss | (802) | (2 119) |
| **Debt instruments measured at amortized cost** | **2 080 088** | **1 917 937** |

As of 31 December 2025, government bonds issued by the Bulgarian government amounting to BGN 568 945 thousand (2024: BGN 423 401 thousand) are pledged as collateral for servicing budget accounts on the grounds of art. 152 of the Public Finance Act.

**8. Information on the loan agreements concluded by the issuer, respectively the person under § 1e of the additional provisions of the Public Offering of Securities Act, by its subsidiary, in their capacity as borrowers, indicating the terms and conditions, including payment deadlines, as well as information on provided guarantees and commitments**

BANK ACTIVITY

**Liabilities to depositors are presented as follows:**

| Analysis by term and type of currency: | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| On-demand deposits | | |
| in BGN | 3 991 307 | 3 089 242 |
| in foreign currency | 512 850 | 389 363 |
| | **4 504 157** | **3 478 605** |
| Term deposits | | |
| in BGN | 1 469 517 | 1 535 449 |
| in foreign currency | 1 580 383 | 1 506 478 |
| | **3 049 900** | **3 041 927** |
| Savings accounts | | |
| in BGN | 1 403 648 | 1 319 020 |
| in foreign currency | 481 421 | 499 154 |
| | **1 885 069** | **1 818 174** |
| Other deposits | | |
| in BGN | 1 166 | 1 221 |
| in foreign currency | 137 | 14 708 |
| | **1 303** | **15 929** |
| **Total liabilities to depositors** | **9 440 429** | **8 354 635** |

| Analysis by term and type of currency: | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| Individual deposits | | |
| in BGN | 4 991 687 | 4 311 150 |
| in foreign currency | 2 037 615 | 2 087 632 |
| | **7 029 302** | **6 398 782** |
| Legal entities deposits | | |
| in BGN | 1 893 507 | 1 653 340 |
| in foreign currency | 422 950 | 259 346 |
| | **2 316 457** | **1 912 686** |
| Deposits of other institutions | | |
| in BGN | - | - |
| in foreign currency | 94 670 | 43 167 |
| | **94 670** | **43 167** |
| **Total liabilities to depositors** | **9 440 429** | **8 354 635** |

**Other financial liabilities**

| | Current | | Non-current | |
|---|---|---|---|---|
| | 2025 BGN '000 | 2024 BGN '000 | 2025 BGN '000 | 2024 BGN '000 |
| **Financial liabilities measured at fair value** | | | | |
| Derivatives held for trading | - | 19 | - | - |
| **Financial liabilities measured at amortized cost:** | | | | |
| Bonds and debenture loan | 7 427 | 6 582 | 44 241 | 51 241 |
| Bank borrowings | 20 075 | 21 923 | 47 617 | 50 770 |
| Other borrowings and financing | 16 511 | 15 600 | 17 283 | 5 505 |
| Deposits from banks | 23 346 | 13 508 | - | - |
| Cession liabilities | 25 388 | 37 725 | 13 001 | 12 471 |
| Liabilities under repurchase agreements | 12 980 | 12 787 | - | - |
| Trade payables | 102 657 | 97 296 | 331 | 522 |
| Payables to related parties | 29 493 | 42 012 | 27 264 | 25 621 |
| **Total carrying amount** | **237 877** | **247 452** | **149 737** | **146 130** |

**Bonds and debenture loans**

The bond loans received by the Group are as follows:

| | Current | | Non-current | |
|---|---|---|---|---|
| | 2025 BGN '000 | 2024 BGN '000 | 2025 BGN '000 | 2024 BGN '000 |
| **Bonds and debenture loans** | 7 427 | 6 582 | 44 241 | 51 241 |

The carrying amount of the Group's liabilities under the above bond loans as at 31 December 2025 amounts to BGN 51 668 thousand (2024: BGN 57 823 thousand) and has been calculated using the effective interest rate method.

The bond loans of subsidiaries within the Group include:

1) A bond loan with ISIN code BG2100018188, representing an issue of ordinary, dematerialised, registered, interest-bearing, unsecured, non-convertible bonds with a total nominal value of BGN 15 000 thousand, admitted to trading on the Bulgarian Stock Exchange AD as of 26 September 2019. The nominal value of one bond is BGN 1 thousand. The maturity date of the issue was 28 December 2025, with the first principal repayment (out of ten semi-annual instalments) due on 28 June 2022. The interest rate was 3.6% per annum, with interest payable semi-annually. In December 2025, the bond issue was fully repaid and closed.

2) A bond loan with ISIN code BG2100001218, representing an issue of ordinary, dematerialised, registered, interest-bearing, unsecured, non-convertible bonds with a total nominal value of BGN 15 000 thousand, admitted to trading on the Bulgarian Stock Exchange AD as of 13 July 2022. The nominal value of one bond is BGN 1 thousand. The maturity date of the issue is 19 January 2028, with the first principal

repayment (out of ten semi-annual instalments) due on 19 July 2023. The interest rate is 3.7% per annum, with interest payable semi-annually.

3) The Group entered into a bond loan in the amount of BGN 20 000 thousand, consisting of 20 000 bonds with a nominal value of BGN 1 000 each. The bond loan was issued on 30 July 2021 with a maturity date of 30 July 2030. Interest payments are due annually on 30 January and 30 July.

Payments under the bond loan are serviced by Central Depository AD. The first principal repayment date is 30 January 2026.

The bond loan is secured by real estate – land and buildings – with a carrying amount of BGN 3 320 thousand for the buildings and BGN 962 thousand for the land.

4) In December 2013, an issue of convertible bonds was issued through a public offering in the amount of EUR 36 000 000, divided into 36 000 bonds with a nominal value of EUR 1 000 each. The bonds are subordinated, unsecured, interest-bearing, freely transferable, dematerialised and convertible into ordinary shares. The bond loan was issued for a term of 7 years with an annual interest rate of 4.5%, with repayment of principal in a single instalment on the original maturity date of the issue – 10 December 2020. According to the terms of the issue, bondholders have no right to early repayment of interest and principal, including in the event of default by the issuer, except under certain conditions at the time of payment and subject to prior approval by the Bulgarian National Bank (BNB). Amendments to the terms and conditions of the bond issue may be made only with the prior written approval of the BNB.

Following approval by the BNB and a resolution adopted at the Bondholders' General Meeting held on 15 November 2023, the terms of the convertible bond issue were amended. The maturity date of the principal was extended from 10 December 2028 to 10 December 2033, and the interest rate was increased from 2.75% to 3.60% per annum, effective from 11 December 2023. The Bank has not recognised an effect from the modification of the financial liability.

**Bank loans**

The Group's bank loans represent funds received from Bulgarian banks and are intended to finance the Group's investment projects and to support the ongoing operating activities of the companies within the Group. Bank loans are classified according to their maturity, as agreed at the time each loan was granted.

| | Current | | Non-current | |
|---|---|---|---|---|
| | 2025 BGN '000 | 2024 BGN '000 | 2025 BGN '000 | 2024 BGN '000 |
| **Bank loans** | 20 075 | 21 923 | 47 617 | 50 770 |

**Non-current bank borrowings**

| | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| **Revolving and investment bank loans** | 47 617 | 50 770 |

**Investment loans**

The Group has obtained the following bank loans for investment purposes:

- The Company has a second investment bank loan agreement concluded on 1 November 2016. The amount of the loan granted is BGN 12 713 thousand. Principal repayments are made in BGN in accordance with an agreed repayment schedule starting from 31 October 2018. The interest rate under the agreement is determined as the sum of the “Averaged Deposit Index” plus a margin. The maturity date of the loan is 30 September 2028. The loan is secured by a contractual mortgage over land and buildings constructed thereon, a parking area and two checkpoints, as well as by receivables of the Group arising from a lease agreement concluded with a tenant.

- The Group has obtained three secured bank loans granted by a Bulgarian commercial bank. The loans are denominated in Bulgarian leva and have agreed amounts of BGN 6 000 thousand, BGN 8 944 thousand and BGN 3 250 thousand, respectively. The interest rates on the loans are 4% and 5%, with maturities in 2028. Two of the loans are secured by pledges over Bulgarian government securities owned by a company within the Chimimport AD Group, with a nominal value of BGN 8 900 thousand and maturity in May 2030 for one loan, and a nominal value of BGN 3 475 thousand with maturity in January 2032 for the other. One of the loans is secured by a pledge over cash funds amounting to BGN 714 thousand, which are blocked until repayment, financial risk insurance with validity until February 2026 in the amount of BGN 5 288 thousand, a pledge under the Special Pledges Act over cash funds on a deposit account owned by the sole owner amounting to BGN 860 thousand, and a pledge under the Special Pledges Act over cash funds on a deposit account owned by another related party under common control amounting to BGN 3 300 thousand. The sole owner of the Company acts as a guarantor for this loan.

- The Group is a party to an investment bank loan agreement concluded on 1 November 2016 in the amount of BGN 12 713 thousand. Repayment of the principal is made in BGN in accordance with an agreed repayment schedule starting from 31 October 2018. The interest rate is determined as the sum of the “Averaged Deposit Index” plus a margin of 2.727%. The maturity date of the loan is 30 September 2028. As at 31 December 2025, the outstanding liability amounts to BGN 3 496 thousand (2024: BGN 4 767 thousand), of which BGN 2 225 thousand represents the long-term portion of the principal (2024: BGN 3 496 thousand) and BGN 1 271 thousand represents the current portion of the principal (2024: BGN 1 271 thousand). The loan is secured by receivables of the Company arising from a lease agreement with a tenant.

- The Group is a party to an investment bank loan agreement concluded on 11 August 2017 for financing the full reconstruction and major overhaul of a building, with a maturity date of 30 December 2028. The interest rate is determined annually as the sum of the applicable variable base interest rate index for the relevant interest period and a margin of 2.738%. The loan is secured by a mortgage over real estate in Sofia, as well as pledges over shares and receivables owned by the Group.

- The Group is a party to an investment bank loan agreement concluded on 14 December 2021 with a maturity date of 31 January 2029. The annual interest rate is determined as the sum of the applicable variable base interest rate index and a margin of 2.738%. The loan is secured by a mortgage over real estate in Sofia, as well as pledges over shares and receivables owned by the Group.

- The Group is a party to an investment bank loan agreement concluded on 28 April 2021 with a maturity date of 20 April 2025. The interest rate on the loan is determined as the base interest rate in BGN of 2.5% plus a contractual credit risk margin of 0.35%, or a total contractual interest rate of 2.85%. To secure the loan, the Group has pledged buildings, machinery and equipment.

- The Group is a party to a bank loan agreement granted on 31 October 2025 for working capital, with a maturity date of 31 May 2028. The annual interest rate is 4.99%. The loan is secured by a special pledge over all present and future receivables on the accounts of Bulgaria Air and Posoka DZZD, Bulgaria Air – Posoka DZZD and "Bulgaria Air" AD opened with the Bulgarian Development Bank.

- The Group is a party to an overdraft bank loan agreement concluded on 25 September 2020 for working capital, with a maturity date of 20 September 2026. The annual interest rate is determined as the sum of the variable base interest rate (BIR) in BGN and a contractual credit risk margin of 1.3%. Currently, the total agreed interest rate amounts to 5.4%. The loan is secured by a special pledge over all present and future receivables on the accounts opened with the lending bank of the subsidiary.

**Revolving loans**

- The Group is a party to a revolving bank loan agreement concluded on 21 June 2013, with a maturity date of 20 December 2029. The interest rate is determined as three-month EURIBOR plus a margin of 3 percentage points, but not less than 6%. The loan is secured by mortgages over real estate and pledges over property, plant and equipment in accordance with the Special Pledges Act.

- The Group is a party to an investment bank loan agreement concluded on 21 June 2013, with a maturity date of 20 December 2029. The interest rate is determined as three-month EURIBOR plus a margin of 3 percentage points, but not less than 6.5%. The loan is secured by mortgages over real estate and pledges over property, plant and equipment in accordance with the Special Pledges Act.

- The Group is a party to an overdraft loan agreement concluded on 31 January 2018 in the amount of EUR 2 240 thousand (BGN 4 381 thousand), with a maturity date of 31 January 2026. The loan is secured by bank deposits. The annual interest rate is determined based on the base interest rate plus a margin of 0.8%.

**Current bank borrowings**

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| **Current revolving and investment loans** | 20 075 | 21 923 |

**Investment loans**

The Group has obtained the following bank loans for investment purposes:

- The Group has an investment bank loan agreement concluded on 23 December 2015. The amount of the loan granted is BGN 78 233 thousand, disbursed in three main tranches. The funds were used to refinance two bank loans to another bank and to finance an investment project of the Group. The maturity date of the loan was 31 December 2025. By year-end, the loan was fully repaid and settled, and the Group has no outstanding liability (2024: BGN 11 959 thousand).

- The Group has obtained three secured bank loans granted by a Bulgarian commercial bank. The loans are denominated in Bulgarian leva and have agreed amounts of BGN 6 000 thousand, BGN

8 944 thousand and BGN 3 250 thousand, respectively. The interest rates on the loans are 4% and 5%, with maturities in 2025 and 2026. Two of the loans are secured by pledges over Bulgarian government securities owned by the Group, with a nominal value of BGN 8 950 thousand and maturity in April 2025 for one loan, and a nominal value of BGN 3 500 thousand with issue maturity also in April 2025 for the other. One of the loans is secured by a pledge over cash funds amounting to BGN 714 thousand, which are blocked until repayment, as well as by financial risk insurance with a validity period until February 2025 in the amount of BGN 5 288 thousand.

- The Group is a party to an investment bank loan agreement concluded on 28 April 2021, with a maturity date of 20 April 2025. The interest rate on the loan is the base interest rate in BGN of 2.5% plus a contractual credit risk margin of 0.35%, resulting in a total contractual interest rate of 2.85%. The loan is secured by buildings, machinery and equipment pledged by the Group.

**Revolving loans**

- A bank overdraft facility agreement for working capital was concluded on 1 August 2018, with a maturity date of 20 August 2027. The annual interest rate is 5.2%, consisting of the bank's base interest rate plus 12-month EURIBOR. The loan is secured by a pledge over receivables on settlement accounts with the lending bank and a special pledge over goods intended for duty-free trade on board aircraft and/or in a specialised shop, with a total value of goods up to BGN 111 thousand.

- On 2 November 2023, a Group company concluded a working capital loan agreement in the amount of BGN 500 thousand, bearing annual interest at the Bulgarian interbank deposit interest index (BDIYL) in BGN plus a margin of 4 percentage points, or a minimum total contractual interest rate of 4%. As at 31 December 2024, the outstanding liability amounted to BGN 261 thousand and is to be repaid in the subsequent reporting period.

The loan is secured by machinery and equipment with a carrying amount of BGN 465 thousand.

- The Group is a party to an overdraft loan agreement concluded on 16 August 2024 for working capital purposes, with a maturity date of 20 August 2027. The annual interest rate is determined as the sum of the variable base interest rate (BIR) in BGN and a contractual credit risk margin of 0.2%. Currently, the total agreed interest rate amounts to 4.3%. The loan is secured by a pledge over receivables on settlement accounts with the lending bank.

**Other borrowings, financing and liabilities**

| | Current | | Non-current | |
|---|---|---|---|---|
| | 2025 BGN '000 | 2024 BGN '000 | 2025 BGN '000 | 2024 BGN '000 |
| **Other borrowings and financing** | 16 511 | 15 600 | 17 283 | 5 505 |

**Other non-current borrowings, financing and liabilities**

| | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| Non-current borrowings | 17 283 | 5 505 |
| Financing from State Agricultural Fund | - | - |
| **TOTAL** | **17 283** | **5 505** |

Other non-current borrowings are received under annual interest rates from 3% to 8% depending on the contract period, received from third parties. The long-term borrowing is not secured. Payments are concluded in the currency, in which they were granted.

**Other current borrowings**

| | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| Current borrowings | 16 511 | 15 600 |
| **TOTAL** | **16 511** | **15 600** |

Other current borrowings are received under annual interest rates from 3% to 8% depending on the contracted period. The loans are classified according to their repayment deadline, which is 2026. The fair value of the loans is not separately determined as the management considers that the carrying amount of the loans is a reasonable approximation of their fair value.

**Deposits from banks**

| | Current | |
|---|---|---|
| | 2025 BGN '000 | 2024 BGN '000 |
| Demand deposits – local banks | | |
| -in Bulgarian leva | 376 | 2 136 |
| -in foreign currency | 15 539 | 7 162 |
| | | |
| Demand deposits from foreign banks in foreign currency | 5 560 | 3 055 |
| Demand deposits from foreign banks in BGN | 14 | 21 |
| Term deposits from foreign banks in foreign currency | - | - |
| Term deposits from Bulgarian banks in foreign currency | 1 857 | 1 134 |
| | **23 346** | **14 749** |

**9. Information on the loans granted by the issuer, respectively by a person under § 1e of the Additional Provisions of the Public Offering of Securities Act, or by their subsidiaries, providing guarantees or assuming obligations to one person or his subsidiary, including related parties names or title and UIC of the person, the nature of the relationship between the issuer, respectively the person under § 1e of the additional provisions of the POSA, or their subsidiaries and the borrower, the amount of outstanding principal, interest rate, contract date, deadline repayment, amount of the commitment, specific conditions other than those specified in this provision, as well as the purpose for which they were granted, if they were concluded as earmarked.**

**Loans and advances to bank clients**

Loans and advances can be summarized as follows:

**(a) Analysis by customer type**

| | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| Individuals: | | |
| In BGN | 1 661 111 | 1 488 745 |

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| In foreign currency | 314 632 | 281 152 |
| Legal entities: | | |
| In BGN | 1 198 381 | 1 261 544 |
| In foreign currency | 321 785 | 285 878 |
| Impairment loss | (54 549) | (52 257) |
| **Total loans and advances to bank clients** | **3 441 360** | **3 265 062** |

Loans and advances to customers as at 31 December 2025 include deposits with international financial institutions under marginal derivative transactions amounting to BGN 1 549 thousand (2024: BGN 1 551 thousand), including the result of transactions.

**(b) Interest rates**

Loans in BGN and foreign currencies are accrued at a variable interest rate. Under the terms of these loans, the interest rate is calculated on the basis of a reference interest rate of the Bank or an interest rate index for EURIBOR, LIBOR, plus a margin. The allowance for regular loans ranges from 2% to 7%, depending on the credit risk associated with the respective borrower, and overdue loans are charged an additional margin above the agreed interest rate.

**Loans granted and cession receivables**

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Loans granted | 153 679 | 161 782 |
| Receivables under cession contracts | 37 577 | 38 121 |
| | **191 256** | **199 903** |

The loans are provided at annual market interest rates and are dependent on the term of the loan.

The fair value of the loans provided is not determined separately, as management believes that their carrying amount provides a true representation of their fair value. The short-term loans are provided at annual market interest rates and are dependent on the term of the loan. The repayment period of the short-term loans provided is until 31 December 2025.

**Receivables under repurchase agreements**

As at 31 December 2025, the Group has entered into repurchase agreements with a total of BGN 471 457 thousand (2024: BGN 639 744 thousand), including interest receivables.

The collateral ratio of agreements with a repurchase clause, which are secured by a pledge of Bulgarian government securities, is at least 100%. The collateral ratio of repurchase agreements that are secured by a pledge of corporate securities is a minimum of 120%. These agreements are due between January and June 2026. (2024: between January and June 2025).

**Related party receivables**

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| **Non-current receivables from:** | | |
| -companies accounted by using the equity method | - | 1 793 |

| | | |
|---|---|---|
| - other related parties | 4 132 | 78 229 |
| Impairment | - | (54 447) |
| **Total non-current receivables from related parties** | **4 132** | **25 575** |

| **Current receivables from:** | **2025 BGN '000** | **2024 BGN '000** |
|---|---|---|
| - owners | 12 525 | 3 514 |
| -companies accounted by using the equity method | 2 347 | 3 157 |
| - other related parties | 114 249 | 103 056 |
| Impairment | (35 735) | (31 879) |
| **Total current receivables from related parties** | **91 627** | **77 848** |

**10. Information on the use of funds from a new issue of securities during the reporting period.**

- No new issue of securities was issued during the reporting period.

**11. Analysis of the ratio between the achieved financial results, reflected in the financial report for the financial year, and previously published forecasts for these results.**

The Company has not published forecasts for the financial result for 2025. At the same time, the publicly announced intentions of the Parent Company have been fulfilled and the planned goals have been achieved.

For the Companies within the Chimimport group - Not applicable.

**12. Analysis and evaluation of the policy on financial resources management with indication of the possibilities for servicing the obligations, possible threats and measures that the issuer, respectively the person under § 1e of the additional provisions of POSA, has taken or is about to take in order to eliminate them.**

- The parent company successfully manages its financial resources and normally and timely serves its obligations.

**13. Assessment of the possibilities for realization of the investment intentions with indication of the amount of the available funds and reflection of the possible changes in the structure of financing of this activity**

- The companies of the Group have the necessary resources for the realization of their future investment intentions and defines the assessment of the possibilities for realization as positive and where necessary the Group assists the cycle.

**14. Information on changes occurred during the reporting period in the basic principles of management of the issuer, respectively the person under § 1e of the additional provisions of the Public Offering of Securities Act and its group of enterprises within the meaning of the Accounting Act.**

In 2025 there were no changes in the basic principles of management of the issuer.

**15. Information on the main characteristics of the system of internal control and risk management system applied by the issuer, respectively the person under § 1e of the additional provisions of POSA, in the process of preparation of the financial statements**

The main features of the internal control system and the risk management system are described in detail in the Consolidated Corporate Governance Statement to this report.

**16. Information on changes in the management and supervisory bodies during the reporting financial year.**

- During the reporting period there were no changes in the number and persons participating in the Management and Supervisory Boards of the Parent Company.

**17. Information on the amount of remunerations, awards and/or benefits of each of the members of the management and control bodies for the reporting financial year, paid by the issuer, which is not a public company, respectively the person under § 1e of the additional provisions of the POSA, and its subsidiaries, regardless of whether they were included in the expenses of the issuer, which is not a public company, respectively the person under § 1e of the additional provisions of the POSA, or whether they result from profit distribution, including:**
**a) sums received and non-monetary rewards;**
**b) contingent or deferred remuneration arising during the year, even if the remuneration is due at a later time;**
**c) amount owed by the issuer, which is not a public company, respectively the person under § 1e of the additional provisions of the Civil Code, or its subsidiaries for the payment of pensions, retirement benefits or other similar benefits.**

| Name | *By Issuer* | *By Subsidiaries* |
|---|---|---|
| **Supervisory Board** | **BGN '000** | **BGN '000** |
| **Mariana Bazhdarova** | 24 | - |
| | | |
| **Management Board** | | |
| **Ivo Georgiev** | 24 | 279 |
| **Nikola Mishev** | 24 | 66 |
| **Cvetan Botev** | 24 | 273 |
| **Mirolyub Ivanov** | 24 | 170 |
| **Marin Mitev** | 24 | - |
| **Alexandar Kerezov** | 24 | 423 |

**18. Information on the shares of the issuer held by the members of the management and control bodies and the procurators, including the shares held by each of them separately and as a percentage of the shares of each class, as well as options provided by the issuer on its securities - type and the amount of the securities on which the options are based, the exercise price of the options, the purchase price, if any, and the term of the options.**

***Shareholder structure as of 31.12.2025***

According to a report from the Central Depository, issued as of 31 December 2025, the members of the Supervisory Board and the Management Board hold the following number of shares:

### Members of the Managing Board

| | | |
|---|---|---|
| IVO GOERGIEV | 495 880 | 0.21% |
| ALEXANDER KEREZOV | 160 000 | 0.07% |
| MIROLYUB IVANOV | 89 066 | 0.04% |
| NIKOLA MISHEV | 36 790 | 0.02% |
| MARIN MITEV | 26 533 | 0.01% |

### Members of Supervisory Board:

| | | |
|---|---|---|
| INVEST CAPITAL AD | 173 487 247 | 72.39% |
| CCB GROUP EAD | 1 296 605 | 0.54% |
| MARIANA BAZHDAROVA | 199 | 0.00% |

**19. Information on the arrangements known to the company (including after the end of the financial year), as a result of which changes in the relative share of shares or bonds held by current shareholders or bondholders may occur in the future.**

- The Group is not aware of any agreements, as a result of which changes in the relative share of the shares held by the current shareholders may occur in the future.

**20. Information on pending court, administrative or arbitration proceedings concerning liabilities or receivables of the issuer in the amount of at least 10 percent of its equity; if the total value of the issuer's liabilities or receivables in all initiated proceedings exceeds 10 per cent of its own capital, information on each proceeding shall be provided separately.**

The Group has no pending litigation, administrative or arbitration cases, receivables or liabilities that together or separately amount to at least 10% of its equity.

**21. Information on the Investor Relations Director, including telephone, e-mail and mailing address**

| | |
|---|---|
| Investor Relations Director | Dina Paskova |
| Telephone | +359 2 981 05 69 |
| E-mail | d.paskova@chimimport.bg |
| Address | Sofia, 2 Stefan Karadja Str. |
| Postal code | 1000 |

**22. Other information at the discretion of the company**

**Significant events that occurred after the date on which the annual financial statement was prepared**

By Decision No. 235 dated 13 March 2026, the Commission for Protection of Competition approved a concentration between undertakings, which will be implemented through the acquisition by the Group of direct sole control over Silver Wings Bulgaria OOD.

On 17 March 2026, the Financial Supervision Commission approved a Prospectus for an initial public offering and admission to trading on a regulated market of an issue of senior non-preferred unsecured bonds structured to meet the requirements for eligible liabilities instruments (within the meaning of Chapter

XIII, Section II of the Recovery and Resolution of Credit Institutions and Investment Firms Act) of "Central Cooperative Bank" AD. The parameters of the issue include up to 500 interest-bearing, dematerialised, registered, non-convertible, senior, non-preferred, unsecured, freely transferable bonds, each with a nominal value of EUR 100 000, with a total offered nominal value of up to EUR 50 000 000.

At an extraordinary General Meeting of Shareholders held on 2 April 2026, the following resolutions were adopted:

- the GMS released Ivo Kamenov Georgiev as a member of the Supervisory Board and elected Mirolyub Panchev Ivanov as a member of the Supervisory Board with a mandate until the expiry of the term of office of the Supervisory Board of the Company as registered with the Commercial Register;
- adoption of amendments to the Articles of Association of "CCB" AD resulting from the adoption of the euro as the official monetary unit of the Republic of Bulgaria.

At a General Meeting of Bondholders held on 8 April 2026, a resolution was adopted granting consent to "Central Cooperative Bank" AD to issue an issue of dematerialised unsecured bonds, the terms of which are to meet the requirements for eligible liabilities instruments within the meaning of Chapter XIII, Section II of the Recovery and Resolution of Credit Institutions and Investment Firms Act, with the main parameters and conditions adopted by a resolution of the General Meeting of Shareholders of "Central Cooperative Bank" AD dated 18 December 2025 and additional terms and parameters in accordance with a resolution of the Management Board of "Central Cooperative Bank" AD dated 17 February 2026, and in accordance with the decision of the Financial Supervision Commission dated 17 March 2026.

## Information on the public company, in accordance with Annex 3 to Article 10 of Ordinance No. 2 / 09.11.2021

- **Information on securities that are not admitted to trading on a regulated market of the Republic of Bulgaria or another Member State.**

- The registered share capital of the Parent Company Chimimport AD as of 31 December 2025 consists of 239 646 267 ordinary shares with a nominal value of BGN 1 per share, including 13 173 378 ordinary shares acquired by companies in the Group of Chimimport. The ordinary shares of the Company are dematerialized, registered and freely transferable and give the right to 1 (one) vote and liquidation share. There are no shares of the company that are not admitted to trading on the regulated market of the Republic of Bulgaria or another Member State.
Pursuant to Article 33 of the Act on the Introduction of the Euro in the Republic of Bulgaria (AIEB), the amount of share capital of commercial companies registered with the Commercial Register, as well as the nominal value of shares in joint-stock companies, are automatically converted into euro and euro cents. The conversion is carried out ex officio by the Registry Agency, and the nominal value of one share is EUR 0.51.

- **Information on the direct and indirect holding of 5 per cent or more of the voting rights at the general meeting of the company, including data on the shareholders, the amount of their shareholding and the manner in which the shares are held.**

- As of 31 December 2025, the shareholders who directly own 5% and more of the capital of the Parent Company are the following: Invest Capital AD, which as of 31.12.2025 holds a 72.39% of the shares of the Parent Company. The other shareholders (legal entities and individuals) hold shares less than 5% of the Company's capital.

- **Details of shareholders with special control rights and a description of these rights.**

- The Parent Company has no shareholders with special control rights.

- **Agreements between shareholders that are known to the company and that may lead to restrictions on the transfer of shares or voting rights.**

- The Parent Company is not aware of any agreements between the shareholders that may lead to restrictions on the transfer of shares or the right to vote.

- **Significant contracts of the company, which give rise to, change or terminate due to a change in the control of the company in the implementation of mandatory bidding, and their consequences, except in cases where disclosure of this information may cause serious harm to the company; the exception under the previous sentence shall not apply in the cases when the company is obliged to disclose the information by virtue of the law.**

- The Parent Company has no concluded contracts that give effect, are amended or terminated due to a change in control of the Parent Company

# GENERAL RISKS AND UNCERTAINTIES

## Categories of financial assets and liabilities

The carrying amount of the Group's financial assets and liabilities, can be presented in the following categories:

| Financial assets | 2025<br>BGN'000 | 2024<br>BGN'000 |
|---|---|---|
| **Financial assets at fair value through profit or loss:** | | |
| - Corporate shares, stocks and rights | 1 709 449 | 1 532 292 |
| - Bulgarian corporate bonds | 574 679 | 346 700 |
| - Medium-term Bulgarian government securities | 67 474 | 83 076 |
| - Long-term Bulgarian government securities | 290 902 | 96 806 |
| - Securities issued or guaranteed in other countries | 482 086 | 873 308 |
| - Derivatives held for trading | - | 306 |
| **Equity instruments at fair value through other comprehensive income:** | | |
| - Quoted equity instruments | 15 636 | 14 766 |
| - Unquoted equity instruments | 50 292 | 51 616 |
| **Debt instruments measured at fair value through other comprehensive income:** | | |
| - Bonds | 1 002 573 | 817 180 |
| - Government Securities | 6 743 | 20 815 |
| **Debt instruments at amortized cost:** | | |
| - Loans | 3 595 039 | 3 426 844 |
| - Cession receivables | 37 577 | 38 121 |
| - Receivables under repurchase agreements | 471 457 | 639 744 |
| - Debt instruments at amortized cost | 2 080 890 | 1 920 056 |
| - Receivables from related parties | 133 253 | 189 749 |
| - Trade receivables | 127 716 | 141 148 |
| - Others | 2 070 | 1 204 |
| *Less: Impairment* | (211 924) | (278 908) |
| - Cash and cash equivalents | 3 218 138 | 2 269 589 |
| | **13 654 050** | **12 184 412** |

| Financial liabilities | 2025<br>BGN'000 | 2024<br>BGN'000 |
|---|---|---|
| Financial liabilities measured at amortized cost: | | |
| Liabilities to depositors | 9 440 429 | 8 354 635 |
| Borrowings | 153 154 | 151 621 |
| Bank deposits | 23 346 | 13 508 |
| Cession payables | 38 389 | 50 196 |
| Obligations under repurchase agreements | 12 980 | 12 787 |
| Lease obligations | 528 956 | 551 836 |
| Trade and other payables | 102 988 | 97 818 |
| Related party payables | 56 757 | 67 633 |
| | **10 356 999** | **9 300 034** |
| Derivatives designated as hedging instruments in cash flow (at fair value): | | |
| Derivatives | - | 19 |
| | **10 356 999** | **9 300 053** |

## Financial instruments risks

### Risk management objectives and policies

Due to the use of financial instruments and as a result of its operating and investment activities, the Group is exposed to various risks – insurance risks, market risk, foreign currency risk, interest risk, as well as price risk. The Group's risk management is coordinated by the Managing board and focuses on actively securing the Company's short to medium-term cash flows by minimizing the exposure to risks. Long-term financial investments are managed to generate lasting returns.

The Group is exposed to different types of risk with regards to its financial instruments.For more information regarding the Group's financial assets and liabilities by category, see Categories of financial assets and liabilities.

The most significant financial risks to which the Group is exposed to are described below.

#### Insurance risk

#### General insurance

Insurance risk is the risk of occurrence of insured events as a result of the portfolio of insurance contracts, in which case the amount of damages and the compensation due exceed the amount of the insurance reserves set aside.

This depends on the frequency with which the insured events occur, the type of insurance portfolio, the amount of insurance claims. To mitigate this risk, the diversity of the insurance portfolio and probability theory is of great importance.

The Group strives to make a relatively even distribution of insurance contracts, as well as to analyze the different types of insurance risks, which is reflected in the general terms and conditions. Through various methods of assessment and control, the Head of Internal Control Department carries out regular risk assessment and monitors the accumulation of insurance amounts by group of clients and regions. Risk

management is carried out by the Internal Control Directorate in cooperation with the actuaries and management of the Group.

The main factors on which the positive financial result of the Group depends are the damage quota, the quota of expenses and the income from investments.

Insurance-technical risk is the risk of occurrence of an insured event in which the amount of the insurance indemnity due exceeds the expectations for the manifestation of the risk, expressed by the amount of the formed insurance liabilities, i.e. the insurance-technical risk is present when the total loss for a certain period of time is greater than the calculated premium and the insurance liabilities. Insurance and technical risk is influenced by the frequency and severity of claims.

Every insurance undertaking shall endeavour to ensure that sufficient insurance liabilities are set aside to cover its commitments.

The group manages and equalises the risks assumed both within and outside the insurance population. Within the insurance population, this is achieved by equalizing the risks assumed at the time, in essence, by place in risk groups and by increasing the number of insured units, i.e. by manifesting the law of large numbers. The Group conducts a systematic analysis of the risks undertaken, their temporal and territorial diversification, offers new insurance products and strives to constantly include new units in the insurance population with a good expected risk manifestation.

Outside the insurance population, the Group equalises risk by using reinsurance contracts. According to the specifics of the specific insurance products, the choice of reinsurance contract and the respective limits of self-retention are determined. The management of insurance risk is also reflected in the application of restrictions in underwriting procedures – limits on liability are introduced, exclusion of risks that may be affected, use of appropriate methods to assess the necessary premiums and future obligations, implementation of a reinsurance program and monitoring of insurance business. Notwithstanding reinsurance protection, the Group shall not be exempted from its direct obligations to insured persons in respect of the risks transferred, with the result that there is credit risk to the extent consistent with the inability of the reinsurers under the relevant reinsurance contract to meet their financial obligations under it. In order to minimise the manifestation of this credit risk, the Group maintains a register of available data on quantifiable indicators of the financial position of its counterparties.

The Group offers over 70 types of insurance products, thus striving to achieve a diverse and balanced, aggregated insurance portfolio. Ten of the products offered cover risks in Motor Insurance; 18 cover risks in Property Insurance; 40 – in Liability Insurance, Accident and Travel Assistance; 10 are the insurances under Transport Insurance and Financial Risks and a number of other insurances in different areas of non-life insurance. The term of the contracts concluded in the aggregated insurance portfolio is mainly one-year, but there are also such contracts in it, which have a shorter or longer term than one year.

Motor Insurance covers mainly risks related to road accidents, natural disasters and illegal human activity. Risks are material and non-material. The risks covered cover to the fullest extent the insurance coverage needs of owners, users and holders of vehicles. The territorial scope of insurance includes the whole of Europe.

Property insurance covers mainly risks related to fire, natural disasters, accident of machinery and equipment, illegal human activity, etc. In the case of property insurance, the assessment and reinsurance protection with regard to catastrophic risks is essential. In the assessment of these risks, the emphasis is placed on the adequate determination of the sum insured, the prevention carried out, the periodic inspection of the insured objects. The provided territorial coverage for them is only for the territory of the Republic of Bulgaria.

In addition to Third Party Liability, a large number of Professional Liability are covered under Liability Insurance, which are largely mandatory by virtue of various regulations. The coverage under these insurances is provided only for the territory of the Republic of Bulgaria.

Accident and Travel Assistance Insurance cover risks related to: death, permanent and temporary disability of the insured persons as a result of an accident and assisted assistance in case of health risk conditions. The territorial coverage provided for different products in this group varies from coverage only for the Republic of Bulgaria to coverage for the whole world.

Annually, the range of insurance products offered is analyzed, depending on the results of each product, the risk interest of the Group, market needs and other factors, adaptation, supplementation of existing products or development of new products in order to meet specific needs. The latter is carried out after a thorough analysis of consumer demand and market segmentation.

The main assumption underlying the assessments of obligations is that the development of future claims against the Group will generally follow the experience of the development of claims in past years. This includes assumptions about the frequency and severity of each claim, as well as an assessment of the inflation factor for each year of insured events. In addition, a qualitative and quantitative assessment of the degree of bias that can be expected when applying trends from the past into the future is carried out. The group takes into account the impact of external factors, such as changes in legislation, development of case law, etc., on the amount of insurance liabilities.

In order to limit exposure to extreme adverse risk manifestations, in particular with regard to catastrophic events, appropriate reinsurance protection shall apply. Reinsurance contracts allocate risk and minimize the effect of significant losses, which guarantees the capitalization of the Group.

When selecting a reinsurer, the Group shall take into account the relative safety of the reinsurer, as assessed on the basis of public ratings and from studies carried out.

Insurance risk is reflected not only in the pricing process but also in the process of settling claims and setting aside reserves. The table below is an estimate of the provision for outstanding payments included in the financial statements on the basis of claims made and paid, spread over time by year of occurrence of the damage. The table provides a historical overview of the sufficiency of the constituted reserve for outstanding claims. Due to the inherent uncertainty in the reserve determination process, it cannot be assured with absolute certainty that these reserves will suffice as a final result.

| Event year | 2021 | 2022 | 2023 | 2024 | 2025 |
|---|---|---|---|---|---|
| Claims assessment (gross, undiscounted) | 91 658 150 | 101 783 421 | 122 364 104 | 131 066 254 | 134 179 612 |
| At the end of the event year | 76 783 702 | 103 678 753 | 107 316 191 | 117 297 488 | 134 179 612 |
| After year 1 | 80 334 180 | 90 858 392 | 106 729 909 | 131 066 254 | |
| After year 2 | 81 112 118 | 90 870 300 | 122 364 104 | | |
| After year 3 | 82 553 926 | 101 783 421 | | | |
| After year 4 | 91 658 150 | | | | |
| Paid claims | 84 229 626 | 92 548 967 | 104 080 745 | 110 616 198 | 73 835 344 |
| Undiscounted LIC | 7 428 524 | 9 234 454 | 18 283 358 | 20 450 056 | 60 344 268 |
| Discounting effect | (247 027) | (373 608) | (703 894) | (771 289) | (1 465 739) |
| Correction of non-financial risk | 711 779 | 730 688 | 1 895 607 | 2 624 913 | 5 551 255 |
| Liabilities for Incurred Claims (LIC) | 7 893 275 | 9 591 534 | 19 475 072 | 22 303 680 | 64 429 784 |

In the calculation of insurance liabilities, certain assumptions are made. Assumption determination is the process of calculating neutral estimates of the most likely or expected outcome of insured events. The sources of information on which assumptions are made are based on in-depth studies of the Group's experience. In cases where there is insufficient inside information for the preparation of a reliable assessment of the development of insurance claims, market data acquired from own surveys or published by the Financial Supervision Commission may be used.

With regard to the liability for claims incurred, the expertise of the liquidation specialists is also essential. They review damages in relation to the circumstances of occurrence and right to compensation. On the basis of historically proven experience of the extent of such damage an estimate is made. This assessment shall be reviewed regularly and, where new information becomes available, updated.

To establish the liability for claims incurred, the Group uses various statistical methods based on the accumulated values of the claims paid and on the basis of historical claims. Own data for the period 2009-2025 are used. When large deviations in the development coefficients for a given year are obtained for a given year, not typical for the development of the claims, the respective period is not taken into account in the calculation of the development factors.

For insurances where due to low frequency of or low volume of activity there are no claims and on the basis of a chain-pillar method a zero value of the reserve for incurred but unsettled claims is obtained, the company uses the Bonhütter-Ferguson method, which is based on the volume of premiums earned and claims paid and filed for the period 2009 -2025.

The part of the reinsurers in the Claims Reserve is formed on the basis of the calculations of the reserves under each of the reinsurance contracts, following the methodology for direct business.

The remaining coverage liability is formed to cover claims and administrative expenses that are expected to arise under the relevant insurance or reinsurance contract after the reporting period. In its calculation, unearned premiums under insurance contracts are also taken into account, as well as the outstanding commission obligations of intermediaries.

The remaining coverage part of reinsurers in the liability side is formed on the basis of the reserve calculations for each of the reinsurance contracts, following the direct business methodology.

The adequacy of liabilities shall be ensured by periodic assessment and testing of sufficient reserves to cover all future payments. When assessing the adequacy of reserves, all expected cash flows of concluded insurance contracts are taken into account, such as: risk payments, administrative costs of servicing contracts, claims costs, etc. The adequacy of the remaining coverage liability and the liability for damage shall be established by appropriate tests.

The impact of the development of insurance indicators on the capital adequacy of the Group is simulated in the sensitivity analysis. For the sensitivity analysis presented below, the indicators Liability for Remaining Coverage and Liability for incurred claims have been selected. The starting point for the analysis is the Group's capital position at the financial statement date.

| | 2025 | | | | |
|---|---|---|---|---|---|
| BGN'000 | Change in assumptions | Equity impact, gross from reinsurance | Equity impact, net from reinsurance | % SCR coverage ratio | % MCR coverage ratio |
| Expense increase | +10% | (7 911) | (7 704) | 116% | 437% |
| Expense decrease | -10% | 7 911 | 7 704 | 125% | 473% |
| Increase of loss ratio | +10% | (17 734) | (12 322) | 113% | 427% |
| Decrease of loss ratio | -10% | 17 734 | 12 322 | 127% | 484% |
| Increase in inflation rates | +1% | 611 | 396 | 121% | 456% |
| Decrease in inflation rates | -1% | (586) | (378) | 120% | 454% |

| | 2024 | | | | |
|---|---|---|---|---|---|
| BGN'000. | Change in assumptions | Equity impact, gross from reinsurance | Equity impact, net from reinsurance | % SCR coverage ratio | % MCR coverage ratio |
| Expense increase | +10% | (10 639) | -10 639 | 134% | 497% |

| | | | | | |
|---|---|---|---|---|---|
| Expense decrease | -10% | 5 003 | 5 003 | 147% | 546% |
| Increase of loss ratio | +10% | (1 780) | 442 | 133% | 490% |
| Decrease of loss ratio | -10% | 1 780 | -442 | 148% | 553% |
| Increase in inflation rates | +1% | 485 | 55 | 140% | 521% |
| Decrease in inflation rates | -1% | (470) | -48 | 140% | 521% |

Of the scenarios examined, the largest impact on the Group's capital is the one with a change in the amount of liability for claims incurred. This scenario reflects the inherent uncertainty in the measurement of the liability because it is a present assessment of expected future claims payments. This uncertainty is most valid with regard to claims that have occurred but not been filed and with regard to insurance characterized by a longer claims settlement process, such as compulsory motor third party liability insurance and other types of liability insurance.

**Reinsurance strategy**

The reinsurance campaign of the Group is aimed at preserving its financial stability and ensuring maximum protection of the interests of insured persons in the event of the occurrence of insurance events that carry the risk of sensitive losses as a result of the occurrence of single insurance events and those of a catastrophic nature. This objective shall be achieved through continuous analysis of the structure of the insurance portfolio, ensuring the accumulation of risks assumed for coverage in amounts not exceeding the financial capacity of the Group.

The reinsurance program:

- is a capital management tool aimed at reducing the cost of capital funds in the event of adverse events;
- is a measure to protect the Group's capital adequacy from the accumulation of risks, including catastrophic risks;
- covers almost all risks and classes of businesses recorded by the Group. The types of reinsurance protections and the limits of the contracts are fully consistent with the risk appetites of the Company, the type of portfolio and the underwriting rules of the Group;
- define precisely and clearly the specific risk transfer needs as well as the correct type of specific contracts;
- determines the levels of self-retention by individual classes of business;
- aims at the continuous optimisation of reinsurance contracts in order to alleviate capital pressures through the application of different reinsurance options that can partially or fully achieve optimisation of capital adequacy;
- reduces fluctuations in the event of insurance events;
- evaluates and equalizes the risks of different types of insurance coverage.

The Group reinforces some of its risks in order to control its exposures to losses and to protect its capital resources. All optional reinsurance contracts are approved in advance by management. Before concluding a reinsurance contract, the Group shall analyse the credit rating of the reinsurers concerned. Reinsurers with a high credit score are selected to control exposure to losses resulting from a single insured event. The Group shall periodically analyse the current financial situation of reinsurers with whom reinsurance commitments have been concluded.

**Claims settlement process**

In 2025, the gross liability ratio for the total activity is 43%, which, after taking into account the effect of reinsurance, amounts to 47% net amount.

The following table presents the gross and net claims ratio, which makes it possible to follow the development of risk during the reporting periods by separate types of insurance:

| Types of insurance | 2024 Loss ratio, gross | 2024 Loss ratio, net | 2025 Loss ratio, gross | 2025 Loss ratio, net |
|---|---|---|---|---|
| Income protection insurance | 56% | 56% | 52% | 49% |
| Workers' compensation insurance | 5% | 18% | 27% | 22% |
| Motor Third Party Liability Insurance | 72% | 92% | 44% | 71% |
| Other motor vehicle insurance | 49% | 50% | 46% | 45% |
| Marine, aviation and transport insurance | 27% | 199% | -1% | -9% |
| Fire and other damage to property insurance | 46% | 14% | 34% | 51% |
| General liability insurance | 179% | 83% | 45% | 36% |
| Credit and guarantees insurance | 33% | 33% | 2% | 2% |
| Assistance | 46% | 46% | 43% | 43% |
| Miscellaneous financial loss insurance | -3% | -3% | 14% | 16% |
| **Total** | **51%** | **52%** | **43%** | **47%** |

The insurance class with the largest relative share in the Group's portfolio – Motor Hull Insurance (Casco) – continued to demonstrate favourable risk development in 2025, with a gross loss ratio of 46% and a net loss ratio of 45%, compared to a gross loss ratio of 49% and a net loss ratio of 50% in 2024.

The change in the net loss ratio for the overall operations—49% in 2010, 53% in 2011, 59% in 2012, 53% in 2013, 59% in 2014, 46% in 2015, 56% in 2016, 41% in 2017, 43% in 2018, 47% in 2019, 46% in 2020, 32% in 2021, 40% in 2022 and 2023, 52% in 2024, and 47% in 2025—shows fluctuations in the net loss ratio between 32% and 59%, with the most recent year once again demonstrating very good levels and contributing to a strong positive net result.

The following table presents the development of the average amount of paid claims by type of insurance:

| Type of insurance | Number | Amount in BGN | Average claim | Number | Amount in BGN | Average claim |
|---|---|---|---|---|---|---|
| | 2025 | 2025 | 2025 | 2024 | 2024 | 2024 |
| Income Protection Insurance | 3 837 | 1 135 034 | 296 | 3 827 | 1 224 081 | 320 |
| Employees' Compensation Insurance | 67 | 386 159 | 5 764 | 67 | 584 355 | 8 722 |
| Motor Third Party Liability Insurance | 4 890 | 19 446 813 | 3 977 | 4 661 | 18 568 716 | 3 984 |
| Other Motor Insurance | 68 683 | 103 736 681 | 1 510 | 65 748 | 91 386 922 | 1 390 |
| Marine, Aviation and Transport Insurance | 52 | 769 853 | 14 805 | 36 | 1 069 923 | 29 720 |
| Fire and Property Damage Insurance | 2 049 | 5 691 611 | 2 778 | 2 420 | 10 180 612 | 4 207 |
| General liability insurance | 28 | 412 441 | 14 730 | 21 | 667 961 | 31 808 |
| Credit and guarantee Insurance | - | - | - | - | - | - |
| Assistance | 1 442 | 900 571 | 625 | 1 033 | 765 054 | 741 |
| **Total:** | **81 048** | **132 479 163** | | **77 813** | **124 447 624** | |

The average damage paid in 2025 is BGN 1 635 and compared to the same indicator for the previous year: BGN 1 668. The highest is the amount of average damage under insurance "Aviation liability insurance" and the lowest - under "Accident" and "Travel Assistance" insurance.

**Life insurance**

Insurance risk is the risk of incurring events resulting from the portfolio of insurance contracts held in which the amount of damages and claims due exceeds the amount of the insurance reserves set aside.

This depends on the frequency with which insured events occur, the type of insurance portfolio, the amount of insurance claims. To mitigate this risk, the diversity of the insurance portfolio and probability theory are of great importance.

The main risks to which the Group is exposed are:

- Mortality – risk of loss as a result of increasing the mortality of the insured persons above the expected;
- Morbidity – risk of loss as a result increasing the morbidity of the insured persons above the expected;
- Survival – risk of loss as a result of survival of the insured persons with rent insurances above the expected;
- Risk associated with return on investments made - risk of loss when the return on investments differs from expected;
- Cost risk – risk of loss when costs differ from what is expected;
- Risk of loss for errors related to insured persons - when individuals terminate their insurance contracts.

In the life insurance business, the Group operates within the framework of Solvency 2 and IFRS 17, which affect financial statements, risk management and capital requirements. Solvency 2:

- Regulates the capital of insurers in the EU.
- Requires minimum regulatory capital according to risk profile.
- Affects risk management and capital allocation. IFRS 17:
- Accounting standard for insurance contracts.
- Significantly affects the measurement and presentation of insurance liabilities.
- Requires a detailed approach, including risk adjustment and discounted cash flows.

These two frameworks require the Group to maintain a high degree of transparency and accountability in its financial operations.

The Group meets all capital requirements for minimum capital and solvency in reinsurance business.

For a portfolio of insurance contracts that are subject to the probability theory of pricing and provisioning, the main risk the Group faces in its insurance contracts is that actual claims and claims payments may exceed the book value of liabilities under insurance contracts. This may occur because the frequency or amount of claims and benefits or the amount of future costs is greater than expected. Insured events are incidental and the actual number and amount of claims and benefits vary from year to year from the level established using statistical techniques. The purpose of statistical methods is to minimize the deviation of real figures from those expected.

Experience shows that the larger the portfolio of similar insurance contracts, the smaller the relative volatility of the expected outcome will be. In addition, a less diversified portfolio is less likely to be affected by a change in any subset of the portfolio. The Group has developed its insurance strategy to diversify the type of insurance risks accepted and to achieve a large enough population of risks in each of these categories to reduce the variability of the expected outcome.

For contracts where death is the insured risk, the most important factors that could increase the overall frequency of claims are epidemics or widespread lifestyle changes such as poor diet, smoking and insufficient exercise, resulting in earlier or more claims than expected. Currently, these risks do not vary significantly depending on the location of the insured.

The Group strives to make a relatively even distribution of insurance contracts, as well as to analyze the different types of insurance risks, which is reflected in the general terms and conditions. Through various assessment and control methods, those performing the roles of key functions in the Group perform and assist in carrying out a regular risk assessment, as appropriate, and report promptly to the Group

Management.. The main factors on which the positive financial result of the Group depends are the damage quota, the cost quota and investment income.

The methods for measuring risks include both quantitative and qualitative approaches. Underwriting practices are applied when concluding policies and are monitored after signing through their statistical behaviour. Actuarial analyses and risk models are used and for estimating future cash flows. In addition, the company prepares sensitivity analyses and scenario analyses, for example to assess the impact of changes in interest rates on the value of insurance liabilities. The company is subject to regulation under Solvency II requirements, which includes additional analysis and management of risks related to assets and liabilities arising from insurance contracts, as well as other business risks such as market, credit and operational risk. To limit the impact of extreme events, the company enters into reinsurance contracts.

**Claims Settlement Process:**

The exposure to each risk expressed in terms of the insurer's liabilities

| Portfolio | Model | Insurance / reinsurance | Insurance liabilities |
|---|---|---|---|
| Borrower's risk life insurance | General | Insurance | (927) |
| Risk insurance "Life" | General | Insurance | (400) |
| Mixed “Life” Insurance | General | Insurance | (193) |
| Insurance "Sickness" | General | Insurance | (72) |
| Reinsurance | General | Reinsurance | (48) |

Development of claims:

| Year | Start | | Development | | | | | | | | End | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Nominal reserves | Discounted reserves | Year. 1 | Year. 2 | Year. 3 | Year. 4 | Year. 5 | Year. 6 | Year. 7 | Year. 8 | Nominal reserves | Discounted reserves |
| 2018 | 6 | 6 | 466 | 211 | 13 | 35 | 2 | 0 | 0 | 0 | 1.3 | 1.3 |
| 2019 | 12 | 12 | 373 | 111 | 37 | 5 | 19 | 47 | 8 | | 1.6 | 1.6 |
| 2020 | 21 | 20 | 344 | 152 | 15 | 33 | 0 | 0 | | | 5.5 | 5.4 |
| 2021 | 48 | 48 | 412 | 171 | 11 | 12 | 33 | | | | 11.5 | 11.3 |
| 2022 | 94 | 93 | 563 | 255 | 24 | 2 | | | | | 28.7 | 28.0 |
| 2023 | 153 | 152 | 563 | 258 | 8 | | | | | | 43.2 | 42.2 |
| 2024 | 407 | 405 | 552 | 167 | | | | | | | 51.1 | 49.9 |
| 2025 | - | - | 652 | | | | | | | | 253.1 | 247.3 |
| Total | 740 | 736 | 3 925 | 1 325 | 107 | 87 | 54 | 47 | 8 | 0 | 396.0 | 386.9 |
| Discount Effect | | | | | | | | | | | (10.8) | |
| Risk additive | | | | | | | | | | | 1.7 | |

| | | | |
|---|---|---|---|
| Final | | 386.9 | |

## Foreign currency risk

The foreign currency risk is a potential cause for losses for the Group when the foreign currency rates fluctuate.

**Group's policy regarding other than banking activities**

Most of the Group's transactions are carried out in BGN. The foreign transactions of the Group, denominated in US dollars, expose the Group to currency risk. The Group has long-term trade payables and short-term finance lease liabilities in US dollars, the greater part of which is related to the purchase of aircraft. These liabilities are stated at amortized cost. The Group has short-term and long-term US dollar loans. These receivables are classified as loans and receivables.

The foreign transactions of the Group denominated in euro do not expose the Group to currency risk as the exchange rate of the Bulgarian lev is fixed to the euro under the Currency Board Act.

In order for the foreign currency risk to be decreased, the non-BGN cash flows are monitored by the Group. Generally, the Group has different procedures for risk management for the short-term (due within 6 months) and long-term non-BGN cash flows.

Information on significant positions in currencies other than BGN and EUR in the pension insurance business as of December 31, 2025 is as follows:

| | USD | Others | Total |
|---|---|---|---|
| FINANCIAL ASSETS | BGN '000 | BGN '000 | BGN '000 |
| Cash in hand and bank | 47 616 | 128 | 47 744 |
| Debt securities issued or guaranteed by the state | 37 304 | - | 37 304 |
| Corporate bonds of foreign issuers | 16 683 | - | 16 683 |
| Debt securities issued or guaranteed by third parties or countries specified in a regulation of the Financial Supervision Commission and their central banks | 11 100 | - | 11 100 |
| Shares and units of collective investment schemes and alternative investment funds | 372 | - | 372 |
| Shares and rights of issuers from abroad | 53 025 | 42 090 | 95 115 |
| Shares and units of collective investment schemes and alternative investment funds of issuers from abroad | 49 988 | - | 49 988 |
| Debt securities issued or guaranteed by Member States and their central banks, by the ECB and/or the EIB | 103 156 | - | 103 156 |
| Receivables | 47 | - | 47 |
| **TOTAL ASSETS** | **319 291** | **42 218** | **361 509** |

The currency structure of financial assets and liabilities by carrying amount as of December 31, 2024 is as follows:

| | USD | Others | Total |
|---|---|---|---|
| FINANCIAL ASSETS | BGN '000 | BGN '000 | BGN '000 |
| Cash in hand and bank | 1 191 | 17 | 1 208 |
| Debt securities issued or guaranteed by the state | 4 478 | - | 4 478 |
| Corporate bonds of foreign issuers | 30 190 | - | 30 190 |
| Debt securities issued or guaranteed by third parties or countries specified in a regulation of the Financial Supervision Commission and their central banks | 44 438 | - | 44 438 |
| Shares and units of collective investment schemes and alternative investment funds | 243 | - | 243 |
| Shares and rights of issuers from abroad | 51 830 | 32 710 | 84 540 |
| Shares and units of collective investment schemes and alternative investment funds of issuers from abroad | 21 752 | - | 21 752 |
| Debt securities issued or guaranteed by Member States and their central banks, by the ECB and/or the EIB | 157 856 | - | 157 856 |
| Receivables | 196 | - | 196 |
| **TOTAL ASSETS** | **312 174** | **32 727** | **344 901** |

## Group's policies regarding the banking activities

In the Republic of Bulgaria, the exchange rate of the Bulgarian lev to the euro is fixed by the Currency Board Act, which is why the Group's long position in euro does not pose a risk to the Group.

The risk-weighted net currency position as at 31 December 2025 in financial instruments denominated in currencies other than leva or euro is less than 2% of the capital base and no foreign exchange risk capital requirements on the part of the Group with respect to banking activities.

Due to the low size of this position, the potential effect of changes in exchange rate will not lead to significant effects on equity and therefore the risk-weighted effect on capital will be below the materiality threshold for the Group and the regulatory framework – EU Regulation 2013/575.

The currency structure of financial assets and liabilities at book value as of 31 December 2025 is as follows:

| | BGN | EUR | USD | Other | Total |
|---|---|---|---|---|---|
| **FINANCIAL ASSETS** | BGN '000 | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| Cash and cash balances with the Central Bank | 1 719 796 | 234 828 | 21 272 | 52 132 | 2 028 028 |
| Provided resources and advances to banks | 43 | 971 081 | 6 625 | 38 520 | 1 016 269 |
| Receivables under repurchase agreements | 367 532 | 44 541 | - | - | 412 073 |
| Financial assets at fair value through profit or loss | 223 130 | 1 345 | 669 | 6 241 | 231 385 |
| Loans and advances to customers | 3 020 994 | 297 466 | 59 | 256 746 | 3 575 265 |
| Financial assets measured at fair value in other comprehensive income | 502 898 | 515 849 | 12 513 | 876 | 1 032 136 |
| Financial assets at amortized cost | 494 776 | 1 409 422 | 35 440 | 140 450 | 2 080 088 |
| **TOTAL ASSETS** | **6 329 169** | **3 474 532** | **76 578** | **494 965** | **10 375 244** |
| **FINANCIAL LIABILITIES** | | | | | |
| Deposits from banks | 589 | 4 470 | 4 546 | 20 941 | 30 546 |
| Bank loans | - | - | - | 874 | 874 |
| Liabilities to other depositors | 7 010 536 | 2 017 691 | 170 383 | 393 042 | 9 591 652 |
| Issued bonds | - | 25 463 | - | - | 25 463 |
| Other liabilities | 28 171 | 11 209 | - | 3 483 | 42 863 |
| **TOTAL LIABILITIES** | **7 039 296** | **2 058 833** | **174 929** | **418 340** | **9 691 398** |
| **NET POSTION** | **(710 127)** | **1 415 699** | **(98 351)** | **76 625** | **683 846** |

The currency structure of financial assets and liabilities at book value as of 31 December 2024 is as follows:

| | BGN | EUR | USD | Other | Total |
|---|---|---|---|---|---|
| **FINANCIAL ASSETS** | BGN '000 | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| Cash and cash balances with the Central Bank | 1 768 273 | 130 503 | 36 957 | 70 386 | 2 006 119 |
| Provided resources and advances to banks | 26 | 131 650 | 25 354 | 23 519 | 180 549 |
| Receivables under repurchase agreements | 551 518 | 40 549 | - | - | 592 067 |
| Financial assets at fair value through profit or loss | 211 439 | 18 581 | 3 224 | 5 508 | 238 752 |
| Loans and advances to customers | 2 820 293 | 325 289 | 46 | 245 922 | 3 391 550 |
| Financial assets measured at fair value in other comprehensive income | 584 915 | 248 960 | 12 085 | 844 | 846 804 |
| Financial assets at amortized cost | 503 570 | 1 283 864 | 47 403 | 83 099 | 1 917 936 |
| **TOTAL ASSETS** | **6 440 034** | **2 179 396** | **125 069** | **429 278** | **9 173 777** |
| **FINANCIAL LIABILITIES** | | | | | |
| Deposits from banks | 1 770 | 7 379 | 2 799 | 6 442 | 18 390 |
| Liabilities to other depositors | 6 086 828 | 1 838 446 | 209 300 | 333 693 | 8 468 267 |
| Issued bonds | - | 25 463 | - | - | 25 463 |
| Other liabilities | 23 732 | 16 687 | - | - | 40 419 |
| **TOTAL LIABILITIES** | **6 112 330** | **1 887 975** | **212 099** | **340 135** | **8 552 539** |
| **NET POSITION** | **327 704** | **291 421** | **(87 030)** | **89 143** | **621 238** |

## Interest risk analysis

### Group's policy regarding other than banking activities

The policy of the Group is aimed at minimizing interest rate risk on long-term financing. Therefore, long-term loans are usually with fixed interest rates. As at 31 December 2025, the Group is exposed to the risk of a change in market interest rates on its variable-rate bank loans. All other financial assets and liabilities of the Group have fixed interest rates. All investments in the Group's bonds are paid on a fixed interest rate basis.

### Group's policies regarding the banking activities

Interest rate risk is the probability of a potential change in net interest income or net interest margin due to a change in overall market interest rates. Interest rate risk management in the Group seeks to minimize the risk of reducing net interest income as a result of changes in interest rates.

For measuring and assessing interest rate risk, the Group uses the GAP-analysis method (mismatch / imbalance analysis). It identifies the sensitivity of the expected revenues and expenditures to the development of the interest rate.

The GAP analysis method aims to determine the Group's position, generally and by individual types of financial assets and liabilities, in terms of expected changes in interest rates and the impact of this change on net interest income. It assists in the management of assets and liabilities and is a tool to provide sufficient and stable net interest rate profitability.

The Group's imbalance between interest rate assets and interest-bearing liabilities as of 31 December 2025 is negative, amounting to BGN (1 539 939) thousand. The GAP coefficient, as an expression of this imbalance, compared to the Group's total profitable assets (interest-bearing assets, derivatives and investments in subsidiaries) is minus 18.25%.

| | Up to 1 month | 1 to 3 months | 3 to 12 months | 1 to 5 years | Over 5 years | Total |
|---|---|---|---|---|---|---|
| INTEREST-BEARING ASSETS | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 |
| Provided resources and advances to banks | 1 013 352 | - | - | 2 917 | - | 1 016 269 |
| Receivables under repurchase agreements | 107 228 | 138 684 | 166 161 | - | - | 412 073 |
| Financial assets measured at fair value through profit or loss | - | - | - | 16 167 | - | 16 167 |
| Loans and advances to customers | 62 646 | 171 002 | 490 668 | 1 508 177 | 1 342 772 | 3 575 265 |
| Financial assets measured at fair value in other comprehensive income | - | 13 | 22 070 | 168 809 | 817 842 | 1 008 734 |
| Financial assets at amortized cost | 200 998 | 521 091 | 342 790 | 497 601 | 517 608 | 2 080 088 |
| TOTAL INTEREST-BEARING ASSETS | 1 384 224 | 830 790 | 1 021 689 | 2 193 671 | 2 678 222 | 8 108 596 |
| INTEREST-BEARING LIABILITIES | | | | | | |
| Deposits from banks | 30 546 | - | - | - | - | 30 546 |
| Liabilities to other depositors | 2 | - | 41 | 602 | 229 | 874 |
| Issued bonds | 4 176 583 | 407 101 | 976 467 | 4 029 215 | 2 286 | 9 591 652 |
| Liabilities under leasing contracts | - | - | - | - | 25 463 | 25 463 |
| TOTAL INTEREST–BEARING LIABILITIES | 4 207 131 | 407 101 | 976 508 | 4 029 817 | 27 978 | 9 648 535 |
| IMBALANCE BETWEEN INTEREST BEARING ASSETS AND LIABILITIES, NET | (2 822 907) | 423 689 | 45 181 | (1 836 146) | 2 650 244 | (1 539 939) |

The Group's imbalance between interest rate assets and interest-bearing liabilities as of 31 December 2024 is negative, amounting to BGN (1 633 161) thousand. The GAP coefficient, as an expression of this imbalance, compared to the Group's total profitable assets (interest-bearing assets, derivatives and investments in subsidiaries) is minus 23.60%.

| | Up to 1 month | 1 to 3 months | 3 to 12 months | 1 to 5 years | Over 5 years | Total |
|---|---|---|---|---|---|---|
| INTEREST-BEARING ASSETS | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 |
| Provided resources and advances to banks | 177 631 | - | - | 2 918 | - | 180 549 |
| Receivables under repurchase agreements | 256 988 | 143 604 | 191 475 | - | - | 592 067 |
| Financial assets measured at fair value through profit or loss | - | - | - | 6 545 | 7 020 | 13 565 |
| Loans and advances to customers | 46 447 | 177 713 | 441 880 | 1 484 216 | 1 241 294 | 3 391 550 |
| Financial assets measured at fair value in other comprehensive income | 1 477 | 46 | 9 650 | 160 929 | 652 040 | 824 142 |
| Financial assets at amortized cost | 247 388 | 291 405 | 285 874 | 480 857 | 612 412 | 1 917 936 |
| TOTAL INTEREST-BEARING ASSETS | **729 931** | **612 768** | **928 879** | **2 135 465** | **2 512 766** | **6 919 809** |
| INTEREST-BEARING LIABILITIES | | | | | | |
| Deposits from banks | 18 390 | - | - | - | - | 18 390 |
| Liabilities to other depositors | 3 629 945 | 494 978 | 1 103 862 | 3 238 672 | 810 | 8 468 267 |
| Issued bonds | - | - | - | - | 25 463 | 25 463 |
| Liabilities under leasing contracts | 991 | 1 982 | 8 921 | 24 587 | 4 369 | 40 850 |
| TOTAL INTEREST–BEARING LIABILITIES | **3 649 326** | **496 960** | **1 112 783** | **3 263 259** | **30 642** | **8 552 970** |
| IMBALANCE BETWEEN INTEREST BEARING ASSETS AND LIABILITIES, NET | **(2 919 395)** | **115 808** | **(183 904)** | **(1 127 794)** | **2 482 124** | **(1 633 161)** |

Maintaining a negative imbalance exposes the Group to the risk of a decrease in net interest income when interest rates rise. The impact of the imbalance reported as of 31 December 2025 on net interest income, with a forecast of 2% increase in interest rates over a 1-year horizon, is a decrease in net interest income by BGN 6 106 thousand (2024: BGN 6 242 thousand).

In the tables above, part of the attracted funds on current accounts without residual maturity in the amount of BGN 4 028 759 thousand as of 31 December 2025 (2024: BGN 3 161 759 thousand) is presented in the range from 1 year to 5 years, as the Group considers this availability to be a reliable long-term resource based on the average daily availability on these accounts in 2025 and 2024.

In its operations, the Group uses base fixed interest rates as well as interest rates that are based on the Base Reference Interest Rate (BRIR). The Group has material exposure only to exposures denominated in euros, whose reference interest rate index is EURIBOR.

The table below presents the Group's exposure and the effects on its financial results from financial assets whose reference interest rate is EURIBOR as at 31 December 2025:

| Gross exposures | 31 December 2025 | Effect on profit or loss from a 1% increase in EURIBOR | Effect on profit or loss from a 1% decrease in EURIBOR |
|---|---|---|---|
| | BGN'000 | BGN'000 | BGN'000 |
| Loans and advances to customers | 219 178 | 2 192 | (2 192) |
| Financial assets measured at fair value through other comprehensive income | 901 333 | 9 013 | (9 013) |
| **Net interest exposure to EURIBOR** | **1 120 511** | **-** | **-** |
| **Net effect from changes in the interest rate index** | **-** | **11 205** | **(11 205)** |

The table below presents the Group's exposure and the effects on its financial results from financial assets whose reference interest rate is EURIBOR as at 31 December 2024:

| Gross exposures | 31 December 2024 | Effect on profit or loss from a 1% increase in EURIBOR | Effect on profit or loss from a 1% decrease in EURIBOR |
|---|---|---|---|
| | BGN'000 | BGN'000 | BGN'000 |
| Loans and advances to customers | 369 575 | 3 696 | (3 696) |
| Financial assets measured at fair value through other comprehensive income | 551 628 | 5 516 | (5 516) |
| **Net interest exposure to EURIBOR** | **921 203** | **-** | **-** |
| **Net effect from changes in the interest rate index** | **-** | **9 212** | **(9 212)** |

## Credit risk analysis

### Group's policy regarding other than banking activities

Credit risk is the risk that counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, placing deposits etc. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at the reporting date, as summarized below:

| | 2025 BGN'000 | 2024 BGN'000 |
|---|---|---|
| Financial assets – carrying amounts: | | |
| Financial assets measured at fair value through profit or loss | 3 124 590 | 2 932 488 |
| Equity instruments measured at fair value through other comprehensive income | 65 928 | 66 382 |
| Debt instruments measured at fair value through other comprehensive income | 1 009 316 | 837 995 |
| Debt instruments measured at amortized cost | 6 236 078 | 6 077 958 |
| Cash and cash equivalents | 3 218 138 | 2 269 589 |
| **Carrying amount** | **13 654 050** | **12 184 412** |

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group and incorporates this information into its credit risk controls. The Group's policy is to deal only with creditworthy counterparties. The Group's management considers that all the above financial assets that are not impaired or past due for each of the reporting dates under review are of good credit quality.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in different industries and geographical areas. Based on historical indicators, the management considers that the trade receivables that are not past due are of good credit quality.

The credit risk related to cash and cash equivalents and financial market funds is considered immaterial as the contracting parties are banks with good reputation and good credit rating.

The carrying amounts presented above represent the maximum exposure to credit risk the Group might experience, regarding these financial instruments.

### Group's policies regarding the banking activities

Credit risk is the probability of a loss arising from the non-performance of contractual obligations of the counterparty on financial assets held by the Group. The Group manages credit risk inherent in both the banking and trading book. The Group has structured credit risk monitoring and management units for individual business segments by applying individual credit policies. The credit risk of individual exposures is managed over the life of the exposure - from the decision to form the exposure to its full repayment. In order to minimize credit risk in the credit process, detailed procedures are applied for the analysis of the economic feasibility of each project, the control over the use of the funds allocated and the administration related to this activity.

To reduce credit risk, appropriate type and value collateral and guarantees are adhered to, in accordance with the Internal Rules, the approach used for calculating capital requirements and current banking legislation.

Cash, cash equivalents and cash balances in Central bank amounting to BGN 2 028 028 thousand are not carrying significant credit risk for the Group due to their nature and the Group's ability for disposal.

The provided resources and advances to banks amounting to BGN 1 016 269 thousand are primarily deposits with international and Bulgarian financial institutions with a maturity of up to 7 days.

Receivables under repurchase agreements in the amount of BGN 412 073 thousand carry a credit risk for the Bank depending on the risk of the collateral provided. A part of the receivables in the amount of BGN 41 598 thousand are secured by government securities issued by the Republic of Bulgaria. The remaining part of the receivables in the amount of BGN 370 475 thousand are secured by corporate securities and carry a risk depending on the issuer of the securities provided as collateral.

Financial assets measured at fair value through profit or loss in the amount of BGN 231 385 thousand represent: equity instruments (shares) in Bulgarian enterprises in the amount of BGN 69 339 thousand and in foreign credit institutions in the amount of BGN 6 241 thousand and foreign non-financial enterprises in the amount of BGN 1 304 thousand; units in Bulgarian mutual funds worth BGN 138 334 thousand – with a risk weight depending on the type of underlying asset; debt instruments issued by the Republic of Bulgaria, worth BGN 16 167 thousand.

Equity securities measured at fair value through other comprehensive income, worth BGN 23 402 thousand, represent shares in financial and non-financial enterprises that carry credit risk, the maximum exposure of which in percentage terms is 100% or BGN 23 402 thousand in absolute amount.

Debt securities reported at fair value through other comprehensive income and issued by the Republic of Bulgaria, worth BGN 6 161 thousand, carry 0% credit risk for the Bank.

Debt securities carried at fair value through other comprehensive income and issued by domestic and foreign companies amounting to BGN 1 002 573 thousand carry credit risk for the Group, whose maximum exposure in percentage terms is 100% or BGN 1 002 573 thousand in absolute terms.

Debt securities carried at amortized cost and issued by the Republic of Bulgaria have a gross value of BGN 868 491 thousand and carry 0% credit risk. Debt securities carried at amortized cost and issued by other countries and central banks have a carrying value of BGN 1 185 458 thousand and carry credit risk for the Group depending on the credit rating of the issuing country. Debt securities, carried at amortized cost and issued by domestic and foreign companies with a gross value of BGN 26 139 thousand, carry a credit risk for the Group, the maximum exposure of which depends on the issuer's credit rating.

Loans and advances to customers with a carrying amount of BGN 3 575 265 thousand carry a credit risk for the Group. In order to determine the amount of the Group's exposure to this risk, an analysis of the individual risk for the Group, arising from each specific exposure, is performed, and the Group applies the criteria for assessment and classification of risk exposures set out in the banking legislation of the Republic of Bulgaria and in IFRS. In accordance with these criteria and the analysis performed, the Group's maximum exposure to credit risk is BGN 1 613 480 thousand.

As of December 31, 2025, the amount of provisions formed by the Group to cover expected credit losses on loans and advances is BGN 54 525 thousand.

The credit loss assessment models used by the Group have not been changed in connection with specific macroeconomic, political and geopolitical trends, as their accuracy and adequacy depend on the risk parameters that serve to calculate the amount of expected credit losses and they are included with their actual values, as reported by the statistical and financial state authorities.

In 2025, the quality of the Group's exposure portfolio remains stable and there is no increase in the share of non-performing exposures, the credit loss assessment models used have adequately estimated the amount of ECL.

According to the current "Rules for Acceptance, Evaluation and Management of Collateral in Credit Transactions", the assessments of collateral, incl. Commercial real estate is updated every 12 months, and

residential real estate – every three years. If necessary, the Parent Bank may require more frequent updates, e.g. when the parameters of a loan transaction change or when the information at its disposal indicates that their value has decreased significantly compared to the general market prices. Real estate valuations are carried out by independent certified valuers and reviewed by the Group.

**Assets quality**

In the tables below, the Group presents the structure and the change in the adjustment for expected credit losses.

| Impairment loss - Loans and advances to banks at amortized cost | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Impairment loss on 1 January 2025 | 35 | - | - | 35 |
| Change in impairment loss | (10) | - | - | (10) |
| Accrued for the period | 11 | - | - | 11 |
| Derecognized for the period | (21) | - | - | (21) |
| Foreign exchange and other movements | (1) | - | - | (1) |
| Impairment loss on 31 December 2025 | 24 | - | - | 24 |

| Impairment loss - Loans and advances to banks at amortized cost | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Impairment loss on 1 January 2024 | 33 | - | - | 33 |
| Change in impairment loss | (8) | - | - | (8) |
| Accrued for the period | 10 | - | - | 10 |
| Derecognized for the period | (18) | - | - | (18) |
| Impairment loss on 31 December 2024 | 25 | - | - | 25 |

| Impairment loss – Receivables under repurchase agreements of securities | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Impairment loss on 1 January 2025 | 2 186 | - | - | 2 186 |
| Change in impairment loss | (641) | - | - | (641) |
| Accrued for the period | 1 544 | - | - | 1 544 |
| Derecognized for the period | (2 185) | - | - | (2 185) |
| Impairment loss on 31 December 2025 | 1 545 | - | - | 1 545 |

| Impairment loss – Receivables under repurchase agreements of securities | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Impairment loss on 1 January 2024 | 1 552 | - | - | 1 552 |
| Change in impairment loss | 634 | - | - | 634 |
| Accrued for the period | 2 186 | - | - | 2 186 |
| Derecognized for the period | (1 552) | - | - | (1 552) |
| Impairment loss on 31 December 2024 | 2 186 | - | - | 2 186 |

| Impairment loss – Loans and advances granted to customers at amortized cost | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Impairment loss on 1 January 2025 | 16 658 | 4 140 | 31 066 | 51 864 |
| Change in impairment loss recognized in Profit and loss | (115) | 608 | 3 041 | 3 534 |
| – Transfer to Stage 1 | 119 | (90) | (29) | - |
| – Transfer to Stage 2 | (9) | 48 | (39) | - |
| – Transfer to Stage 3 | (6) | (11) | 17 | - |
| – Increase due to change in credit risk | 1 | 46 | 193 | 240 |
| – Decrease due to change in credit risk | (1 081) | (51) | (1 436) | (2 568) |
| – Increase due to originated or purchased assets | 2 071 | 1 071 | 1 241 | 4 383 |
| – Change in risk parameters | (1 210) | (405) | 3 094 | 1 479 |
| Decrease due to derecognition for uncollectibility | - | - | (871) | (871) |
| Currency differences and other adjustments | - | - | (2) | (2) |
| Impairment loss on 31 December 2025 | 16 543 | 4 748 | 33 234 | 54 525 |

| Impairment loss – Loans and advances granted to customers at amortized cost | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Impairment loss on 1 January 2024 | **16 299** | **351** | **29 952** | **46 602** |
| Change in impairment loss recognized in Profit and loss | **359** | **3 789** | **2 287** | **6 435** |
| – Transfer to Stage 1 | 239 | (129) | (110) | - |
| – Transfer to Stage 2 | (55) | 77 | (22) | - |
| – Transfer to Stage 3 | (3) | (15) | 18 | - |
| – Increase due to change in credit risk | 1 | 100 | 323 | 424 |
| – Decrease due to change in credit risk | (2 828) | (127) | (907) | (3 862) |
| – Increase due to originated or purchased assets | 2 222 | 3 913 | 566 | 6 701 |
| – Change in risk parameters | 783 | (30) | 2 419 | 3 172 |
| Decrease due to derecognition for uncollectibility | **-** | **-** | **(1 098)** | **(1 098)** |
| Decrease due to derecognition for transfer | - | - | (84) | (84) |
| Currency differences and other adjustments | **-** | **-** | **(10)** | **(10)** |
| Impairment loss on 31 December 2024 | **16 558** | **4 140** | **31 067** | **51 865** |

| Impairment loss – Investments in debt securities at amortized cost | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Impairment loss on 1 January 2025 | 2 121 | - | - | 2 121 |
| Change in impairment loss | (1 320) | - | - | (1 320) |
| Accrued for the period | 334 | - | - | 334 |
| Derecognized for the period | (1 654) | - | - | (1 654) |
| Impairment loss on 31 December 2025 | 801 | - | - | 801 |

| Impairment loss – Investments in debt securities at amortized cost | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Impairment loss on 1 January 2024 | 2 260 | - | - | 2 260 |
| Change in impairment loss | (139) | - | - | (139) |
| Accrued for the period | 279 | - | - | 279 |
| Derecognized for the period | (418) | - | - | (418) |
| Impairment loss on 31 December 2024 | 2 121 | - | - | 2 121 |

| Impairment loss – Investments in debt securities at FVTOCI | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Impairment loss on 1 January 2025 | 7 935 | 191 | - | 8 126 |
| Change in impairment loss | 1 596 | 212 | - | 1 808 |
| Accrued for the period | 3 055 | 403 | - | 3 458 |

| | | | | |
|---|---|---|---|---|
| Derecognized for the period | (1 459) | (191) | - | (1 650) |
| Impairment loss on 31 December 2025 | 9 531 | 403 | - | 9 934 |

| Impairment loss – Investments in debt securities at FVTOCI | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Impairment loss on 1 January 2024 | 5 417 | - | - | 5 417 |
| Change in impairment loss | 2 518 | 191 | - | 2 709 |
| Accrued for the period | 4 115 | 191 | - | 4 306 |
| Derecognized for the period | (1 597) | - | - | (1 597) |
| Impairment loss on 31 December 2024 | 7 935 | 191 | - | 8 126 |

| Impairment loss – Loan commitments | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Impairment loss on 1 January 2025 | 314 | 210 | 13 | 537 |
| Change in impairment loss | 39 | (205) | (6) | (172) |
| Accrued for the period | 819 | 16 | 13 | 848 |
| Derecognized for the period | (780) | (221) | (19) | (1 020) |
| Currency and other movements | 2 | - | (2) | - |
| Impairment loss on 31 December 2025 | 355 | 5 | 5 | 365 |

| Impairment loss – Loan commitments | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Impairment loss on 1 January 2024 | 300 | 3 | 16 | 319 |
| Change in impairment loss | 14 | 207 | (3) | 218 |
| Accrued for the period | 671 | 217 | 35 | 923 |
| Derecognized for the period | (663) | (12) | (30) | (705) |
| Currency and other movements | 6 | 2 | (8) | - |
| Impairment loss on 31 December 2024 | 314 | 210 | 13 | 537 |

| Impairment loss – Financial guarantee contracts | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Impairment loss on 1 January 2025 | 5 | 2 | - | 7 |
| Change in impairment loss | 80 | 2 | - | 82 |
| Accrued for the period | 85 | 2 | - | 87 |
| Derecognized for the period | (5) | - | - | (5) |
| Impairment loss on 31 December 2025 | 85 | 4 | - | 89 |

| Impairment loss – Financial guarantee contracts | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Impairment loss on 1 January 2024 | 10 | 2 | - | 12 |
| Change in impairment loss | (5) | - | - | (5) |
| Accrued for the period | 7 | 2 | - | 9 |
| Derecognized for the period | (12) | (2) | - | (14) |
| Impairment loss on 31 December 2024 | 5 | 2 | - | 7 |

In the tables below, the Group presents the structure and the change in the gross values of the asset categories as of 31.12.2025 and 31.12.2024 and their change until the end of the financial period.

| Carrying amount before impairment – Loans and advances granted to banks at amortized cost | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Gross carrying amount at 1 January 2025 | 180 574 | - | - | 180 574 |
| Change in the gross carrying amount | 835 719 | - | - | 835 719 |
| Increase for the period | 1 660 170 | - | - | 1 660 170 |
| Decrease for the period | (824 451) | - | - | (824 451) |
| Other changes | - | - | - | - |
| Gross carrying amount at December 31 December 2025 | 1 016 293 | - | - | 1 016 293 |
| Impairment loss at 31 December 2025 | (24) | - | - | (24) |
| Carrying amount at 31 December 2025 | 1 016 269 | - | - | 1 016 269 |

| Carrying amount before impairment – Loans and advances granted to banks at amortized cost | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Gross carrying amount at 1 January 2024 | 154 626 | - | - | 154 626 |
| Change in the gross carrying amount | 25 948 | - | - | 25 948 |
| Increase for the period | 900 439 | - | - | 900 439 |
| Decrease for the period | (874 491) | - | - | (874 491) |
| Gross carrying amount at December 31 December 2024 | 180 574 | - | - | 180 574 |
| Impairment loss at 31 December 2024 | (25) | - | - | (25) |
| Carrying amount at 31 December 2024 | 180 549 | - | - | 180 549 |

| Carrying amount before impairment – Receivables under repurchase agreements of securities | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Gross carrying amount at 1 January 2025 | 594 253 | - | - | 594 253 |
| Change in the gross carrying amount | (180 635) | - | - | (180 635) |
| Increase for the period | 413 617 | - | - | 413 617 |
| Decrease for the period | (594 252) | - | - | (594 252) |
| Gross carrying amount at December 31 December 2025 | 413 618 | - | - | 413 618 |
| Impairment loss at 31 December 2025 | (1 545) | - | - | (1 545) |
| Carrying amount at 31 December 2025 | 412 073 | - | - | 412 073 |

| Carrying amount before impairment – Receivables under repurchase agreements of securities | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Gross carrying amount at 1 January 2024 | 443 272 | - | - | 443 272 |
| Change in the gross carrying amount | 150 981 | - | - | 150 981 |
| Increase for the period | 594 253 | - | - | 594 253 |
| Decrease for the period | (443 272) | - | - | (443 272) |
| Gross carrying amount at December 31 December 2024 | 594 253 | - | - | 594 253 |
| Impairment loss at 31 December 2024 | (2 186) | - | - | (2 186) |
| Carrying amount at 31 December 2024 | 592 067 | - | - | 592 067 |

| Loans and advances granted to customers at amortized cost | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Gross carrying amount at 1 January 2025 | 3 290 025 | 117 220 | 36 170 | 3 443 415 |
| Change in the gross carrying amount | 163 402 | 18 038 | 5 807 | 187 247 |
| – Transfer to Stage 1 | 3 675 | (3 537) | (138) | - |
| – Transfer to Stage 2 | (5 338) | 5 450 | (112) | - |
| – Transfer to Stage 3 | (296) | (380) | 676 | - |
| – Increase due to change in credit risk | 9 | 19 | 6 | 34 |
| – Decrease due to change in credit risk | (246 688) | (13 209) | (519) | (260 416) |
| – Increase due to originated or purchased assets | 603 495 | 29 170 | 2 | 632 667 |
| – Change in risk parameters | (191 455) | 525 | 5 892 | (185 038) |
| **– Decrease due to write-off for uncollectibility** | **-** | **-** | **(871)** | **(871)** |
| **– Decrease due to write-off for transfer** | **-** | **-** | **(1)** | **(1)** |
| **– Currency differences and other adjustments** | **-** | **-** | **-** | **-** |
| Gross carrying amount at 31 December 2025 | **3 453 427** | **135 258** | **41 105** | **3 629 790** |
| Impairment loss at 31 December 2025 | (16 543) | (4 748) | (33 234) | (54 525) |
| **Carrying amount at 31 December 2025** | **3 436 884** | **130 510** | **7 871** | **3 575 265** |

| Loans and advances granted to customers at amortized cost | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Gross carrying amount at 1 January 2024 | **3 251 469** | **14 638** | **41 008** | **3 307 115** |
| Change in the gross carrying amount | **38 556** | **102 582** | **(3 643)** | **137 495** |
| – Transfer to Stage 1 | 5 199 | (4 973) | (226) | - |
| – Transfer to Stage 2 | (21 827) | 22 121 | (294) | - |
| – Transfer to Stage 3 | (769) | (684) | 1 453 | - |
| – Increase due to change in credit risk | 26 | 52 | 655 | 733 |
| – Decrease due to change in credit risk | (358 434) | (3 411) | (739) | (362 584) |
| – Increase due to originated or purchased assets | 606 571 | 92 118 | 136 | 698 825 |
| – Change in risk parameters | (192 210) | (2 641) | (4 628) | (199 479) |
| – Decrease due to write-off for uncollectibility | **-** | **-** | **(1 098)** | **(1 098)** |
| – Decrease due to write-off for transfer | **-** | **-** | **(97)** | **(97)** |
| – Currency differences and other adjustments | **-** | **-** | **-** | **-** |
| Gross carrying amount at 31 December 2024 | **3 290 025** | **117 220** | **36 170** | **3 443 415** |
| Impairment loss at 31 December 2024 | (16 659) | (4 139) | (31 067) | (51 865) |
| Carrying amount at 31 December 2024 | **3 273 366** | **113 081** | **5 103** | **3 391 550** |

| Carrying amount before impairment – Investments in debt securities at amortized cost | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Gross carrying amount at 1 January 2025 | 1 920 057 | - | - | 1 920 057 |
| Change in the gross carrying amount | 160 832 | - | - | 160 832 |
| Increase for the period | 1 446 576 | - | - | 1 446 576 |
| Decrease for the period | (1 285 744) | - | - | (1 285 744) |
| Other changes | - | - | - | - |
| Gross carrying amount at 31 December 2025 | 2 080 889 | - | - | 2 080 889 |
| Impairment loss at 31 December 2025 | (801) | - | - | (801) |
| Carrying amount at 31 December 2025 | 2 080 088 | - | - | 2 080 088 |

| Carrying amount before impairment – Investments in debt securities at amortized cost | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Gross carrying amount at 1 January 2024 | 1 550 516 | - | - | 1 550 516 |
| Change in the gross carrying amount | 369 541 | - | - | 369 541 |
| Increase for the period | 846 216 | - | - | 846 216 |
| Decrease for the period | (476 675) | - | - | (476 675) |
| Gross carrying amount at 31 December 2024 | 1 920 057 | - | - | 1 920 057 |
| Impairment loss at 31 December 2024 | (2 121) | - | - | (2 121) |
| Carrying amount at 31 December 2024 | 1 917 936 | - | - | 1 917 936 |

| Carrying amount before impairment – Investments in debt securities at FVTOCI | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Gross carrying amount at 1 January 2025 | 837 296 | 9 508 | - | 846 804 |
| Change in the gross carrying amount | 185 332 | - | - | 185 332 |
| Increase for the period | 312 658 | - | - | 312 658 |
| Decrease for the period | (127 326) | - | - | (127 326) |
| Gross carrying amount at 31 December 2025 | 1 022 628 | 9 508 | - | 1 032 136 |
| Impairment loss at 31 December 2025 | (9 531) | (403) | - | (9 934) |

| Carrying amount before impairment – Investments in debt securities at FVTOCI | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Gross carrying amount at 1 January 2024 | 608 190 | - | - | 608 190 |
| Change in the gross carrying amount | 229 106 | 9 508 | - | 238 614 |
| Increase for the period | 402 900 | 9 508 | - | 412 408 |
| Decrease for the period | (173 794) | - | - | (173 794) |
| Gross carrying amount at 31 December 2024 | 837 296 | 9 508 | - | 846 804 |
| Impairment loss at 31 December 2024 | (7 935) | (191) | - | (8 126) |

| Loan commitments | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Total amount of loan commitments at 1 January 2025 | 104 665 | 4 884 | 126 | 109 675 |
| Change in the amount of loan commitments | (12 879) | (4 710) | (67) | (17 656) |
| Increase for the period | 25 008 | 59 | 12 | 25 079 |
| Decrease for the period | (37 887) | (4 769) | (79) | (42 735) |
| Other movements | (21) | 32 | (11) | - |
| Total amount of loan commitments at 31 December 2025 | 91 765 | 206 | 48 | 92 019 |
| ECL allowance at 31 December 2025 | (355) | (5) | (5) | (365) |

| Loan commitments | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Total amount of loan commitments at 1 January 2024 | 108 866 | 251 | 214 | 109 331 |
| Change in the amount of loan commitments | (4 185) | 4 627 | (97) | 345 |
| Increase for the period | 38 970 | 4 727 | 18 | 43 715 |
| Decrease for the period | (43 155) | (100) | (115) | (43 370) |
| Other movements | (16) | 7 | 8 | (1) |

| | | | | |
|---|---|---|---|---|
| Total amount of loan commitments at 31 December 2024 | 104 665 | 4 885 | 125 | 109 675 |
| ECL allowance at 31 December 2024 | (314) | (210) | (13) | (537) |

| Financial guarantee contracts | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Total amount of guarantees at 1 January 2025 | 56 824 | 23 | - | 56 847 |
| Change in the gross carrying amount | 88 660 | - | - | 88 660 |
| Increase for the period | 106 725 | - | - | 106 725 |
| Decrease for the period | (18 065) | - | - | (18 065) |
| Other movements | - | - | - | - |
| Total amount of guarantees at 31 December 2025 | 145 484 | 23 | - | 145 507 |
| ECL allowance at 31 December 2025 | (85) | (4) | - | (89) |

| Financial guarantee contracts | Stage 1 12-month ECL BGN '000 | Stage 2 Lifetime ECL BGN '000 | Stage 3 Lifetime ECL BGN '000 | Total BGN '000 |
|---|---|---|---|---|
| Total amount of guarantees at 1 January 2024 | 52 957 | 12 | - | 52 969 |
| Change in the gross carrying amount | 3 868 | 11 | - | 3 879 |
| Increase for the period | 25 885 | 23 | - | 25 908 |
| Decrease for the period | (22 017) | (12) | - | (22 029) |
| Other movements | (1) | - | - | (1) |
| Total amount of guarantees at 31 December 2024 | 56 824 | 23 | - | 56 847 |
| ECL allowance at 31 December 2024 | (5) | (2) | - | (7) |

| ECL by type of asset | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| Loans and advances granted to banks at amortized cost | (24) | (25) |
| Receivables under repurchase agreements of securities | (1 545) | (2 186) |
| Loans and advances granted to customers at amortized cost | (54 525) | (51 865) |
| Investments in debt securities at amortized cost | (801) | (2 121) |
| Investments in debt securities at FVTOCI | (9 934) | (8 126) |
| | **(66 829)** | **(64 323)** |

| Loans and advances granted to customers | 2025 Gross carrying amount BGN '000 | 2025 Impairment loss BGN '000 | 2024 Gross carrying amount BGN '000 | 2024 Impairment loss BGN '000 |
|---|---|---|---|---|
| 0-29 days | 3 588 726 | (21 246) | 3 403 610 | (20 850) |
| 30-59 days | 3 880 | (75) | 3 769 | (72) |
| 60-89 days | 291 | (56) | 692 | (39) |
| 90-180 days | 550 | (86) | 595 | (87) |
| Over 181 days | 36 343 | (33 062) | 34 749 | (30 817) |
| Total | **3 629 790** | **(54 525)** | **3 443 415** | **(51 865)** |

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| Loans and advances granted to customers at amortized cost | 3 629 790 | 3 443 415 |
| Less impairment for uncollectibility | (54 525) | (51 865) |
| Total loans and advances granted to customers | **3 575 265** | **3 391 550** |

| | 31.12.2025 | | | 31.12.2024 | | |
|---|---|---|---|---|---|---|
| | Gross carrying amount<br>BGN '000 | ECL impairment<br>BGN '000 | Carrying amount<br>BGN '000 | Gross carrying amount<br>BGN '000 | ECL impairment<br>BGN '000 | Carrying amount<br>BGN '000 |
| Retail banking | | | | | | |
| Mortgages | 1 019 002 | (624) | 1 018 378 | 893 876 | (563) | 893 313 |
| Consumer loans | 937 635 | (8 087) | 929 548 | 855 009 | (7 902) | 847 107 |
| Credit cards | 14 857 | (1 014) | 13 843 | 16 537 | (1 026) | 15 511 |
| Other | 2 639 | (2 639) | - | 2 620 | (2 620) | - |
| Total retail banking | **1 974 133** | **(12 364)** | **1 961 769** | **1 768 042** | **(12 111)** | **1 755 931** |
| Corporate lending | **1 655 657** | **(42 161)** | **1 613 496** | **1 675 373** | **(39 754)** | **1 635 619** |
| Total | **3 629 790** | **(54 525)** | **3 575 265** | **3 443 415** | **(51 865)** | **3 391 550** |

| | 2025 | | | |
|---|---|---|---|---|
| Placements with, and advances to, banks at amortized cost | Stage 1<br>12-month ECL | Stage 2<br>Lifetime ECL | Stage 3<br>Lifetime ECL | Total |
| | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| Category | 1 016 293 | - | - | 1 016 293 |
| Total gross carrying amount | 1 016 293 | - | - | 1 016 293 |
| Impairment loss | (24) | - | - | (24) |
| Carrying amount | 1 016 269 | - | - | 1 016 269 |

| | 2024 | | | |
|---|---|---|---|---|
| Placements with, and advances to, banks at amortized cost | Stage 1<br>12-month ECL | Stage 2<br>Lifetime ECL | Stage 3<br>Lifetime ECL | Total |
| | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| Category | 180 574 | - | - | 180 574 |
| Total gross carrying amount | 180 574 | - | - | 180 574 |
| Impairment loss | (25) | - | - | (25) |
| Carrying amount | 180 549 | - | - | 180 549 |

| | | | | 2025 |
|---|---|---|---|---|
| Receivables under repurchase agreements of securities | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| Category | 413 618 | - | - | 413 618 |
| Total gross carrying amount | 413 618 | - | - | 413 618 |
| Impairment loss | (1 545) | - | - | (1 545) |
| Carrying amount | 412 073 | - | - | 412 073 |

| | | | | 2024 |
|---|---|---|---|---|
| Receivables under repurchase agreements of securities | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| Category | 594 253 | - | - | 594 253 |
| Total gross carrying amount | 594 253 | - | - | 594 253 |
| Impairment loss | (2 186) | - | - | (2 186) |
| Carrying amount | 592 067 | - | - | 592 067 |

| | | | | 2025 |
|---|---|---|---|---|
| Loans and advances to customers at amortized cost | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| Category | 3 453 427 | 135 258 | 41 105 | 3 629 790 |
| Total gross carrying amount | 3 453 427 | 135 258 | 41 105 | 3 629 790 |
| Impairment loss | (16 543) | (4 748) | (33 234) | (54 525) |
| Carrying amount | 3 436 884 | 130 510 | 7 871 | 3 575 265 |

| | | | | 2024 |
|---|---|---|---|---|
| Loans and advances to customers at amortized cost | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| Category | 3 290 025 | 117 220 | 36 170 | 3 443 415 |
| Total gross carrying amount | 3 290 025 | 117 220 | 36 170 | 3 443 415 |
| Impairment loss | (16 659) | (4 139) | (31 067) | (51 865) |
| Carrying amount | 3 273 366 | 113 081 | 5 103 | 3 391 550 |

| | | | | 2025 |
|---|---|---|---|---|
| Investments in debt securities at amortized cost | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| Category | 2 080 889 | - | - | 2 080 889 |
| Total gross carrying amount | 2 080 889 | - | - | 2 080 889 |
| Impairment loss | (801) | - | - | (801) |
| Carrying amount | 2 080 088 | - | - | 2 080 088 |

| | | | | 2024 |
|---|---|---|---|---|
| Investments in debt securities at amortized cost | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| Category | 1 920 057 | - | - | 1 920 057 |
| Total gross carrying amount | 1 920 057 | - | - | 1 920 057 |
| Impairment loss | (2 121) | - | - | (2 121) |
| Carrying amount | 1 917 936 | - | - | 1 917 936 |

| | | | | 2025 |
|---|---|---|---|---|
| Investments in debt securities at FVTOCI | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| Category | 1 022 628 | 9 508 | - | 1 032 136 |
| Total gross carrying amount | 1 022 628 | 9 508 | - | 1 032 136 |
| Impairment loss | (9 531) | (403) | - | (9 934) |

| | | | | 2024 |
|---|---|---|---|---|
| Investments in debt securities at FVTOCI | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| Category | 837 296 | 9 508 | - | 846 804 |
| Total gross carrying amount | 837 296 | 9 508 | - | 846 804 |
| Impairment loss | (7 935) | (191) | - | (8 126) |

| | | | | 2025 |
|---|---|---|---|---|
| Loan commitments | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| Category | 91 765 | 206 | 48 | 92 019 |
| Total gross carrying amount | 91 765 | 206 | 48 | 92 019 |
| Impairment loss | (355) | (5) | (5) | (365) |

| | | | | 2024 |
|---|---|---|---|---|
| Loan commitments | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| Category | 104 665 | 4 885 | 126 | 109 676 |
| Total gross carrying amount | 104 665 | 4 885 | 126 | 109 676 |
| Impairment loss | (314) | (210) | (13) | (537) |

| | | | | 2025 |
|---|---|---|---|---|
| Financial guarantee contracts | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| Category | 145 484 | 23 | - | 145 507 |
| Total gross carrying amount | 145 484 | 23 | - | 145 507 |
| Impairment loss | (85) | (4) | - | (89) |

| | | | | 2024 |
|---|---|---|---|---|
| Financial guarantee contracts | Stage 1 12-month ECL | Stage 2 Lifetime ECL | Stage 3 Lifetime ECL | Total |
| | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| Category | 56 824 | 23 | - | 56 847 |
| Total gross carrying amount | 56 824 | 23 | - | 56 847 |
| Impairment loss | (5) | (2) | - | (7) |

**Concentration risk**

Concentration risk is the possibility of loss due to incorrect diversification of exposures to customers, groups of connected clients, customers in the same economic sector or geographic area.

The tables below represent a cross-section of the concentrations of the different asset classes of the Group by region and by economic sector.

| Placements with, and advances to, banks at amortized cost | **2025** | **2024** |
|---|---|---|
| | **BGN'000** | **BGN'000** |
| ***Concentration by sector*** | | |
| Central banks | 956 090 | 1 377 |
| Bulgarian commercial banks | 2 629 | 59 924 |
| Foreign commercial banks | 57 574 | 119 273 |
| **Total** | **1 016 293** | **180 574** |
| | | |
| ***Concentration by region*** | | |
| Europe | 985 058 | 143 914 |
| America | 8 168 | 24 898 |
| Asia | 23 067 | 11 762 |
| **Total** | **1 016 293** | **180 574** |

| Receivables under repurchase agreements of securities | 2025<br>BGN'000 | 2024<br>BGN'000 |
|---|---|---|
| ***Corporate*** | | |
| Construction | 54 582 | 63 749 |
| Commerce and finance | 249 323 | 384 494 |
| Transport and communications | 26 969 | 25 748 |
| Industry | 20 497 | 29 919 |
| Other | 62 247 | 90 343 |
| **Total** | **413 618** | **594 253** |
| ***Concentration by region*** | | |
| Europe | 413 618 | 594 253 |
| **Total** | **413 618** | **594 253** |

| Investments in debt securities at amortized cost | 2025<br>BGN'000 | 2024<br>BGN'000 |
|---|---|---|
| ***Concentration by sector*** | | |
| States | 2 034 883 | 1 872 673 |
| Bank | 30 681 | 19 465 |
| ***Concentration by region*** | | |
| Commerce and finance | 14 524 | 25 798 |
| **Total** | **2 080 088** | **1 917 936** |
| ***Concentration by region*** | | |
| Europe | 2 043 420 | 1 871 983 |
| Asia | 9 719 | 9 707 |
| America | 26 949 | 36 246 |
| **Total** | **2 080 088** | **1 917 936** |

| Investments in debt securities at FVTOCI | 2025<br>BGN'000 | 2024<br>BGN'000 |
|---|---|---|
| ***Concentration by sector*** | | |
| States | 6 160 | 6 961 |
| Banks | 1 081 | 1 074 |
| | | |
| ***Corporate*** | | |
| Construction | 286 032 | 288 630 |
| Industry | 15 851 | 8 440 |
| Commerce and finance | 507 792 | 375 872 |
| Transport and communications | 41 475 | 6 278 |
| Agriculture and forestry | - | 12 162 |
| Other | 150 343 | 124 725 |
| **Total** | **1 008 734** | **824 142** |
| | | |
| ***Concentration by region*** | | |
| Europe | 1 008 734 | 824 142 |
| **Total** | **1 008 734** | **824 142** |

## Credit risk concentration

| **Loans and advances at amortized cost granted to customers** | **2025**<br>**BGN'000** | **2024**<br>**BGN'000** |
|---|---|---|
| **Concentration by sector** | | |
| ***Retail banking:*** | 1 974 133 | 1 768 042 |
| Mortgage | 1 019 002 | 893 876 |
| Consumer | 937 635 | 855 009 |
| Credit cards | 14 857 | 16 537 |
| Other | 2 639 | 2 620 |
| | | |
| ***Corporate*** | 1 655 657 | 1 675 373 |
| Agriculture and forestry | 75 531 | 82 922 |
| Industry | 57 035 | 49 361 |
| Construction | 659 759 | 671 415 |
| Commerce and finance | 635 602 | 654 546 |
| Transport and communications | 88 232 | 87 168 |
| Other | 139 498 | 129 961 |
| **Total** | **3 629 790** | **3 443 415** |
| | | |
| ***Concentration by region*** | | |
| Europe | 3 629 355 | 3 443 238 |
| America | 385 | 65 |
| Asia | 50 | 112 |
| **Total** | **3 629 790** | **3 443 415** |

| Credit commitments | 2025 | 2024 |
|---|---|---|
| | BGN'000 | BGN'000 |
| **Concentration by sector** | | |
| ***Retail banking*** | 61 261 | 58 654 |
| Mortgage | 4 956 | 3 521 |
| Consumer | 12 920 | 14 468 |
| Credit cards | 43 385 | 40 665 |
| ***Corporate*** | 30 758 | 51 022 |
| Agriculture and forestry | 2 501 | 5 614 |
| Industry | 4 073 | 2 715 |
| Construction | 11 798 | 25 596 |
| Commerce and finance | 10 587 | 10 176 |
| Transport and communications | 776 | 5 778 |
| Other | 1 023 | 1 143 |
| **Total** | **92 019** | **109 676** |
| ***Concentration by region*** | | |
| Europe | 91 990 | 109 653 |
| America | 2 | - |
| Middle East and Africa | 27 | 23 |
| **Total** | **92 019** | **109 676** |

| Financial guarantee contracts | 2025 | 2024 |
|---|---|---|
| | BGN'000 | BGN'000 |
| **Concentration by sector** | | |
| ***Retail banking*** | 31 | 45 |
| Other | 31 | 45 |
| ***Corporate*** | 145 476 | 56 802 |
| Agriculture and forestry | 362 | 202 |
| Industry | 18 451 | 6 230 |
| Construction | 51 437 | 9 834 |
| Commerce and finance | 56 729 | 28 683 |
| Transport and communications | 14 932 | 8 328 |
| Other | 3 565 | 3 525 |
| **Total** | **145 507** | **56 847** |
| ***Concentration by regions*** | | |
| Europe | 145 507 | 56 847 |
| **Total** | **145 507** | **56 847** |

## Credit exposures with restructuring measures

As exposures with restructuring measures the Group accepts credit exposures that have modified the original terms of the contract caused by a deterioration in the financial condition of the debtor leading to the inability to repay the full amount of the debt in due time and which discounts the Group would not circumstances.

Amendments to the original terms of the contract in connection with the implementation of the restructuring measures may include:

- Postponing or rescheduling the payment of principal interest or where applicable fees resulting in a reduction in the amount of the financial commitment;

- Partial or total refinancing of a troubled debt contract which is only allowed when the debtor is in financial difficulties;
- Partial or total debt write-off, which write-off leads to a reduction in the amount of the financial liability:
- An amendment involving repayments resulting from a collateral acquisition by the Group is treated as a restructuring measure when the debtor is in financial difficulty;
- Granted rebates to a debtor who is in default before granting the rebates;
- A reduction in the contract interest rate, except for a change in the agreed interest rate caused by changes in market interest rates.

Decrease in the interest rate under the contract except for a change in the agreed interest rate resulting from changes in market interest rates.:

| 2025 | Corporate customers BGN'000 | Individuals BGN'000 |
|---|---|---|
| Amount before impairment | 9 558 | 470 |
| Impairment | (9 116) | (227) |
| **Amount after impairment** | **442** | **243** |

| 2024 | Corporate customers BGN'000 | Individuals BGN'000 |
|---|---|---|
| Amount before impairment | 20 186 | 927 |
| Impairment | (9 262) | (291) |
| **Amount after impairment** | **10 924** | **636** |

**Collaterals on loans granted**

**Housing mortgage loans to individuals**

The table below presents the carrying amount of reported housing mortgage loans to individuals based on loan-to-value ratio. The ratio is calculated as a correlation of the gross amount of loan exposure to the collateral value. Collateral value on housing mortgage loans is determined upon loan granting and is updated in case of significant changes in the prices of real estate market.

| Collateral ratio (Loan-to-value) | 2025 BGN '000 | 2024 BGN '000 |
|---|---|---|
| Below 50% | 523 215 | 390 137 |
| From 50% to 75% | 327 231 | 307 229 |
| From 75% to 90% | 101 222 | 130 369 |
| From 90% to 100% | 1 195 | 1 720 |
| Above 100% | 806 | 3 023 |
| **Total** | **953 669** | **832 478** |

**Loans granted to legal entities**

With respect to loans to legal entities the Group identifies the creditworthiness of each individual client as the most appropriate risk exposure indicator. For this the Group has adopted an approach to individual credit assessment and impairment testing of loans to corporates. To ensure additional security in addition to regular monitoring of the financial position of borrowing enterprises the Group also requires collateral to be set up in the credit exposures. The Group accepts collateral for loans to legal persons mortgages on real estate a pledge of a commercial enterprise a special pledge of tangible assets as well as other guarantees and rights of ownership.

The Group periodically analyses and updates the value of the collateral taking into account significant changes in the market environment the regulatory framework or other occurring circumstances. In the event that there is a decrease in the value of the collateral as a result of which the Group considers that it is not sufficient the Group requires that the debtor be constituted additional collateral by setting a certain period within which the supplementation will be fulfilled.

**Credit risk analysis in insurance business**

Credit risk is the risk that a counterparty will not pay its obligation to the Group. In managing credit risk, the Group monitors the risk of counterparty default on financial instrument transactions. The monitoring of risk exposure takes into account fluctuations in the fair value of financial instruments. The Group manages risk by only dealing with counterparties with a high credit rating and, where necessary, by requiring collateral. The Group's exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as set out below.

| | 2025<br>BGN '000 | 2024<br>BGN '000 |
|---|---|---|
| **Groups of financial assets - carrying amounts:** | | |
| Financial assets at fair value through profit or loss | 170 406 | 162 135 |
| Financial assets at fair value through other comprehensive income | 10 205 | 10 205 |
| Financial assets and other receivables | 44 742 | 40 448 |
| Receivables from related parties | 121 110 | 47 992 |
| Cash and cash equivalents | 26 396 | 56 480 |
| **Carrying amount** | **372 859** | **317 260** |

The Group's management believes that all the above-mentioned financial assets that have not been impaired during the reporting periods presented are financial assets with a high credit rating, including those that have reached maturity. The credit risk regarding cash and cash equivalents is considered to be insignificant, as the counterparties are banks with a good reputation.

Due to the specifics of the Bulgarian financial market, most of the securities held by the Group are unrated, with only the government securities and CCB shares held by the Group having such a rating. The following tables present an analysis of the credit quality of the Group's securities.

| | Credit rating AAA | Credit rating AA | Credit rating A | Credit rating BBB | Credit rating BB | No Credit rating | Total |
|---|---|---|---|---|---|---|---|
| | BGN '000. | BGN '000 | BGN '000 | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| **31 December 2025 г.** | | | | | | | |
| Government securities | - | - | - | 31 751 | - | - | 31 751 |
| Stocks | - | - | - | - | 17 264 | 39 726 | 56 990 |
| Shares | - | - | - | - | - | 91 870 | 91 870 |
| **Total assets** | **-** | **-** | **-** | **31 751** | **17 264** | **131 596** | **180 611** |

| | Credit rating AAA | Credit rating AA | Credit rating A | Credit rating BBB | Credit rating BB | No Credit rating | Total |
|---|---|---|---|---|---|---|---|
| | BGN '000. | BGN '000 | BGN '000 | BGN '000 | BGN '000 | BGN '000 | BGN '000 |
| **31 December 2024 г.** | | | | | | | |
| Government securities | - | - | - | 30 757 | - | - | 30 757 |
| Stocks | - | - | - | - | 14 477 | 40 345 | 54 822 |
| Shares | - | - | - | - | - | 86 761 | 86 761 |
| **Total assets** | **-** | **-** | **-** | **30 757** | **14 477** | **127 106** | **172 340** |

The reinsurance policy of ZAD "Armeec" is aimed at gradually optimizing reinsurance costs through flexible use of appropriate reinsurance methods, corresponding to the improving financial stability of individual insurances and in accordance with the reinsurance market situation.

In 2025, the priority of the proportional reinsurance method was retained for well-balanced aggregates of the property branch with an appropriate level of self-retention and its respective protections. In this way, the company protects its assumed responsibilities in the event of large fluctuations, especially in the frequency of events.

The trend will be to further expand the capacity of protections under disproportionate contracts to protect the portfolio of ZAD Armeec against catastrophic risks. This is necessary not only due to the continuous increase in the volume of the company's activity, including the accumulation of large liabilities, but also in view of the rapidly changing climate conditions worldwide.

In 2025, reinsurance of risks under "Automobile Casco" is maintained on the basis of proportional cession in combination with a catastrophic contract.

Reinsurance of aviation risks covers reinsurance of risks of airlines and airports insured by ZAD "Armeec" , independently or in co-insurance together with other insurers. Reinsurance is carried out mainly on a facultative basis with reinsurers from the London reinsurance market. Due to the high liability values, exceeding 100 million USD, the amount of the ceded cession is significant (almost 100%) and is decided immediately before the conclusion of each individual contract. For this type of insurance, ZAD "Armeec" strictly adheres to the specific requirements of the international reinsurance market for each specific client, as well as the nature of the individual risks.

Reinsurance of other classes of insurance, beyond those described above, for all types of insurance coverage for which no mandatory contracts have been concluded, are protected on a "case by case" basis. The type of reinsurance coverage is selected depending on the class of insurance, liability limits, covered risks and other factors influencing the specific case.

The reinsurance policy of ZAD "Armeec" is directly related to the latest trends in the international reinsurance market. The partners with which the subsidiary works and will continue to work are financially stable, internationally recognized, have proven their professionalism and first-class reinsurance protection. This applies not only to the reinsurance companies, but also to the intermediaries through which reinsurance contracts are concluded, as well as to the surveyor companies and those that settle the claims. The reinsurers participating in the reinsurance contracts of the subsidiary are mainly rated AA and A.

The following tables present an analysis of the credit quality of the assets from the reinsurance contracts held by the subsidiary.

| | Credit rating AAA | Credit rating AA | Credit rating A | Credit rating BBB | Credit rating BB | No Credit rating рейтинг | Total |
|---|---|---|---|---|---|---|---|
| | хил. лв. | хил. лв. | хил. лв. | хил. лв. | хил. лв. | хил. лв. | хил. лв. |
| **31 December 2025 г.** | | | | | | | |
| Assets from reinsurance contracts held | - | 48 141 | 30 147 | 4 | 6 | 743 | 79 041 |
| **Total assets** | **-** | **48 141** | **30 147** | **4** | **6** | **743** | **79 041** |

| | Credit rating AAA | Credit rating AA | Credit rating A | Credit rating BBB | Credit rating BB | No Credit rating рейтинг | Total |
|---|---|---|---|---|---|---|---|
| | хил. лв. | хил. лв. | хил. лв. | хил. лв. | хил. лв. | хил. лв. | хил. лв. |
| **31 December 2024 г.** | | | | | | | |
| Assets from reinsurance contracts held | - | 49 102 | 31 477 | 606 | 5 | 173 | 81 363 |
| **Total assets** | **-** | **49 102** | **31 477** | **606** | **5** | **173** | **81 363** |

## Capital risk

Capital risk measures the coverage of a Group risk assets with capital in order to meet the regulatory requirements for the Group operations, strategic development and planned growth.

The minimum capital ratios for the Group are set by BNB and Regulation No. 575/2013, with the Group historically maintaining higher capital ratios than the minimum threshold.

In accordance with the requirements of the regulatory body in the Republic of Bulgaria - Bulgarian National Bank, parent Bank makes separate public disclosure of the elements of the capital for supervisory purposes and the supervisory indicators for capital coverage of the risks in its activity, within the relevant terms, required by the supervisory body

## Liquidity risk analysis

Liquidity risk is the risk that the Group cannot meet its liabilities. The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash in- and outflows due to day-to-day business. Liquidity needs are monitored in various time bands on a day-to-day and week-to-week basis as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly. The need for cash is compared to the available loans in order to determine shortage or surplus. This analysis determines whether the loans available will be enough to cover the Group’s needs for the period. The Group holds cash to meet its liquidity needs for periods of up to 30 days. Funds for long-term liquidity needs are provided through loans in the appropriate amount and sale of long-term financial assets.

As at 31 December 2025, the maturities of the Group's contractual obligations (containing interest payments, where applicable) are summarized as follows:

| | Current | Non-current | |
|---|---|---|---|
| | Within 12 months BGN'000 | From 2 to 5 years BGN'000 | Over 5 years BGN'000 |
| Bank and other loans | 44 013 | 98 822 | 10 319 |
| Related party payables | 29 493 | 27 264 | - |
| Lease liabilities | 74 894 | 245 155 | 208 907 |
| Liabilities to other depositors | 5 829 053 | 3 610 473 | 903 |
| Deposits from banks | 23 346 | - | - |
| Obligations under repo agreements | 12 980 | - | - |
| Liabilities under cession agreements | 25 388 | 13 001 | - |
| Trade and other payables | 102 657 | 331 | - |
| Derivatives | - | - | - |
| **Total** | **6 141 824** | **3 995 046** | **220 129** |

As at 31 December 2024 Group's liabilities (including interest payables where applicable) have contractual maturities summarized below:

| | Current | Non-current | |
|---|---|---|---|
| | Within 12 months BGN'000 | From 2 to 5 years BGN'000 | Over 5 years BGN'000 |
| Bank and other loans | 44 105 | 97 300 | 10 216 |
| Related party payables | 42 012 | 25 621 | - |
| Lease liabilities | 77 598 | 241 818 | 232 420 |
| Liabilities to other depositors | 5 158 622 | 3 195 214 | 799 |
| Deposits from banks | 13 508 | - | - |
| Obligations under repo agreements | 12 787 | - | - |
| Liabilities under cession agreements | 37 725 | 12 471 | - |
| Trade and other payables | 97 296 | 522 | - |
| Derivatives | 19 | - | - |
| **Total** | **5 483 672** | **3 572 946** | **243 435** |

The amounts disclosed in this obligation maturity analysis represent the undiscounted cash flows under the contracts that may differ from the carrying amounts of the liabilities at the reporting date.

**Group's policies regarding the banking activities**

The liquidity risk arises from the discrepancy between the maturity structure of assets and liabilities and the lack of sufficient funds, with which the Group has to meet payments on current financial liabilities, as well as to provide financing for the increase of financial assets, and possible claims on off-balance sheet liabilities.

Adequate liquidity is achieved when the Group is able to provide sufficient funds for these purposes, by increasing liabilities or converting assets as quickly as possible at relatively low cost, by selling liquid assets or attracting additional funds from the money, capital or foreign exchange markets. The preventive function in liquidity risk management is to maintain an acceptable level of liquidity to provide protection against

possible losses in case of unforeseen sale of assets. The specialized collective body for liquidity management in the Group is the Assets and Liabilities Management Committee. The Committee implements the liquidity risk management policy adopted by the Group's management.

Quantitative measure of the liquidity risk according to the regulations of the BNB and EBA is the Liquid Coverage Ratio - the LCR indicator. This ratio represents the excess of the liquidity buffer (liquid assets) of the Group over net outflows.

The Group's liquidity coverage ratio as at 31.12.2025 amounted to 280.90% (31.12.2024: 341.14%) and exceeded the statutory requirement of 100%.

The allocation of the Group's financial liabilities as at 31 December 2025 based on their residual maturity is as follows:

| | Up to 1 month | 1 to 3 months | 3 to 12 months | 1 to 5 years | Over 5 years | Total |
|---|---|---|---|---|---|---|
| **FINANCIAL ASSETS** | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 |
| Cash and cash balances with the Central Bank | 2 028 028 | - | - | - | - | 2 028 028 |
| Placements with, and advances to banks | 1 013 359 | - | - | 2 934 | - | 1 016 293 |
| Receivables under repurchase agreements | 107 634 | 139 221 | 166 763 | - | - | 413 618 |
| Financial assets at fair value through profit or loss | 2 010 | - | 211 114 | 10 170 | 8 091 | 231 385 |
| Loans and advances to customers, net | 63 264 | 171 425 | 495 348 | 1 541 281 | 1 358 472 | 3 629 790 |
| Financial assets measured at fair value in other comprehensive income | 23 402 | 13 | 22 070 | 168 809 | 817 842 | 1 032 136 |
| Financial assets at amortized cost | 201 002 | 521 108 | 342 877 | 498 012 | 517 890 | 2 080 889 |
| **TOTAL FINANCIAL ASSETS** | 3 438 699 | 831 767 | 1 238 172 | 2 221 206 | 2 702 295 | 10 432 139 |
| **FINANCIAL LIABILITIES** | | | | | | |
| Deposits from banks | 30 546 | - | - | - | - | 30 546 |
| Loans from banks | 2 | - | 41 | 602 | 229 | 874 |
| Liabilities to other depositors | 4 176 583 | 407 101 | 976 467 | 4 029 215 | 2 286 | 9 591 652 |
| Issued bonds | - | - | - | - | 25 463 | 25 463 |
| Provisions for liabilities | - | - | 454 | - | - | 454 |
| Other liabilities | 1 106 | 2 226 | 10 015 | 29 167 | 3 089 | 45 603 |
| TOTAL FINANCIAL ASSETS | 4 208 237 | 409 327 | 986 977 | 4 058 984 | 31 067 | 9 694 592 |

The allocation of the Group's financial liabilities as at 31 December 2024 based on their residual maturity is as follows:

| | Up to 1 month | 1 to 3 months | 3 to 12 months | 1 to 5 years | Over 5 years | Total |
|---|---|---|---|---|---|---|
| **FINANCIAL ASSETS** | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 | BGN'000 |
| Cash and cash balances with the Central Bank | 2 006 119 | - | - | - | - | 2 006 119 |
| Placements with, and advances to banks | 177 640 | - | - | 2 934 | - | 180 574 |
| Receivables under repurchase agreements | 257 928 | 144 162 | 192 163 | - | - | 594 253 |
| Financial assets at fair value through profit or loss | 21 447 | - | 202 305 | 6 545 | 8 455 | 238 752 |
| Loans and advances to customers, net | 47 560 | 179 891 | 445 363 | 1 516 389 | 1 254 212 | 3 443 415 |
| Financial assets measured at fair value in other comprehensive income | 24 139 | 31 | 9 638 | 161 218 | 651 778 | 846 804 |
| Financial assets at amortized cost | 247 390 | 291 411 | 286 387 | 481 589 | 613 280 | 1 920 057 |
| **TOTAL FINANCIAL ASSETS** | 2 782 223 | 615 495 | 1 135 856 | 2 168 675 | 2 527 725 | 9 229 974 |
| **FINANCIAL LIABILITIES** | | | | | | |
| Deposits from banks | 18 390 | - | - | - | - | 18 390 |
| Liabilities to other depositors | 3 629 945 | 494 978 | 1 103 862 | 3 238 672 | 810 | 8 468 267 |
| Issued bonds | - | - | - | - | 25 463 | 25 463 |
| Provisions for liabilities | - | - | 544 | - | - | 544 |
| Other liabilities | 991 | 1 982 | 8 921 | 24 587 | 4 369 | 40 850 |
| TOTAL FINANCIAL ASSETS | 3 649 326 | 496 960 | 1 113 327 | 3 263 259 | 30 642 | 8 553 514 |

Financial liabilities of the Group are formed mainly by borrowing from other depositors – deposits of natural persons and legal entities.

### Financial assets as a means of managing liquidity risk

When assessing and managing liquidity risk, the Group takes into account expected cash flows from financial instruments, in particular available cash and trade receivables. Available cash resources and trade and other receivables significantly exceed current cash outflow needs. According to the concluded contracts, all cash flows from trade and other receivables are due within 1 year.

### Fair value measurement

### Fair value measurement of financial instruments

Financial assets and liabilities at fair value in the consolidated financial statements of financial position are grouped into three levels according to the fair value hierarchy

This hierarchy groups are based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset that are not based on observable market data.

A financial asset or liability is classified to the lowest level of significant input information used to determine its fair value.

| 31 December 2025 | Level 1 BGN'000 | Level 2 BGN'000 | Level 3 BGN'000 | Total BGN'000 |
|---|---|---|---|---|
| **Assets** | | | | |
| Financial assets measured at fair value through profit or loss | 2 493 467 | 93 313 | 537 810 | 3 124 590 |
| Equity instruments at fair value through other comprehensive income | 15 583 | 755 | 49 590 | 65 928 |
| Debt instruments measured at fair value through other comprehensive income | 840 729 | - | 168 587 | 1 009 316 |
| **Total assets** | **3 349 779** | **94 068** | **755 987** | **4 199 834** |
| **Liabilities** | | | | |
| Derivatives | - | - | - | - |
| **Total liabilities** | **-** | **-** | **-** | **-** |

| 31 December 2024 | Level 1 BGN'000 | Level 2 BGN'000 | Level 3 BGN'000 | Total BGN'000 |
|---|---|---|---|---|
| **Assets** | | | | |
| Financial assets measured at fair value through profit or loss | 2 296 611 | 74 976 | 560 900 | 2 932 487 |
| Equity instruments at fair value through other comprehensive income | 5 572 | - | 60 810 | 66 382 |
| Debt instruments measured at fair value through other comprehensive income | 670 378 | - | 167 617 | 837 995 |
| **Total assets** | **2 972 561** | **74 976** | **789 327** | **3 836 864** |
| **Liabilities** | | | | |
| Derivatives | - | 19 | - | 19 |
| **Total liabilities** | **-** | **19** | **-** | **19** |

There have been no transfers between levels 1 and 2 during the reporting period.

**Measurement of fair value**

Valuation techniques and significant unobservable inputs

The following table presents the valuation techniques used in measuring Level 3 fair values, as well as the significant unobservable inputs applied:

| Valuation technique | Significant unobservable inputs | Relationship between key unobservable inputs and fair value |
|---|---|---|
| Net asset value method | The NAV is not a market valuation of the assets. The data are derived from the latest available financial statements of the investee companies. | The fair value is sensitive to differences between the carrying amount of the assets and their market values. |
| Market multiples of comparable companies method | Adjustments to market multiples of comparable companies for:<br>- Country risk<br>- Size and profitability<br>- Other factors | An increase/(decrease) in the adjustment factors would result in a higher/(lower) fair value. |
| Discounted cash flow method (DCF) | Net cash flows<br>Discount rate<br>Growth rate | An increase/(decrease) in net cash flows would result in a higher/(lower) fair value. An increase/(decrease) in the discount rate would result in a lower/(higher) fair value. An increase/(decrease) in the growth rate would result in a higher/(lower) fair value. |

**Fair value measurement of non-financial assets**

The following table shows the levels within the hierarchy of non-financial assets measured at fair value on a recurring basis at 31 December:

| **31 December 2025** | **Level 1 BGN '000** | **Level 2 BGN '000** | **Level 3 BGN '000** | **Total BGN '000** |
|---|---|---|---|---|
| **Investment property:** | | | | |
| - Land, building, machines and equipment | - | - | 589 283 | 589 283 |
| **Right of use assets:** | | | | |
| - aircrafts | - | - | 559 226 | 559 226 |
| **31 December 2024** | **Level 1 BGN '000** | **Level 2 BGN '000** | **Level 3 BGN '000** | **Total BGN '000** |
| **Investment property:** | | | | |
| - Land, building, machines and equipment | - | - | 582 779 | 582 779 |
| **Right of use assets:** | | | | |
| - aircrafts | - | - | 541 331 | 541 331 |

**Fair value of the Company's main property assets is estimated based on appraisals performed by independent qualified appraisers.**

**Land and buildings (Level 3)**

**Land and buildings were revalued on 31.12.2025.**

The following table presents the valuation techniques used in the measurement of Level 3 fair values and the significant unobservable inputs used:

| Valuation technique | Significant unobservable input data | Relationship between key unobservable inputs and fair value |
|---|---|---|
| Market comparable method | Adjustments of comparable with coefficients for:<br>- Method of sale<br>- Location<br>- Area<br>- General condition, functionality, etc. | If the adjustment factors for contracting, area, location, general condition, functionality, etc. increase/(decrease), the fair value will be higher/(lower). |
| Income capitalisation method | - Rent value per square meter<br>- Capitalisation rate | If the rental value per square meter is increased/(decreased), the fair value will be higher/(lower).<br>If the value of the capitalization rate increases/(decreases), the fair value will be lower/(higher). |
| Net book value of assets method | NAV is not a market valuation of assets. Figures are calculated from the Companies' most recently published financial statements without further adjustments to the value of the items on the statement | Significant difference between asset valuation and market values of the assets being valued. |
| Method of market multiples of comparable companies | Adjustments to market multiples of comparable companies for:<br>- Country risk<br>- Size and profitability | If the adjustment factors increase/(decrease), the fair value will be higher/(lower). |
| Discounted cash flow method | - Net cash flows<br>- Discount rate<br>- Growth rate | If the value of the company's net cash flows increases/(decreases), the fair value will be higher/(lower). If the value of the discount rate increases/(decreases), the fair value will be lower/(higher). If the value of the growth rate increases/(decreases), the fair value will be higher/(lower). |
| Method of comparative analogues | - Offer ratio<br>- Area ratio | When the ratios increase, the market value of the property also increases. |

| Valuation technique | Significant unobservable input data | Relationship between key unobservable inputs and fair value |
|---|---|---|
| Income value method | - Functionality ratio<br>- Condition ratio<br>- Marketability ratio<br>- Coefficient for ideal parts of land<br>- Location ratio<br>- Functionality ratio<br>- - Location ratio<br>- Functionality ratio<br>- Location ratio<br>- Condition ratio<br>- - Marketability ratio | When the ratios increase, the market value of the property also increases. |
| Cost method | - Market value ratio of production costs /construction costs/ per unit area<br>- Price level ratio<br>- Condition ratio | When the ratios increase, the market value of the property also increases. |

**Aircraft (Level 3)**

The fair value of the Group's aircraft has been determined based on independent licensed valuer's reports and subsequent confirmation. The fair value measurement is based on a comparative (market comparable) approach. Specific factors such as technical condition of the aircraft, current usage, uniqueness of the structure, state of the market at the valuation date have been taken into account in valuing the assets. The latest valuation is as of April 2026.

Significant unobservable inputs relate to the adjustment for Group asset specific factors. The extent and direction of this adjustment depends on the number and characteristics of observable market transactions in similar assets that are used for valuation purposes. Although these inputs are a subjective judgement, management believes that the final valuation would not be materially affected by other possible assumptions.

In using the methods from the comparative approach, a comparative study is made of information from the established market value of the subject at the time of the valuation i.e. now. It is based on the proposition "a reasonable buyer would not pay more for a given object than the value of an comparable object available for purchase" and is used in determining the value starting from data on recent purchase and sale transactions with comparable objects or with sufficiently adjusted values of existing offers for sale. Thus, the ultimate objective of the methods of the comparative (market) approach is the determination of market value.

In assessing the value using the market approach, the following steps were taken:

studying the market and offers for sale of similar objects, i.e. such objects that are most comparable to the valued object;

selection of comparable;

collecting, studying and verifying the information on each selected object - sale price and offer prices, payment of the transaction, technical characteristics and conditions of sale;

analysis and comparison of each object with the valued object in terms of technical characteristics and conditions of sale;

adjustment of the sale prices or offer prices of each of the comparable objects in accordance with the differences existing between them and the object being valued.

Significant unobservable inputs relate to the adjustment for the Group's aircraft specific factors. The extent and direction of this adjustment depends on the number and characteristics of the observed market transactions in similar assets that are used for valuation purposes. Although these inputs are a subjective judgement, management believes that the final valuation would not be materially affected by other possible assumptions. The principal factors affecting the price are:

- number of passengers for which the aircraft is equipped;
- the hours flown since the start of operation of the aircraft;
- the number of landings since the aircraft commenced operations;
- the condition of the aircraft engines;
- the years of operation of the airplane since its date of manufacture;
- the equipment of the aircraft;
- the condition of the interior and the condition of the paint and varnish finish of the aircraft body;
- the technical condition of the aircraft.

When using the market approach, the value of the object of valuation is determined by comparison with the sales prices of identical or similar objects. The rationale for using this approach is that the value of the valuation object is directly related to the selling price of similar objects, which is a baseline for assessing risk in operations for the purpose of the valuation - for financial reporting purposes. Each comparable sale is compared to the subject of the valuation on its most important parameters. Adjustments are made to the price of comparable sales to reflect material differences between them.

**Capital management policies and procedures**

The Group’s capital management objectives are:

- To ensure the Group’s ability to continue as a going concern; and
- To provide an adequate return to the shareholders by pricing products and services commensurately with the level of risk.

The Group monitors capital on the basis of the correlation between capital to net debt.

The Group determines the capital based on the carrying amount of the equity presented in the statement of financial position.

Net debt is calculated as total liabilities less the carrying amount of the cash and cash equivalents.

Group’s goal is to maintain a capital-to-net-debt ratio in a reasonable range which would ensure relevant and conservative ratio of financing.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure the Group may adjust the amount of dividends paid to shareholders return capital to shareholders issue new shares or sell assets to reduce debt.

The capital for the presented reporting periods is summarized as follows:

| | 2025<br>BGN'000 | 2024<br>BGN'000 |
|---|---|---|
| Shareholders' equity | 2 016 955 | 1 915 076 |
| **Equity** | 2 016 955 | 1 915 076 |
| | | |
| Debt | 13 532 513 | 12 134 935 |
| - Cash and cash equivalents | (3 218 138) | (2 269 589) |
| **Net debt** | **10 314 375** | **9 865 346** |
| | | |
| **Capital to net debt** | **1:5.11** | **1:5.07** |

In 2025, the change in the ratio is minimal. The Group has complied with its contractual obligations including the maintenance of certain capital ratios.

# CONSOLIDATED CORPORATE GOVERNANCE STATEMENT

The consolidated corporate governance statement of the Group of Chimimport AD is prepared pursuant the Bulgarian legislation requirements and principles of good corporate management, set out in the National Corporate Governance Code, the Commercial Act (CA), the Public Offering of Securities Act (POSA), the Accountancy Act (AA), the Independent Financial Audit Act (IFAA) and other laws and regulations and internationally recognized standards. The declaration of corporate management is prepared in accordance with the requirements of Article 39 of the Accountancy Act and Article 100n of POSA.

The Corporate governance statement of the Chimimport Group applies to public companies in the Group. The Separate Corporate Governance Statements are integral part of the separate company activity reports for 2025 and have been published at 31.03.2026.

1. **Information under Article 100m, paragraph 8, subparagraphs 1 and 2 of POSA**

**Implementation, enforcement and compliance, as appropriate, by Chimimport AD of the principles of the National Corporate Governance Code.**

As of 18 January 2008, Chimimport AD embraced the National Corporate Governance Code and conducts its activity in accordance with the set principles and provisions. All public companies in the Group comply with the National Corporate Governance Code.

In its activities the Group of Chimimport AD is governed by the national corporate governance principles recommended for application by the National Committee on Corporate Governance, reflecting the international standards of good corporate governance and best practices. The management of Chimimport AD aims at strengthening the principles of good corporate governance, enhancing the confidence of shareholders, investors and other stakeholders interested in the management and operations of the Group. The management of Chimimport AD considers that the effective application of the good corporate management practices, contribute to sustainable growth and reaching the long-term goals of the Group, and to establish transparent and honest relationships with all stakeholders.

**Information on corporate governance practices applied by the issuer in addition to the corporate governance code approved by the Deputy Chairperson or any other corporate governance code**

The Group of Chimimport AD does not apply other corporate management practices in addition to the National Corporate Governance Code.

**Explanation by the issuer as to which parts of the corporate management code, approved by the Deputy Chairperson or any other corporate governance code the issuer does not comply with and to what was the ground for the non-compliance when the issuer opted not to refer to any of the rules of the corporate management code**

The basic principle of the National Corporate Governance Code is the principle of "**comply or explain**". The companies in the group aim to comply with the recommendations of the Code and in case of deviation, the management provides explanations on the reasons for the non-compliance.

Chimimport AD presents the current information regarding compliance with the Code, and the same will be published on the website of the Parent Company.

INFORMATION REGARDING CORPORATE MANAGEMENT

Chimimport AD is a listed company with two-tier management system. All members of the Managing Board and the Supervisory Board comply with the legal requirements for their appointment.

The managing bodies of the Parent Company comprise: General meeting of the shareholders, Supervisory Board and Managing Board.

Members of the Supervisory Board:
1. Invest Capital AD
2. CCB Group EAD;
3. Mariana Bazhdarova.

Members of the Managing Board:
1. Alexander Kerezov
2. Ivo Georgiev
3. Marin Mitev
4. Nikola Mishev
5. Mirolyub Ivanov
6. Tsvetan Botev

***Key functions, responsibilities, structure and competence***

The Supervisory Board of Chimimport AD consists of three members. It conducts regular control over the Managing Board, concerning the management of the Parent Company by ensuring that the actions of the MB increase the interest of shareholders and facilitate the application of good corporate governance principles within the Parent Company. The Supervisory Board, if necessary, may take the necessary steps to facilitate their duties through consultations with experts. The Supervisory Board shall appoint and dismiss members of the Managing Board delimiting the powers delegated to them, the application of their powers and the frequency with which they are to report to the SB. The Supervisory Board assesses the overall performance the Parent Company, paying special attention to the information received by the Managing Board and periodically reconciles and analyses the difference between the achievements and goals. The Supervisory Board monitors and controls the process of disclosing information by the Parent Company.

The Supervisory Board has included restrictions in its internal rules on the maximum number of companies in which members of the Managing and the Supervisory Board of Chimimport AD can sit on the managing and supervisory bodies, participation in which is considered acceptable in view of the requirement for effective implementation of obligations as a member of the boards of the Parent company. The Supervisory Board has set criteria that distinguish participations in other companies, depending on the position held and the time that each of the positions requires for the relevant obligations.

Following the requirements of the POSA and the Statute of the Parent Company, the Supervisory Board, if necessary, reassesses the structure of the Managing Board, the division of duties, powers and the remuneration of each member of the MB.

In carrying out its activities, the Supervisory Board members are obliged to perform their duties with due diligence in a manner that reasonably believed is in the interest of all shareholders and by using only information that they reasonably believe is reliable and complete and show loyalty to the Parent company under POSA.

The Supervisory Board of the Parent company is supported by the Audit Committee. The structure and functions of the Committee are set out in the Internal rules of operation of the Audit Committee of Chimimport AD.

**The Managing Board of Chimimport AD** consists of six members. The competence, rights and obligations of the Managing Board are conducted in accordance with the legal requirements, the requirements of the current Parent company's Statute and the rules for its operation as approved by the Supervisory Board. The Managing Board reports on its activities, to the Supervisory Board at least quarterly. The Managing Board shall immediately notify the chairman of the Supervisory Board of any circumstances that are essential for the Parent company. The Managing Board provides to the Supervisory Board the Annual Financial Statements, the Annual Activity Report and the Independent Auditor's Report, together with proposal for profit distribution, which will be brought to the General Meeting of Shareholders.

The Managing Board governs in accordance with the established vision, goals and strategy of Chimimport AD.

The Board members are guided in their activities by the generally accepted principles of integrity and management and professional competence.

***Appointment and dismissal of board members***

Members of the **Supervisory Board** are appointed and dismissed by the General Meeting of the Shareholders, in accordance with the Parent Company's Statute.

Members of the **Managing Board** are appointed by the Supervisory Board, which also determines their remuneration and can dismiss them at any point in time.

***Remunerations of the Managing and Supervisory Boards***

The General Meeting of the Shareholders has affirmed the remuneration policy of the Managing and Supervisory Boards of the Parent company, developed by the Supervisory Board.

The remuneration paid to the members of the Managing and Supervisory Boards of the Parent company, may be permanent (fixed) or variable in the form of premiums, bonuses, retirement benefits and other incentives, based on assessment criteria of the conducted activities. The proportion of the fixed remuneration in the total amount of the remuneration shall allow the implementation of flexible policy by the Parent company on the variable remuneration of the members of the Managing and Supervisory Boards of the Parent company.

In 2025, the Parent company shall update the policy with the recommendation of the Code, namely the remuneration of the members of the SB to conform their activities and obligations and not be bound to the results of the Parent company operations and will present it to the General Meeting of the Shareholders for approval.

The remuneration policy observes the following principles and criteria:

- Consistency of the remunerations with the business goals and development strategy of the Parent Company, the protection of the interests and promotion of the values of Chimimport AD;
- Providing remuneration that allows attraction, retention and motivation of board members with the necessary skills for successful management and development of the Parent Company.
- Excluding discrimination, conflict of interest and unequal treatment of members of the Supervisory Board of the Parent company in setting and negotiating remunerations;
- Appreciation of the duties and input of each member of the Managing Board in the performance and results of the Parent Company.

The Management discloses the remunerations of the Managing Board in accordance with the legal requirements and Parent Company's policies regularly within the quarterly financial statements. Shareholders are provided easy access to information on remunerations.

***Conflict of interest***

The members of the Supervisory and Managing Boards avoid any real or potential conflict of interest.

Procedures for preventing and detecting conflicts of interest are regulated by the statutes of the Parent company.

***Committees***

The Parent company has set Audit Committee in accordance with the requirements of the Independent Financial Audit Act of public interest companies.

At the General Meeting of Shareholders held on 30 November 2023, under the proposal of the Managing Board, the shareholders of Chimimport AD elected the following Audit Committee members: Prof. Evgeni Evgeniev- Chair, James Jolovski PhD and Magdalena Ilkova – pursuant to Art. 107 of Independent Financial Audit Act (promulgated SG, issue 95 of 29.11.2016).

INFORMATION REGARDING CONDUCT OF AUDIT AND INTERNAL CONTROL

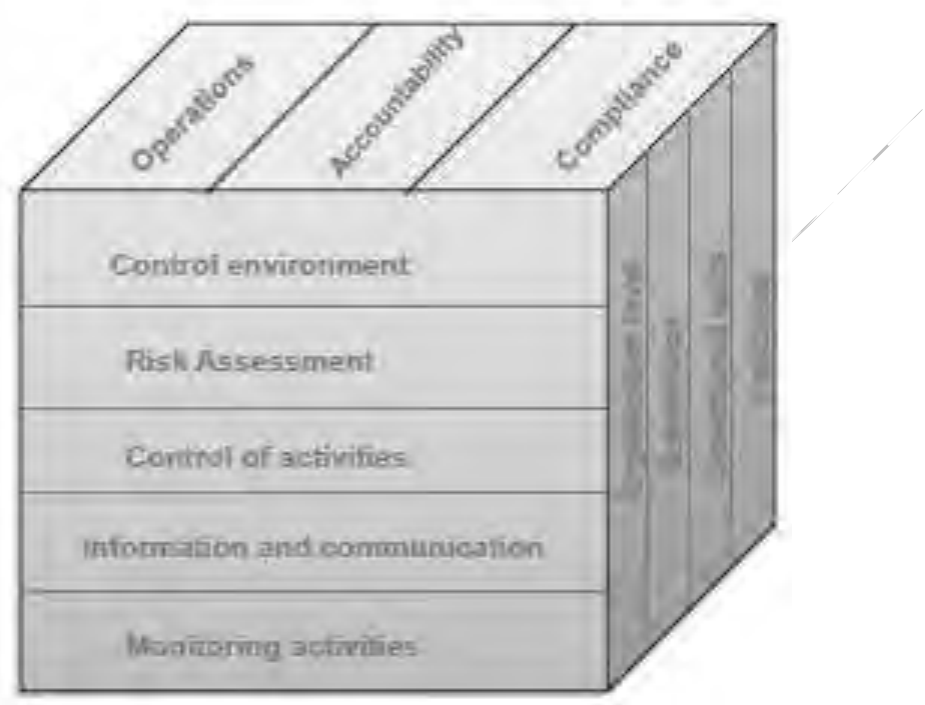
The Companies from the group have developed and implemented internal control system that ensures the proper identification of risks associated with the Parent company's operations and supports their effective management, and adequate operation of the reporting systems and disclosure of information.

Internal control and risk management are dynamic and iterative processes carried out by management and supervisory bodies designed to provide a reasonable degree of certainty in terms of achieving the organization's objectives in terms of efficiency and effectiveness of operations; Reliability of financial statements; Compliance and enforcement of existing legal and regulatory frameworks.

The main components of internal control systems are:

- Control environment
- Risk Assessment
- Activity control
- Information and communication
- monitoring activities

These components are relevant to the overall organization and to its individual levels and subdivisions, or to individual operational units, functions or other structural elements thereof, and this relationship is represented by the “COSO” Cube[1]




One of the main objectives of the internal control and risk management system is to assist the management of the companies and other stakeholders in assessing the reliability of the financial statements of the companies.

Audit committees apply the requirements of the Code of Ethics of professional accountants for the rotation of registered auditors when preparing proposals and recommendations for the selection of external auditors. Provide oversight of internal audit activities and monitor the overall relationship with the external auditor, including the nature of non-audit services provided by the auditor to the parent company.

Registered auditors are elected by the individual general meetings of the shareholders of the various companies, to carry out an independent financial audit of the annual financial statements of the companies for 2025 in accordance with the requirements of the Independent Financial Audit Act.

The independent financial audit covers procedures to achieve a reasonable level of security:

- compliance with the accounting principles according to the applicable accounting basis;
- whether the accounting policy of the audited entity is appropriate for its operations and is consistent with the applicable accounting and accounting policies used in the industry concerned;
- the consistency of the application of the disclosed accounting policy under the applicable accounting basis;
- the effectiveness of the internal control system limited to the achievement of the audit objectives;
- the process of accounting closure and preparation of the financial statements

[1] The Committee of Sponsoring Organizations of the Treadway Commission (COSO) – Basic Concept of Internal Control

- the reliability and user-friendliness of the information presented and disclosed in the financial statements according to the applicable accounting basis.
- the consistency between the information in the financial statements and that in the management report of the audited entity as well as any other information that the management of the entity provides with the audited financial statement

To ensure the effectiveness of the external auditors of Chimimport AD, the Managing Board implements measures to ensure effective implementation of the obligations of auditors of the Parent company based on the requirements of the Independent Financial Audit Act.

The registered auditor, appointed by the General Meeting of the Shareholders of Chimimport AD, to perform independent financial audit of the annual financial statements of the Parent company for 2025, is RSM BG OOD auditing Parent company, registered under number 173 in the register of the CPOSA.

## INFORMATION ON PROTECTION OF THE RIGHTS OF SHAREHOLDERS

The management of Chimimport AD guarantees equal treatment of all shareholders of the Parent company, including minority and international.

The Parent company applies established rules of the organization and conduct of regular and extraordinary General Meetings of Shareholders.

The protection of shareholders' rights is ensured through:

- facilitation of the shareholders' effective participation in the work of the General Meetings of shareholders through timely disclosure of all materials for the GMS, on the following websites: www.x3news.com, www.investor.bg and www.chimimport.bg.
- transparent procedures regarding organization and conduct of regular and extraordinary General Meetings of Shareholders;
- established procedures on representation of shareholders at the GMS, including templates of letter of attorney both in Bulgarian and English;
- providing opportunity for participation in the profit distributions to the Parent company, if the General Meeting of Shareholders adopts a specific resolution for dividend distribution;
- implementing a policy to assist shareholders in exercising their rights.

## INFORMATION ON PROCEDURES FOR DISCLOSURE OF INFORMATION

The Parent company has adopted rules for internal personnel and internal information, that regulate the obligations, order and responsibility for the public disclosure of inside information for Chimimport AD, prohibit insider trading and market manipulation of financial instruments. The public information regarding the activities of Chimimport AD is presented to the Financial Supervisory Commission, the Bulgarian Stock Exchange - Sofia AD and the investing community, distributed through the information agency X3 NEWS - www.x3news.com. Chimimport AD regularly updates its corporate website www.chimimport.bg both in Bulgarian and English, consistent in structure and volume with the information provided with the recommendations of the National Code and established good practices on systems of disclosure of information. The website provides general information about the Parent company and the segments of operations of all companies within the economic group, current data on the financial and economic situation of the Parent company, including interim and annual financial statements of Chimimport AD on an individual and consolidated basis, as well as information on the Group structure, corporate governance and management of the Parent company, corporate documents prepared and approved by the Managing Board of the Parent company and the securities issued. All shareholders, investors and interested parties can obtain information about upcoming and already held important corporate events, meetings of the General Meeting of Shareholders and the planned investment policy of the Parent company.

## INFORMATION ABOUT INTERESTED PARTIES AND RECOGNITION OF THEIR RIGHTS AND INTERESTS

The Parent company has not developed its own rules on accounting for the interests of stakeholders, but for all matters that directly or indirectly affect them, coordination procedures are carried out.

Chimimport AD identifies as stakeholders with respect to its activities all persons who are not shareholders and who have an interest in the economic prosperity of the Parent company:

- bondholders,
- employees,
- clients,
- suppliers,
- bank – creditors;
- the public, in general.

Within its policy towards stakeholders, the Parent company complies with the legal requirements and principles of transparency, accountability and business ethics. The Stakeholders are provided with the necessary information about the Parent company's current data of the financial situation and everything that would help correct their orientation and make an informed and reasoned decision.

## 2. Information under Article 100n, paragraph 8, subparagraph 3 of the POSA

### *Characteristics of the internal control and risk management systems*

### *Internal control and risk management*

The Managing Board is responsible for the internal control and risk management systems and monitors their effectiveness. These systems are created to manage but cannot fully eliminate the risk from falling behind the set business objectives. They can only provide reasonable, but not absolute assurance on the lack of any substantial inaccuracies or errors. The Managing Board has established an ongoing process for identifying, evaluating and managing significant risks for the Parent company.

### *Internal control*

Every year, the Parent Company reviews and confirms the degree of compliance with the policies of the National Corporate Governance Code.

All major plans and programs of the Parent Company require approval by the Managing Board. There are limits to the authority to ensure that the appropriate approvals are obtained if the Board is not required to verify the segregation of duties.

Financial policies, controls and procedures are enforced within the Parent Company and are reviewed and updated regularly.

The main activities comprised within the system of internal control of the Parent Company are:

- Control over the functioning of the current reporting and documentation of the Parent Company;
- Maintaining the high competence of personnel with financial and reporting functions;
- Control over the content, accuracy and timeliness of financial statements;
- Completeness of the range and reliability of the financial information system;
- Lawful implementation of tax and social security obligations;
- Protection and preservation of assets;
- Control over disposal of assets and resources.

A system of internal control and risk management operates to ensure the effective functioning of the reporting and disclosure of information. The internal control system is built and functions to identify inherent risks of the Parent company and support their effective management.

The code of conduct of employees of Chimimport AD, determining the required levels of ethics and conduct, is communicated to all employees and any amendments to it are included in the employee training.

Management has overall responsibility of ensuring proper maintenance of accounting data and processes to ensure that financial information is relevant, reliable, consistent with applicable law and the financial statements and management reports are prepared and published by the Parent company in due course. The Parent company's management reviews and approves the financial statements to ensure that the financial position and results of the Parent company are presented fairly and correctly.

The financial information published by the Parent company is subject for approval by the Supervisory Board.

Annual review of the internal control environment is carried out by the Managing Board, with the assistance of the Audit Committee.

### Analysis and risk management

The Managing Board determines the main risks of the Parent company regularly and monitors throughout the year the measures to address those risks, including through internal control and monitoring. The risk analysis includes business and operational risks, health and safety of employees, financial, market and operational risks, reputation risks, which may affect the Parent company, as well as specific areas identified in the business plan and the budget process.

All significant plans relating to the acquisition of assets or realization of operating income include consideration of relevant risks and appropriate action plans.

Inherently the risk management is a set of processes to identify, assess and control the risks that ensure that the objectives of the Group of Chimimport AD are met, and effective management is achieved. Risk management is systematic, structured and in due time and thus facilitates continuous improvement of the organization.

The risk management system comprises the following activities:

- identification of the different groups of risks (indicated in the reports on the activities of the group);
- evaluation and risk analysis (indicated in the reports on the activities of the group);
- monitoring and procedures that will be applied to prevent or reduce the effects of onset risks.

Risk management is part of the internal control system. The goal of management is to detect risks that cast doubt on the functioning of the Parent company, to assess and reduce critical risks. Well-managed risk-taking is a prerequisite for sustainable improvement of the organization. The Parent company management seeks to develop an active risk management by introducing a risk management system and directing efforts to improve it in line with international best practices.

The risk management system defines the duties and responsibilities in the structural divisions of the Parent company, organization, and procedure for interaction in risk management, analysis, and evaluation of information related to risks, preparing periodic reporting on risk management.

The internal control system and the risk management system are continuously improved following the legislative requirements and best practices. Their goals may be summarized as follows: compliance with the strategies, plans, internal regulations and procedures for the implementation of the activities to ensure effective and efficient operations, reliable financial reporting, storage and protection of assets. Risk management in Chimimport AD is performed by employees at all levels of management and is an integral part of operations and the corporate governance of the Parent company.

***Statement by the directors on the Annual Activity Report and the Financial Statements***

Pursuant to the requirements of the Code, the directors confirm their responsibility for preparing the annual activity report and the annual financial statements and consider the Annual Activity Report is transparent, balanced and understandable and provides the necessary information to shareholders, to assess the Parent company's position and operations, its business model and strategy.

***Responsibilities and interaction between the Supervisory Board, the Audit Committee and the external auditor of the Parent company***

As a public Parent company, according to the Independent Financial Audit Act and the National Corporate Governance Code, Chimimport AD has established an Audit Committee, which is responsible for monitoring of the financial reporting and the independent financial audit as well as the effectiveness of the internal audit function and control and risk management systems of the Parent company.

At the General Meeting of Shareholders held on 30 November 2023, under the proposal of the Managing Board, the shareholders of Chimimport AD elected the following Audit Committee members: Prof. Evgeni Evgeniev- Chair, James Jolovski PhD and Magdalena Ilkova – pursuant to Art. 107 of Independent Financial Audit Act (promulgated SG, issue 95 of 29.11.2016).

The Committee recommends the registered auditor to conduct an independent financial audit of the Parent company and monitor its independence in accordance with the law and the International Code of Ethics for Professional Accountants.

The mandate and the number of members of the Audit Committee shall be determined by the General Meeting of Shareholders. The functions and responsibilities of the Audit Committee are regulated by the Rules of the Audit Committee.

Committee members have unlimited access to the members of the Supervisory Board, the Managing Board and the senior management personnel directly responsible for the activities falling within the scope of the delegated competence of the Committee.

The Audit Committee reports its activity to the General Meeting of Shareholders annually.

The main functions of the Audit Committee include:

- to monitor the financial reporting processes;
- to monitor the effectiveness of internal control systems;
- to monitor the effectiveness of risk management systems;
- to monitor the independent financial audit on the Parent company;

- to oversee the independence of the registered auditor of the Parent company in accordance with the IFAA and monitor the provision of ancillary services by the auditor.

### 3. Information in accordance with Article 10, paragraph 1, items "c", "d", "f", "h", and "i" of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004

3.1 Information in accordance with Article 10, paragraph 1, item "c" of Directive 2004/25/EC on takeover bids regarding significant direct and indirect shareholdings (including indirect shareholdings through pyramid structures and cross-shareholdings) within the meaning of Article 85 of Directive 2001/34/EC.

In 2025, no changes have been made relating to the acquisition or sale of shares of the Parent company that reach, exceed or fall below one of the thresholds of 10%, 20%, 1/3, 50% and 2/3 of the voting rights of the Parent company for the period as defined in Article 85 of Directive 2001/34/EC.

The share capital of the Parent company as of 31 December 2025 consists of 239 646 267 ordinary shares with par value of BGN 1 per share. The ordinary shares of the Parent company are dematerialized, registered and freely transferable and entitle to one (1) vote and liquidation share.

The list of major shareholders holding more than 5% of the shares of the Parent company is as follows:

| | Ordinary shares As a t 31.12.2025 number | Ordinary shares As a t 31.12.2025 % |
|---|---|---|
| Invest Capital AD | 173 487 247 | 72.39% |
| Other legal entities not exceeding 5% | 46 209 857 | 19.28% |
| Other individuals and trustees, not exceeding 5% | 19 949 163 | 8.32% |
| **TOTAL** | **239 646 267** | **100.00%** |

3.2 Information in accordance with Article 10, paragraph 1, item "d" of Directive 2004/25/EC on takeover bids regarding the holders of any securities with special control rights and a description of those right

Chimimport AD has no shareholders with special control rights.

3.3 Information in accordance with Article 10, paragraph 1, item "f" of Directive 2004/25/EC on takeover bids regarding any restrictions on voting rights, such as limitations of the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems whereby, with the Parent company's cooperation, the financial rights attaching to securities are separated from the holding of securities.

There are no restrictions on voting rights, such as limitations of the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems whereby, with the Parent company's cooperation, the financial rights attaching to securities are separated from the holding of securities.

3.4 Information in accordance with Article 10, paragraph 1, item "h" of Directive 2004/25/EC on takeover bids regarding the rules governing the appointment and replacement of board members and the amendment of the articles of association

The management bodies of the Parent company are:

- General Meeting of the Shareholders;
- Supervisory Board;
- Managing Board.

The General Meeting of the Shareholders elects and dismisses members of the Supervisory Board and determines their compensation and bonuses.

The members of the Managing board are appointed by the Supervisory Board, which can replace them at any time. One individual cannot be both a member of the Managing and Supervisory Board. Members of the Managing Board may be re-elected without limitation.

Members of the Managing Board of "Chimimport" AD are elected only if they meet the following legal requirements:

- be either individuals or legal entities;
- at the moment of election have not been convicted of crimes against property, economy or against the fiscal, tax and insurance authorities of the Republic of Bulgaria or abroad, unless rehabilitated;
- are not members of the managing or supervisory body of a Parent company terminated due to bankruptcy in the past two years preceding the date of the declaration of insolvency, if any unsatisfied creditors remain;

Amendments to the Articles of Association of the Parent company are approved by General Meeting of the Shareholders.

3.5 Information in accordance with Article 10, paragraph 1, item "i" of Directive 2004/25/EC on takeover bids regarding the powers of board members, and in particular the power to issue or buy back shares

The amount of capital may be amended in the manner provided by the law and the Statutes of the Parent company. The decision to amend shall contain all the details required by law.

The decision to increase the capital is taken by the General Meeting of the Shareholders or the Managing Board, within the mandate under Article 17 of the Statute of the Parent company.

If new shares are sold at a price higher than nominal, their issue price is determined with the decision to increase the capital.

Each shareholder is entitled to acquire part of the new shares, which corresponds to its share capital before the increase, unless that right is limited by law (Article 113, paragraph 2, subparagraph 2 of the Public Offering of Securities Act).

In the event of a capital increase through the capitalization of retained earnings and other assets by issuing new shares, the latter shall be acquired by the shareholders in proportion to shares already owned.

In its decision for capital increase under Article 17, the Managing Board sets the amount and purpose of the increase; the number and type of the new shares, their rights and privileges, deadline and conditions of transfer of rights under § 1, p. 3 of POSA issued against existing shares; the deadline and conditions for subscription of new shares; the amount of the issue price and terms and conditions for its payment; the investment intermediary entrusted with the implementation of the subscription; as well as determines any other terms and conditions provided for in the regulations or necessary to make the corresponding increase in equity.

Capital decrease

The capital reduction is carried out by decision of the General Meeting of Shareholders by decreasing the nominal value of shares or through cancellation of shares.

Cancellation of shares shall be allowed only through the purchase of Parent company's own shares under the conditions and according to the Commercial Code.

### 4. Composition and functions of the administrative, management and supervisory bodies

The Supervisory Board of Chimimport consists of 3 members who are elected by the General Meeting of the Shareholders for a term of five years.

The Supervisory Board performs its activities in conformity with the Statute of Chimimport AD and the Internal rules of the Supervisory Board.

The Managing Board of Chimimport AD consists of six members who are elected by the Supervisory Board for a term of five years.

The Managing Board performs its activities in conformity with the Statute of Chimimport AD and the Internal rules of the Managing Board.

In carrying out their duties and responsibilities the members of the Managing and Supervisory Boards are governed by the legal requirements, by-laws of the Parent company and the standards of integrity and competence.

The Managing Board:

- governs and represents Chimimport AD;
- manages the operating activities of the Parent company;
- approves plans and programs for the Parent company's activities;
- approves the organizational and managerial structure of the Parent company;
- approves decisions that are not in the express competence of the General Meeting of the Shareholders and the Supervisory Board;
- decides on capital increase or decrease under the Articles of Association.

The Managing Board, with the approval of the Supervisory Board:

- approves and proposes for approval to the General Meeting of Shareholders the annual financial statements and the activity report of the Parent company;
- based on the financial performance of the Parent company at the end of the reporting year, makes a proposal on the appropriation of the profit.

Members of the Managing Board are guided in their activities by the generally accepted principles of integrity and management and professional competence.

Members of the Supervisory and Managing Board apply the principle of avoidance and prevention of actual or potential conflict of interest. Any conflict of interest should be disclosed to the Supervisory Board. Members of the Managing Board should inform the Supervisory Board about whether directly, indirectly or on behalf of third parties have a significant interest in any transactions or matters that have a direct impact on the Parent company.

### 5. Description of the diversity policy

Chimimport AD, appoints and recommends for election by the Supervisory Board, candidates for members of the Management Board, taking into account the balance of professional knowledge and skills, the various qualifications and professional experience of the members of the board, necessary for the management of the Parent company.

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

**This disclosure has been prepared in accordance with the requirements of the Accountancy Act and the requirements of Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Delegated Regulation (EU) 2021/2178 and is an integral part of the Annual Consolidated Activity Report of Chimimport AD for 2025.**

The management of Chimimport AD declares its Social Responsibility Policy, which is documented, implemented, maintained, and communicated at all levels of the Parent company structure.

Chimimport's Corporate Social Responsibility Policy is geared towards implementing strategic management activities that contribute to sustainable economic development, fair and ethical working relationships with employees, their families and society as a whole in order to improve the quality of life.

The management is committed to creating the necessary conditions for complying with the requirements of the Social Responsibility System and for the active assistance of the management and executive staff in its development.

Parent company's general principles on social responsibility include:

- compliance with applicable national legal and other requirements and respect for international instruments and their interpretation in the field of social responsibility;
- preventing child labour in contravention of labour law;
- non-participation or assistance in the use of forced or compulsory labour;
- preventing trafficking in human beings;
- ensuring healthy and safe working conditions for its employees;
- respect for human rights and fundamental freedoms as set out in the Universal Declaration of Human Rights;
- protecting common human values;
- developing and motivating staff;
- ensuring security of payments;
- maintaining adequate remuneration of labour with timely payment of salaries, taxes and types of social security contributions for employees and workers;
- ensuring that the policy is documented, implemented, maintained and disseminated in accessible and comprehensible form to all employees, including management, technical and executive staff as well as subcontractors and suppliers;

## I. Business model

For its more than 75 years of existence, Chimimport AD has become a successful foreign trade Parent company specializing in the trade in chemical products in a large-scale holding Parent company that brings together nearly 70 subsidiaries and associated companies operating in different sectors of the Bulgarian economy.

The Parent company's priority investments are concentrated in the following industries:

- Banking, Finance, Insurance and Pension Insurance;
- Oil and gas extraction;
- Manufacture and trade in petroleum and chemical products;
- Capacity building in the petroleum, biofuel and rubber industry;
- Production of vegetable oils, purchase, processing and marketing of cereals;
- Aviation transport and ground handling activities for the maintenance and repair of aircraft and aircraft engines;
- River and maritime transport, port infrastructure;
- Securitization of real estate and receivables;
- Commercial representation and mediation;
- Commissioning, logistics and warehousing.

The main strategy and investment policy of Chimimport AD are focused on positioning the group as a significant partner in servicing the traditional trade flows for the country and the region. In particular, this motivates the group to enter into sectors such as transport, agriculture, financial operations and real estate. The financial sector is another area where the group strives to offer a full range of services to its clients.

The business model of the group is built to implement the above-defined development strategy based on maintaining and expanding the Parent company's leading role in the sectors identified as important for the Bulgarian economy.

Some of the more specific objectives set by the management of Chimimport AD are:

- maintaining high growth rates of the Group's assets and equity, which is related to ensuring stable long-term returns to shareholders;
- validation of Chimimport AD as a holding with a strong presence in the economy of Bulgaria and Central and Eastern Europe;
- maintaining a leading position among the public companies in Bulgaria and improving the international reputation of the band.

## II. Policy description

For Chimimport AD the highest priority is to adhere to high standards in all its business relationships. The Parent company's procedures have mechanisms in place to ensure that senior management and all stakeholders have the adequate and effective functioning of internal control, risk management, accountability and transparency systems.

The Parent company applies a clear and categorical policy as well as transparent procedures for assessment, selection and interaction with its partners, suppliers, customers and all stakeholders. In addition to providing reliable and high-quality products and services, Chimimport's employees aim to precisely serve the needs, rights and interests of our clients, seek mutual benefit, comply with the law and internal rules and operate in full confidentiality, according to the requirements of current legislation in the country. Chimimport AD imposes serious resources and efforts to investigate, formulate and select the appropriate solutions to prevent the occurrence of any problem encountered in practice.

Ethics Business Code of Chimimport AD

In order to control the ethical aspects of the work of Chimimport AD employees, the Code of Conduct and Professional Ethics of the Parent company has a system of rules that are systematically updated and supplemented. The Code sets out the principles of honesty, loyalty and conscientiousness, as well as stringent requirements for employee behaviour regarding their personal and professional ethics. It contains rules and norms that guide employees in their day-to-day work and set the tone of their relationship both within the Parent company and with third parties.

Anti-Corruption Policy

Chimimport AD does not tolerate any form of bribery or corruption. In particular, the Parent company agrees to refrain from any action or conduct that might be perceived as active or passive bribery.

Employees are required to comply with the Anti-Money Laundering Measures Act, the Regulations for the Implementation of the Anti-Money Laundering Measures Act, the Anti-Terrorist Financing Measures Act and the Internal Rules for control and prevention of money laundering and terrorist financing.

Well-tested procedures are applied, and they guarantee the Parent company's assets and prevent insider trading and potential employee abuse. Apart from customer care, business partners, authorities and the public, all employees of Chimimport AD are also committed to ensuring fair treatment of all their colleagues and to strictly adhere to the requirements of the Protection against Discrimination Act.

The management of the Parent company is aware that his professional and life example has a greater impact on employees than spoken or written words. That is why each of them strives to be an example of imitation in terms of professional ethics and high moral qualities, and in his duties to be guided by values such as honesty, fairness, precision, loyalty, respect, and prudence. The management shares the belief that good corporate governance is not limited to covering the requirements set out in the legal framework, but above all is a matter of deep internal conviction. For Chimimport AD, good corporate management implies first and foremost respect for shareholders who have confided of MB, as well as awareness of the immediate and long-term benefits of management transparency.

Employee policy

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

Led by the challenges of today's market environment and responding to rising requirements, management believes that successful business and stable development are only possible through focusing on quality across the whole range of activities of Chimimport AD.

As one of the largest employers in the country, employing nearly 5 000 people, Chimimport is aware that the way it treats its employees and the social benefits it provides is among the main mechanisms by which the Parent company can works for the public good. Therefore, since its inception, the Parent company has invested in the continuous improvement of its human resources by applying precise methods of selection, training, evaluation and rewarding of staff. These practices build on the leadership's belief that people are their most valuable asset and the prerequisite for future growth.

Chimimport AD and the group attach great importance to:

- Job candidates based on their personal qualities and merits, based on a careful assessment of the knowledge, competence, and professionalism of potential employees. It gives equal opportunity to all decent candidates to become part of their team regardless of their gender, ethnic origin, public position, beliefs, political views or any other factors unrelated to their professionalism and skills.
- Ensuring equal opportunities for training and career development for all employees, regardless of their current position.
- Creating a work environment that values, recognizes and rewards the efforts and achievements that are among the core values of the organization.

Developing the potential of employees

Chimimport AD seeks to direct its employees to business activities that would allow the full deployment of their potential and the realization of their personal and professional ambitions. Emphasis is also placed on the development of qualities that allow the continuous growth of employees and hence of the whole organization.

The staff development policy at Chimimport AD enables employees of all hierarchical levels who have proven their professional qualities to be promoted not only within the same management / branch but also to be re-appointed to other positions in the organization, possess the experience and professional qualities required for the new positions.

Last, but not least, Chimimport AD is of the utmost importance to retain and develop its cadres and consistently makes efforts in this direction. Throughout the year, staff development programs are being set up to explore and improve the professional qualities of its staff and to fully exploit their potential.

Assessment of performance and development

The overall performance of a Parent company undoubtedly depends on the individual performance and achievements of its employees. Therefore, it is extremely important for the Parent company to objectively assess the contribution of each employee, which is done during the annual evaluation of performance and development. The annual evaluation aims to determine the remuneration of employees that corresponds to their performance and to help them to improve their skills constantly.

The annual evaluation procedure itself ensures transparency and objectivity. It allows staff to be assessed on the basis of the position they occupy and takes into account the different nature of the duties performed. The appraisal system does not only address the extent to which the objectives are met but also draws attention to the way the tasks are done. This promotes communication between evaluators and evaluates and encourages the professional and personal development of each employee.

**Labour remuneration and social benefits**

The pay and additional benefits policy have been developed to attract, hire and retain highly qualified staff. It is based on the following principles: internal balance, recognition of the personal qualities of each employee, remuneration consistent with performance and competitiveness.

During 2025, more than eighty employees of the Group benefited from the opportunities provided for further academic qualification, namely studying for Masters programmes at one of the leading financial insurance universities.

In no small number of Group companies:

- additional voluntary pension insurance is provided to the employees of CCB Sila in the amount of up to BGN 60 per month.

- additional days of paid leave are granted to long-serving employees:for service of more than 5 years corresponds to one additional day , and for 10 years - two days.
- contracts have been concluded for the performance of periodic preventive medical examinations, in accordance with Regulation No 3/1987 on the examination by an ophthalmologist for those working with a video display for more than 4 hours a day.

Parent company`s values:

- fairness - equal opportunities for development.
- quality - we strive for perfection in every endeavour
- respect - to our colleagues, clients and fellow citizens
- teamwork - we succeed when we are together
- trust - it also makes the impossible achievable
- social responsibility - we work with public care
- effectiveness - we are looking for innovative ideas in our quest for improvement- creativity - we always aim to achieve our goals.

## III. Major risks related to environmental and social issues

The success of any business is inextricably linked to the well-being of the community within which it operates. That is why the daily operations of Chimimport AD are subject to the highest ethical principles and to the unwavering desire of the Parent company to make a significant contribution to the development of Bulgarian society. Chimimport AD also welcomes new opportunities for initiatives that benefit local communities and increase civic awareness among its employees.

The policy of the Parent company for environmental protection consists of:

1. Implement the activities in a way that guarantees the protection of the environment
2. Analysis and assessment of the impact on nature as a result of the activities of all the companies in the Group
3. Take precautionary measures against potential environmental pollution
4. Respect all laws and regulations as well as the internal regulations adopted by the Parent company for environmental equilibrium.

The main environmental risks that are relevant to the Parent company's activities are related to non-compliance with environmental standards and established rules.

The main social risk faced by the Parent company is the risk of an increase in the average age of the staff. Other employee-related risks are the occupational risk and the low qualification of newly recruited personnel.

The Group takes into account the importance of environmental issues and climate risk, striving to carry out its activities in a way that ensures the protection of the environment and to comply with all laws and regulations aimed at environmental balance. Given the banks that are part of the Group, it is considered that they can play an important role in minimising the impact on climate change through their customers.

The Group also endeavours to minimise its direct impact on the environment and gives priority to the rational consumption of natural resources.

The Group recognises the importance of environmental issues and climate risk and strives to carry out its activities in a manner that ensures the protection of the environment and complies with all laws and regulations aimed at environmental balance. Banks as a whole can play an important role in minimising the impact on climate change through their customers, and the Group also endeavours to minimise its direct impact on the environment and prioritises the rational consumption of natural resources.

Without a doubt, addressing the risks arising from climate change and environmental degradation and achieving sustainable economy targets will be among the Group's main challenges in the coming years. In the context of a changing regulatory framework that has placed even greater emphasis on the topic of climate risk and sustainability reporting requirements.

Disclosure in relation to Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 establishing a framework to facilitate sustainable investments and amending Regulation (EU) 2019/2088 (Taxonomy Regulation)

Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

About Banking:

Dusclosures in accordance with art. 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Delegated regulation (EU) 2021/2178

Summary of KPI, that financial institutions shall disclose in accordance with art. 8 of Taxonomy Regulation

| | | Total environmentally sustainable assets | KPI**** | KPI***** | % coverage (over total assets)*** |
|---|---|---|---|---|---|
| Main KPI | Green asset ratio (GAR) stock | 0.58 | - | - | 0% |

| | | Total environmentally sustainable activities | KPI | KPI | % coverage (over total assets) |
|---|---|---|---|---|---|
| Additional KPIs | GAR (change for the period - flow) | | | | |
| | Trading Portfolio | | | | |
| | Financial guarantees | 0 | | 0 | |
| | Assets under management | 0 | | 0 | |
| | Income from fees and commissions | | | | |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBGN | | Disclosure reference date T - **2025** | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Total gross carrying amount | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| 1 | GAR - Covered assets in both numerator and denominator | 3 152 285 | 936 365 | 1 | 0 | 0 | 0 | 57 051 | 0 | 0 | 0 | 0 | 993 415 | 1 | 0 | 0 | 0 |
| 2 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 3 115 259 | 936 365 | 1 | 0 | 0 | 0 | 57 051 | 0 | 0 | 0 | 0 | 993 415 | 1 | 0 | 0 | 0 |
| 3 | Financial corporations | 1 207 778 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4 | Credit institutions | 81 578 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | Loans and advances | 6 185 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6 | Debt securities, including UoP | 22 528 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 | Equity instruments | 52 865 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 |
| 8 | Other financial corporations | 1 126 199 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9 | of which investment firms | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10 | Loans and advances | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11 | Debt securities, including UoP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12 | Equity instruments | 3 200 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBGN | | Disclosure reference date T - **2025** | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | | |
| | | Total gross carrying amount | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| 13 | of which management companies | 3 200 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14 | Loans and advances | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15 | Debt securities, including UoP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 16 | Equity instruments | 0 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 | |
| 17 | of which insurance undertakings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 18 | Loans and advances | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 19 | Debt securities, including UoP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| 20 | Equity instruments | 0 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 | |
| 21 | Non-financial corporations | 165 804 | 56 602 | 1 | 0 | 0 | 0 | 57 051 | 0 | 0 | 0 | 0 | 113 653 | 1 | 0 | 0 | 0 | |
| 22 | NFCs subject to NFRD disclosure obligations | 165 804 | 56 602 | 1 | 0 | 0 | 0 | 57 051 | 0 | 0 | 0 | 0 | 113 653 | 1 | 0 | 0 | 0 | |
| 23 | Loans and advances | 125 734 | 48 698 | 0 | 0 | 0 | 0 | 48 670 | 0 | 0 | 0 | 0 | 97 368 | 0 | 0 | 0 | 0 | |
| 24 | Debt securities, including UoP | 31 591 | 5 615 | 1 | 0 | 0 | 0 | 6 092 | 0 | 0 | 0 | 0 | 11 706 | 1 | 0 | 0 | 0 | |
| 25 | Equity instruments | 8 479 | 2 289 | 0 | [redacted] | 0 | 0 | 2 289 | 0 | [redacted] | 0 | 0 | 4 579 | 0 | [redacted] | 0 | 0 | |
| 26 | Households | 1 741 677 | 879 763 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 879 763 | 0 | 0 | 0 | 0 | |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBGN | | Disclosure reference date T - **2025** | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | |
| | | Total gross carrying amount | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| 27 | of which loans collateralised by residential immovable property | 1 358 975 | 879 763 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 879 763 | 0 | 0 | 0 | 0 |
| 28 | of which building renovation loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29 | of which motor vehicle loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30 | Local governments financing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 31 | Collateral obtained by taking possession: residential and commercial immovable properties | 26 323 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 32 | Other local government financing | 12 135 | 10 703 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 33 | Other assets excluded from the numerator for GAR calculation (covered in the denominator) | 2 767 013 | 792 442 | 0 | 0 | 0 | 0 | 846 074 | 0 | 0 | 0 | 0 | 1 621 899 | 0 | 0 | 0 | 0 |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBGN | | Disclosure reference date T - **2025** | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Total gross carrying amount | Climate Change Mitigation (CCM) | | | | Climate Change Adaptation (CCA) | | | | TOTAL (CCM + CCA) | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | |
| | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | |
| | | | Of which specialised lending | Of which transitional | Of which enabling | | Of which specialised lending | Of which adaptation | Of which enabling | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| 34 | Non-financial corporations | 1 994 441 | | | | | | | | | | | |
| 35 | SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations | 1 961 841 | | | | | | | | | | | |
| 36 | Loans and advances | 1 368 359 | | | | | | | | | | | |
| 37 | of which loans collateralised by commercial immovable property | 938 890 | | | | | | | | | | | |
| 38 | of which building renovation loans | 0 | | | | | | | | | | | |
| 39 | Debt securities | 555 033 | | | | | | | | | | | |
| 40 | Equity instruments | 38 449 | | | | | | | | | | | |
| 41 | Non-EU country counterparties not subject to NFRD disclosure obligations | 32 600 | | | | | | | | | | | |
| 42 | Loans and advances | 6 419 | | | | | | | | | | | |
| 43 | Debt securities | 13 668 | | | | | | | | | | | |
| 44 | Equity instruments | 12 513 | | | | | | | | | | | |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBGN | | Disclosure reference date T - **2025** | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Total gross carrying amount | Climate Change Mitigation (CCM) | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | Of which specialised lending | Of which transitional | Of which enabling | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling | |
| 45 | Derivatives | 0 | | | | | | | | | | | | | | | |
| 46 | On demand interbank loans | 45 622 | | | | | | | | | | | | | | | |
| 47 | Cash and cash-related assets | 420 138 | | | | | | | | | | | | | | | |
| 48 | Other assets (e.g. Goodwill, commodities etc.) | 306 812 | | | | | | | | | | | | | | | |
| 49 | Total GAR assets | 5 919 298 | 1 728 807 | 1 | 0 | 0 | 0 | 903 125 | 0 | 0 | 0 | 0 | 2 615 314 | 1 | 0 | 0 | 0 |
| 50 | Other assets not covered for GAR calculation | 4 454 321 | | | | | | | | | | | | | | | |
| 51 | Sovereigns | 1 919 658 | | | | | | | | | | | | | | | |
| 52 | Central banks exposure | 2 518 496 | | | | | | | | | | | | | | | |
| 53 | Trading book | 16 167 | | | | | | | | | | | | | | | |
| 54 | Total assets | 10 373 619 | 1 728 807 | 1 | 0 | 0 | 0 | 903 125 | 0 | 0 | 0 | 0 | 2 615 314 | 1 | 0 | 0 | 0 |
| Off-balance sheet exposures - Corporates subject to NFRD disclosure obligations | | | | | | | | | | | | | | | | | |
| 55 | Financial guarantees | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 56 | Assets under management | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 57 | Of which debt securities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58 | Of which equity instruments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

## Assets for GAR calculation

| TBGN | | Disclosure reference date T - **2024** | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Total gross carrying amount | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| 1 | GAR - Covered assets in both numerator and denominator | 2 819 475 | 1 078 835 | 1 | 0 | 0 | 0 | 45 029 | 0 | 0 | 0 | 0 | 1 123 864 | 1 | 0 | 0 | 0 |
| 2 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 2 778 203 | 1 078 835 | 1 | 0 | 0 | 0 | 45 029 | 0 | 0 | 0 | 0 | 1 123 864 | 1 | 0 | 0 | 0 |
| 3 | Financial corporations | 1 048 126 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4 | Credit institutions | 202 019 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | Loans and advances | 169 562 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6 | Debt securities, including UoP | 24 834 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBGN | | Disclosure reference date T - **2024** | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Total gross carrying amount | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | | TOTAL (CCM + CCA) | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| 7 | Equity instruments | 7 623 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 |
| 8 | Other financial corporations | 846 107 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9 | of which investment firms | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10 | Loans and advances | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11 | Debt securities, including UoP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12 | Equity instruments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 | of which management companies | 3 200 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14 | Loans and advances | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15 | Debt securities, including UoP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 16 | Equity instruments | 3 200 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 |
| 17 | of which insurance undertakings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18 | Loans and advances | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 19 | Debt securities, including UoP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 20 | Equity instruments | 0 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBGN | | Disclosure reference date T - **2024** | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | |
| | | Total gross carrying amount | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| 21 | Non-financial corporations | 183 148 | 47 005 | 1 | 0 | 0 | 0 | 45 029 | 0 | 0 | 0 | 0 | 92 034 | 1 | 0 | 0 | 0 |
| 22 | NFCs subject to NFRD disclosure obligations | 183 148 | 47 005 | 1 | 0 | 0 | 0 | 45 029 | 0 | 0 | 0 | 0 | 92 034 | 1 | 0 | 0 | 0 |
| 23 | Loans and advances | 139 345 | 31 065 | 0 | 0 | 0 | 0 | 31 058 | 0 | 0 | 0 | 0 | 62 123 | 0 | 0 | 0 | 0 |
| 24 | Debt securities, including UoP | 18 429 | 6 360 | 1 | 0 | 0 | 0 | 5 546 | 0 | 0 | 0 | 0 | 11 905 | 1 | 0 | 0 | 0 |
| 25 | Equity instruments | 25 374 | 9 581 | 0 | | 0 | 0 | 8 425 | 0 | | 0 | 0 | 18 006 | 0 | | 0 | 0 |
| 26 | Households | 1 546 929 | 1 031 830 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 031 830 | 0 | 0 | 0 | 0 |
| 27 | of which loans collateralised by residential immovable property | 1 179 205 | 1 031 830 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 031 830 | 0 | 0 | 0 | 0 |
| 28 | of which building renovation loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29 | of which motor vehicle loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30 | Local governments financing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 31 | Collateral obtained by taking possession: residential and commercial | 29 137 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBGN | | Disclosure reference date T - **2024** | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Total gross carrying amount | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| | immovable properties | | | | | | | | | | | | | | | | |
| 32 | Other local government financing | 12 135 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 33 | Other assets excluded from the numerator for GAR calculation (covered in the denominator) | 2 946 311 | 942 818 | 0 | 0 | 0 | 0 | 991 731 | 0 | 0 | 0 | 0 | 1 934 549 | 0 | 0 | 0 | 0 |
| 34 | Non-financial corporations | 2 128 460 | | | | | | | | | | | | | | | |
| 35 | SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations | 2 083 377 | | | | | | | | | | | | | | | |
| 36 | Loans and advances | 1 502 335 | | | | | | | | | | | | | | | |
| 37 | which loans collateralised by commercial immovable property | 803 012 | | | | | | | | | | | | | | | |
| 38 | of which building renovation loans | 0 | | | | | | | | | | | | | | | |
| 39 | Debt securities | 543 588 | | | | | | | | | | | | | | | |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBGN | | Disclosure reference date T - **2024** | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Total gross carrying amount | Climate Change Mitigation (CCM) | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| 40 | Equity instruments | 37 454 | | | | | | | | | | | | | | |
| 41 | Non-EU country counterparties not subject to NFRD disclosure obligations | 45 083 | | | | | | | | | | | | | | |
| 42 | Loans and advances | 12 201 | | | | | | | | | | | | | | |
| 43 | Debt securities | 15 442 | | | | | | | | | | | | | | |
| 44 | Equity instruments | 17 439 | | | | | | | | | | | | | | |
| 45 | Derivatives | 306 | | | | | | | | | | | | | | |
| 46 | On demand interbank loans | 147 502 | | | | | | | | | | | | | | |
| 47 | Cash and cash-related assets | 422 860 | | | | | | | | | | | | | | |
| 48 | Other assets (e.g. Goodwill, commodities etc.) | 247 183 | | | | | | | | | | | | | | |
| 49 | Total GAR assets | 5 765 786 | 2 021 653 | 1 | 0 | 0 | 0 | 1 036 760 | 0 | 0 | 0 | 0 | 3 058 413 | 1 | 0 | 0 | 0 |
| 50 | Other assets not covered for GAR calculation | 3 372 389 | | | | | | | | | | | | | | |
| 51 | Sovereigns | 1 804 208 | | | | | | | | | | | | | | |
| 52 | Central banks exposure | 1 535 149 | | | | | | | | | | | | | | |
| 53 | Trading book | 33 032 | | | | | | | | | | | | | | |
| 54 | Total assets | 9 138 174 | 2 021 653 | 1 | 0 | 0 | 0 | 1 036 760 | 0 | 0 | 0 | 0 | 3 058 413 | 1 | 0 | 0 | 0 |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBGN | | Disclosure reference date T - **2024** | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Total gross carrying amount | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| Off-balance sheet exposures - Corporates subject to NFRD disclosure obligations | | | | | | | | | | | | | | | | | |
| 55 | Financial guarantees | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 56 | Assets under management | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 57 | Of which debt securities | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 58 | Of which equity instruments | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

GAR- sector by sector

| Breakdown by sector - NACE 4 digits level (code and label) | Climate Change Mitigation (CCM) | | | | Climate Change Adaptation (CCA) | | | | TOTAL (CCM + CCA) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | |
| | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | |
| | TBGN | Of which environmentally sustainable (CCM) | TBGN | Of which environmentally sustainable (CCM) | TBGN | Of which environmentally sustainable (CCA) | TBGN | Of which environmentally sustainable (CCA) | TBGN | Of which environmentally sustainable (CCM + CCA) | TBGN | Of which environmentally sustainable (CCM + CCA) |
| B07 | 0 | 0 | | | 0 | 0 | | | 0 | 0 | | |
| D35 | 580 | 1 | | | 580 | 0 | | | 1 160 | 1 | | |
| G47 | 0 | 0 | | | 0 | 0 | | | 0 | 0 | | |
| J61 | 0 | 0 | | | 0 | 0 | | | 0 | 0 | | |
| K64 | 0 | 0 | | | 0 | 0 | | | 0 | 0 | | |
| L68 | 56 308 | 0 | | | 0 | 0 | | | 56 308 | 0 | | |

GAR - KPI sector by sector

**2025**

| | (compared to total covered assets in the denominator) | Disclosure reference date T | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | |
| | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | |
| 1 | - GAR - Covered assets in both numerator and denominator | 29.70% | 0.00% | 0.00% | 0.00% | 0.00% | 1.81% | 0.00% | 0.00% | 0.00% | 0.00% | 31.51% | 0.00% | 0.00% | 0.00% | 0.00% | 30.39% |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 30.06% | 0.00% | 0.00% | 0.00% | 0.00% | 1.83% | 0.00% | 0.00% | 0.00% | 0.00% | 31.89% | 0.00% | 0.00% | 0.00% | 0.00% | 30.03% |
| 3 | Financial corporations | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 11.64% |
| 4 | Credit institutions | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.79% |
| 5 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.06% |
| 6 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.22% |
| 7 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.51% |
| 8 | Other financial corporations | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 10.86% |
| 9 | of which investment firms | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 10 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 11 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 12 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.03% |
| 13 | of which management companies | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.03% |
| 14 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 15 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 16 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% |
| 17 | - of which insurance undertakings | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 18 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 19 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 20 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% |
| 21 | Non-financial corporations | 34.14% | 0.00% | 0.00% | 0.00% | 0.00% | 34.41% | 0.00% | 0.00% | 0.00% | 0.00% | 68.55% | 0.00% | 0.00% | 0.00% | 0.00% | 1.60% |
| 22 | NFCs subject to NFRD disclosure obligations | 34.14% | 0.00% | 0.00% | 0.00% | 0.00% | 34.41% | 0.00% | 0.00% | 0.00% | 0.00% | 68.55% | 0.00% | 0.00% | 0.00% | 0.00% | 1.60% |
| 23 | Loans and advances | 38.73% | 0.00% | 0.00% | 0.00% | 0.00% | 38.71% | 0.00% | 0.00% | 0.00% | 0.00% | 77.44% | 0.00% | 0.00% | 0.00% | 0.00% | 1.21% |
| 24 | Debt securities, including UoP | 17.77% | 0.00% | 0.00% | 0.00% | 0.00% | 19.28% | 0.00% | 0.00% | 0.00% | 0.00% | 37.06% | 0.00% | 0.00% | 0.00% | 0.00% | 0.30% |
| 25 | Equity instruments | 27.00% | 0.00% | 0.00% | | 0.00% | 27.00% | 0.00% | 0.00% | | 0.00% | 54.00% | 0.00% | 0.00% | | 0.00% | 0.08% |
| 26 | Households | 50.51% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 50.51% | 0.00% | 0.00% | 0.00% | 0.00% | 16.79% |
| 27 | of which loans collateralised by residential immovable property | 64.74% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 64.74% | 0.00% | 0.00% | 0.00% | 0.00% | 13.10% |
| 28 | of which building renovation loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29 | of which motor vehicle loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 30 | Local governments financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 31 | Collateral obtained by taking possession: residential and commercial immovable properties | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.25% |
| 32 | Other local government financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.10% |
| 49 | OEA - Total GAR assets | | | | | | | | | | | | | | | | |
| | | Disclosure reference date T | | | | | | | | | | | | | | | |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| (compared to total covered assets in the denominator) | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | |
| | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | |
| 1 | - GAR - Covered assets in both numerator and denominator | 38.26% | 0.00% | 0.00% | 0.00% | 0.00% | 1.60% | 0.00% | 0.00% | 0.00% | 0.00% | 39.86% | 0.00% | 0.00% | 0.00% | 0.00% | 30.85% |
| 2 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 38.83% | 0.00% | 0.00% | 0.00% | 0.00% | 1.62% | 0.00% | 0.00% | 0.00% | 0.00% | 40.45% | 0.00% | 0.00% | 0.00% | 0.00% | 30.40% |
| 3 | Financial corporations | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 11.47% |
| 4 | Credit institutions | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 2.21% |
| 5 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 1.86% |
| 6 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.27% |
| 7 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.08% |
| 8 | Other financial corporations | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 9.26% |
| 9 | of which investment firms | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 10 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 11 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 12 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% |
| 13 | of which management companies | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.04% |
| 14 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 15 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 16 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.04% |
| 17 | - of which insurance undertakings | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 18 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 19 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 20 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% |
| 21 | Non-financial corporations | 25.67% | 0.00% | 0.00% | 0.00% | 0.00% | 24.59% | 0.00% | 0.00% | 0.00% | 0.00% | 50.25% | 0.00% | 0.00% | 0.00% | 0.00% | 2.00% |
| 22 | NFCs subject to NFRD disclosure obligations | 25.67% | 0.00% | 0.00% | 0.00% | 0.00% | 24.59% | 0.00% | 0.00% | 0.00% | 0.00% | 50.25% | 0.00% | 0.00% | 0.00% | 0.00% | 2.00% |
| 23 | Loans and advances | 22.29% | 0.00% | 0.00% | 0.00% | 0.00% | 22.29% | 0.00% | 0.00% | 0.00% | 0.00% | 44.58% | 0.00% | 0.00% | 0.00% | 0.00% | 1.52% |
| 24 | Debt securities, including UoP | 34.51% | 0.01% | 0.00% | 0.00% | 0.00% | 30.09% | 0.00% | 0.00% | 0.00% | 0.00% | 64.60% | 0.01% | 0.00% | 0.00% | 0.00% | 0.20% |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 25 | Equity instruments | 37.76% | 0.00% | 0.00% | | 0.00% | 33.20% | 0.00% | 0.00% | | 0.00% | 70.96% | 0.00% | 0.00% | | 0.00% | 0.28% |
| 26 | Households | 66.70% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 66.70% | 0.00% | 0.00% | 0.00% | 0.00% | 16.93% |
| 27 | of which loans collateralised by residential immovable property | 87.50% | 0.00% | 0.00% | 0.00% | 0.00% | ` | 0.00% | 0.00% | 0.00% | 0.00% | 87.50% | 0.00% | 0.00% | 0.00% | 0.00% | 12.90% |
| 28 | of which building renovation loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29 | of which motor vehicle loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 30 | Local governments financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 31 | Collateral obtained by taking possession: residential and commercial immovable properties | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.32% |
| 32 | Other local government financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.13% |
| 49 | OEA - Total GAR assets | | | | | | | | | | | | | | | | |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

GAR – KPI change for a certain period (flow)

| % (compared to flow of total eligible assets) | | Disclosure reference date T | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total new assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | |
| | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | |
| 1 | GAR - Covered assets in both numerator and denominator | -42.81% | 0.00% | 0.00% | 0.00% | 0.00% | 3.61% | 0.00% | 0.00% | 0.00% | 0.00% | -39.20% | 0.00% | 0.00% | 0.00% | 0.00% | 26.94% |
| 2 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | -42.27% | 0.00% | 0.00% | 0.00% | 0.00% | 3.57% | 0.00% | 0.00% | 0.00% | 0.00% | -38.70% | 0.00% | 0.00% | 0.00% | 0.00% | 27.28% |
| 3 | Financial corporations | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 12.92% |
| 4 | Credit institutions | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -9.75% |
| 5 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -13.22% |
| 6 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.19% |
| 7 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 3.66% |
| 8 | Other financial corporations | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 22.67% |
| 9 | of which investment firms | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 10 | Заеми и аванси - Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 11 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 12 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% |
| 13 | of which management companies | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 14 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 15 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 16 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% |
| 17 | of which insurance undertakings | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 18 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 19 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 20 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% |
| 21 | Non-financial corporations | -55.33% | 0.00% | 0.00% | 0.00% | 0.00% | -69.32% | 0.00% | 0.00% | 0.00% | 0.00% | -124.65% | 0.00% | 0.00% | 0.00% | 0.00% | -1.40% |
| 22 | NFCs subject to NFRD disclosure obligations | -55.33% | 0.00% | 0.00% | 0.00% | 0.00% | -69.32% | 0.00% | 0.00% | 0.00% | 0.00% | -124.65% | 0.00% | 0.00% | 0.00% | 0.00% | -1.40% |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 23 | Loans and advances | -129.55% | 0.00% | 0.00% | 0.00% | 0.00% | -129.40% | 0.00% | 0.00% | 0.00% | 0.00% | -258.94% | 0.00% | 0.00% | 0.00% | 0.00% | -1.10% |
| 24 | Debt securities, including UoP | -5.66% | 0.00% | 0.00% | 0.00% | 0.00% | 4.15% | 0.00% | 0.00% | 0.00% | 0.00% | -1.51% | 0.00% | 0.00% | 0.00% | 0.00% | 1.07% |
| 25 | Equity instruments | 43.16% | 0.00% | 0.00% | | 0.00% | 36.32% | 0.00% | 0.00% | | 0.00% | 79.47% | 0.00% | 0.00% | | 0.00% | -1.37% |
| 26 | Households | -78.08% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -78.08% | 0.00% | 0.00% | 0.00% | 0.00% | 15.76% |
| 27 | of which loans collateralised by residential immovable property | -84.59% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -84.59% | 0.00% | 0.00% | 0.00% | 0.00% | 14.55% |
| 28 | of which building renovation loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29 | of which motor vehicle loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 30 | Local governments financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 31 | Collateral obtained by taking possession: residential and commercial immovable properties | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.23% |
| 32 | Other local government financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.12% |
| 49 | Total GAR assets | | | | | | | | | | | | | | | | |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

KPI for off-balance sheet exposures

| % (compared to total eligible off-balance sheet assets) | | Disclosure reference date T | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | |
| | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling |
| 1 | Financial guarantees (FinGuar KPI) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2 | Assets under management (AuM KPI) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Summary of KPI that credit institutions must disclose, according to Art. 8 of the Taxonomies Regulation

| | | Total environmentally sustainable assets | KPI**** | KPI***** | % coverage (over total assets)*** |
|---|---|---|---|---|---|
| Main KPI | Green asset ratio (GAR) stock | **55.12** | | | **0.00%** |

| | | Total environmentally sustainable activities | KPI | KPI | % coverage (over total assets) |
|---|---|---|---|---|---|
| Additional KPIs | GAR (flow) | | | | |
| | Trade portfolio | | | | |
| | Financial guarantees | 0 | 0% | 0% | |
| | Assets under management | 0 | 0% | 0% | |
| | Income from fees and commissions | | | | |

* for credit institutions that do not meet the conditions under Art. 94, paragraph 1 of the RIC or the conditions under Art. 325a, paragraph 1 of the RIC
** Income from fees and commissions from services other than lending and asset management
For these KPI institutions publish forecast information, including information on the target values and appropriate explanations of the methodology used
***Share in percentage of assets covered by KPI, of the total value of bank assets
**** on the basis of KPI for the counterparty's turnover
***** on the basis of the KPI for the counterparty's KR, with the exception of lending activities, for which the general KPIis used for the turnover from the provision of loans
Note 1: In all reporting samples: cells with black coloring are not filled.
Note 2: The reporting of KPI for fees and commissions (sheet 6) and the trading portfolio (sheet 7) applies only from 2026.

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

Assets for GAR calculation

**2025**

| TBGN | | Disclosure reference date T | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Total gross carrying amount | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| 1 | GAR - Covered assets in both numerator and denominator | 3 152 285 | 936 365 | 55 | 0 | 0 | 0 | 57 051 | 0 | 0 | 0 | 0 | 993 415 | 55 | 0 | 0 | 0 |
| 2 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 3 115 259 | 936 365 | 55 | 0 | 0 | 0 | 57 051 | 0 | 0 | 0 | 0 | 993 415 | 55 | 0 | 0 | 0 |
| 3 | Financial corporations | 1 207 778 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4 | Credit institutions | 81 578 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | Loans and advances | 6 185 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6 | Debt securities, including UoP | 22 528 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 | Equity instruments | 52 865 | 0 | 0 | | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | 0 | | 0 | 0 |
| 8 | Other financial corporations | 1 126 199 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9 | of which investment firms | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10 | Loans and advances | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11 | Debt securities, including UoP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12 | Equity instruments | 3 200 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 | of which management companies | 3 200 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14 | Loans and advances | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15 | Debt securities, including UoP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 16 | Equity instruments | 0 | 0 | 0 | | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | 0 | | 0 | 0 |
| 17 | of which insurance undertakings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18 | Loans and advances | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 19 | Debt securities, including UoP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBGN | | Disclosure reference date T | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | |
| | | Total gross carrying amount | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| 20 | Equity instruments | 0 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 |
| 21 | Non-financial corporations | 165 804 | 56 602 | 55 | 0 | 0 | 0 | 57 051 | 0 | 0 | 0 | 0 | 113 653 | 55 | 0 | 0 | 0 |
| 22 | NFCs subject to NFRD disclosure obligations | 165 804 | 56 602 | 55 | 0 | 0 | 0 | 57 051 | 0 | 0 | 0 | 0 | 113 653 | 55 | 0 | 0 | 0 |
| 23 | Loans and advances | 125 734 | 48 698 | 0 | 0 | 0 | 0 | 48 670 | 0 | 0 | 0 | 0 | 97 368 | 0 | 0 | 0 | 0 |
| 24 | Debt securities, including UoP | 31 591 | 5 615 | 55 | 0 | 0 | 0 | 6 092 | 0 | 0 | 0 | 0 | 11 706 | 55 | 0 | 0 | 0 |
| 25 | Equity instruments | 8 479 | 2 289 | 0 | [redacted] | 0 | 0 | 2 289 | 0 | [redacted] | 0 | 0 | 4 579 | 0 | [redacted] | 0 | 0 |
| 26 | Households | 1 741 677 | 879 763 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 879 763 | 0 | 0 | 0 | 0 |
| 27 | of which loans collateralised by residential immovable property | 1 358 975 | 879 763 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 879 763 | 0 | 0 | 0 | 0 |
| 28 | of which building renovation loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29 | of which motor vehicle loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30 | Local governments financing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 31 | Collateral obtained by taking possession: residential and commercial immovable properties | 26 323 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 32 | Other local government financing | 10 703 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 33 | Other assets excluded from the numerator for GAR calculation (covered in the denominator) | 2 767 013 | 792 442 | 0 | 0 | 0 | 0 | 846 074 | 0 | 0 | 0 | 0 | 1 621 899 | 0 | 0 | 0 | 0 |
| 34 | Non-financial corporations | 1 994 441 | [redacted] | | | | | | | | | | | | | | |
| 35 | SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations | 1 961 841 | | | | | | | | | | | | | | | |
| 36 | Loans and advances | 1 368 359 | | | | | | | | | | | | | | | |
| 37 | of which loans collateralised by commercial immovable property | 938 890 | | | | | | | | | | | | | | | |
| 38 | of which building renovation loans | 0 | | | | | | | | | | | | | | | |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBGN | | Disclosure reference date T | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | |
| | | Total gross carrying amount | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| 39 | Debt securities | 555 033 | | | | | | | | | | | | | | | |
| 40 | Equity instruments | 38 449 | | | | | | | | | | | | | | | |
| 41 | Non-EU country counterparties not subject to NFRD disclosure obligations | 32 600 | | | | | | | | | | | | | | | |
| 42 | Loans and advances | 6 419 | | | | | | | | | | | | | | | |
| 43 | Debt securities | 13 668 | | | | | | | | | | | | | | | |
| 44 | Equity instruments | 12 513 | | | | | | | | | | | | | | | |
| 45 | Derivatives | 0 | | | | | | | | | | | | | | | |
| 46 | On demand interbank loans | 45 622 | | | | | | | | | | | | | | | |
| 47 | Cash and cash-related assets | 420 138 | | | | | | | | | | | | | | | |
| 48 | Other assets (e.g. Goodwill, commodities etc.) | 306 812 | | | | | | | | | | | | | | | |
| 49 | Total GAR assets | 5 919 298 | 1 728 807 | 55 | 0 | 0 | 0 | 903 125 | 0 | 0 | 0 | 0 | 2 615 314 | 55 | 0 | 0 | 0 |
| 50 | Other assets not covered for GAR calculation | 4 454 321 | | | | | | | | | | | | | | | |
| 51 | Sovereigns | 1 919 658 | | | | | | | | | | | | | | | |
| 52 | Central banks exposure | 2 518 496 | | | | | | | | | | | | | | | |
| 53 | Trading book | 16 167 | | | | | | | | | | | | | | | |
| 54 | Total assets | 10 373 619 | 1 728 807 | 55 | 0 | 0 | 0 | 903 125 | 0 | 0 | 0 | 0 | 2 615 314 | 55 | 0 | 0 | 0 |
| Off-balance sheet exposures - Corporates subject to NFRD disclosure obligations | | | | | | | | | | | | | | | | | |
| 55 | Financial guarantees | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 56 | Assets under management | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 57 | Of which debt securities | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 58 | Of which equity instruments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| TBGN | Disclosure reference date T | | |
|---|---|---|---|
| | | Climate Change Mitigation (CCM) | Climate Change Adaptation (CCA) | TOTAL (CCM + CCA) |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBGN | | Disclosure reference date T | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | |
| | | Total gross carrying amount | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| | | Total gross carrying amount | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| 1 | GAR - Covered assets in both numerator and denominator | 2 819 475 | 1 078 835 | 54 | 0 | 0 | 0 | 45 029 | 0 | 0 | 0 | 0 | 1 123 864 | 54 | 0 | 0 | 0 |
| 2 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 2 778 203 | 1 078 835 | 54 | 0 | 0 | 0 | 45 029 | 0 | 0 | 0 | 0 | 1 123 864 | 54 | 0 | 0 | 0 |
| 3 | Financial corporations | 1 048 126 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4 | Credit institutions | 202 019 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | Loans and advances | 169 562 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6 | Debt securities, including UoP | 24 834 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 | Equity instruments | 7 623 | 0 | 0 | | 0 | 0 | 0 | 0 | | 0 | 0 | 0 | 0 | | 0 | 0 |
| 8 | Other financial corporations | 846 107 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9 | of which investment firms | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10 | Loans and advances | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11 | Debt securities, including UoP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12 | Equity instruments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 | of which management companies | 3 200 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14 | Loans and advances | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBGN | | Disclosure reference date T | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | Total gross carrying amount | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| 15 | Debt securities, including UoP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 16 | Equity instruments | 3 200 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 |
| 17 | of which insurance undertakings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18 | Loans and advances | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 19 | Debt securities, including UoP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 20 | Equity instruments | 0 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 |
| 21 | Non-financial corporations | 183 148 | 47 005 | 54 | 0 | 0 | 0 | 45 029 | 0 | 0 | 0 | 0 | 92 034 | 54 | 0 | 0 | 0 |
| 22 | NFCs subject to NFRD disclosure obligations | 183 148 | 47 005 | 54 | 0 | 0 | 0 | 45 029 | 0 | 0 | 0 | 0 | 92 034 | 54 | 0 | 0 | 0 |
| 23 | Loans and advances | 139 345 | 31 065 | 0 | 0 | 0 | 0 | 31 058 | 0 | 0 | 0 | 0 | 62 123 | 0 | 0 | 0 | 0 |
| 24 | Debt securities, including UoP | 18 429 | 6 360 | 54 | 0 | 0 | 0 | 5 546 | 0 | 0 | 0 | 0 | 11 905 | 54 | 0 | 0 | 0 |
| 25 | Equity instruments | 25 374 | 9 581 | 0 | [redacted] | 0 | 0 | 8 425 | 0 | [redacted] | 0 | 0 | 18 006 | 0 | [redacted] | 0 | 0 |
| 26 | Households | 1 546 929 | 1 031 830 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 031 830 | 0 | 0 | 0 | 0 |
| 27 | of which loans collateralised by residential immovable property | 1 179 205 | 1 031 830 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 031 830 | 0 | 0 | 0 | 0 |
| 28 | of which building renovation loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29 | of which motor vehicle loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30 | Local governments financing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 31 | Collateral obtained by taking possession: residential and commercial immovable properties | 29 137 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 32 | Other local government financing | 12 135 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 33 | Other assets excluded from the numerator for GAR calculation (covered in the denominator) | 2 946 311 | 942 818 | 0 | 0 | 0 | 0 | 991 731 | 0 | 0 | 0 | 0 | 1 934 549 | 0 | 0 | 0 | 0 |
| 34 | Non-financial corporations | 2 128 460 | [redacted] | | | | | | | | | | | | | | |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBGN | | Disclosure reference date T | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Total gross carrying amount | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| 35 | SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations | 2 083 377 | | | | | | | | | | | | | | |
| 36 | Loans and advances | 1 502 335 | | | | | | | | | | | | | | |
| 37 | of which loans collateralised by commercial immovable property | 803 012 | | | | | | | | | | | | | | |
| 38 | of which building renovation loans | 0 | | | | | | | | | | | | | | |
| 39 | Debt securities | 543 588 | | | | | | | | | | | | | | |
| 40 | Equity instruments | 37 454 | | | | | | | | | | | | | | |
| 41 | Non-EU country counterparties not subject to NFRD disclosure obligations | 45 083 | | | | | | | | | | | | | | |
| 42 | Loans and advances | 12 201 | | | | | | | | | | | | | | |
| 43 | Debt securities | 15 442 | | | | | | | | | | | | | | |
| 44 | Equity instruments | 17 439 | | | | | | | | | | | | | | |
| 45 | Derivatives | 306 | | | | | | | | | | | | | | |
| 46 | On demand interbank loans | 147 502 | | | | | | | | | | | | | | |
| 47 | Cash and cash-related assets | 422 860 | | | | | | | | | | | | | | |
| 48 | Other assets (e.g. Goodwill, commodities etc.) | 247 183 | | | | | | | | | | | | | | |
| 49 | Total GAR assets | 5 765 786 | 2 021 653 | 54 | 0 | 0 | 0 | 1 036 760 | 0 | 0 | 0 | 0 | 3 058 413 | 54 | 0 | 0 | 0 |
| 50 | Other assets not covered for GAR calculation | 3 372 389 | | | | | | | | | | | | | | |
| 51 | Sovereigns | 1 804 208 | | | | | | | | | | | | | | |
| 52 | Central banks exposure | 1 535 149 | | | | | | | | | | | | | | |
| 53 | Trading book | 33 032 | | | | | | | | | | | | | | |
| 54 | Total assets | 9 138 174 | 2 021 653 | 54 | 0 | 0 | 0 | 1 036 760 | 0 | 0 | 0 | 0 | 3 058 413 | 54 | 0 | 0 | 0 |
| Off-balance sheet exposures - Corporates subject to NFRD disclosure obligations | | | | | | | | | | | | | | | | |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBGN | | Disclosure reference date T | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | Total gross carrying amount | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| 55 | Financial guarantees | | | | | | | | | | | | | | | | |
| 56 | Assets under management | | | | | | | | | | | | | | | | |
| 57 | Of which debt securities | | | | | | | | | | | | | | | | |
| 58 | Of which equity instruments | | | | | | | | | | | | | | | | |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

GAR – KPI information by sector

| % (compared to total covered assets in the denominator) | | Disclosure reference date T | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | |
| | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | |
| 1 | GAR - Covered assets in both numerator and denominator | 29.70% | 0.00% | 0.00% | 0.00% | 0.00% | 1.81% | 0.00% | 0.00% | 0.00% | 0.00% | 31.51% | 0.00% | 0.00% | 0.00% | 0.00% | 30.39% |
| 2 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 30.06% | 0.00% | 0.00% | 0.00% | 0.00% | 1.83% | 0.00% | 0.00% | 0.00% | 0.00% | 31.89% | 0.00% | 0.00% | 0.00% | 0.00% | 30.03% |
| 3 | Financial corporations | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 11.64% |
| 4 | Credit institutions | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.79% |
| 5 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.06% |
| 6 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.22% |
| 7 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.51% |
| 8 | Other financial corporations | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 10.86% |
| 9 | of which investment firms | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 10 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 11 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 12 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.03% |
| 13 | of which management companies | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.03% |
| 14 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 15 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 16 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% |
| 17 | of which insurance undertakings | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 18 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 19 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 20 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% |
| 21 | Non-financial corporations | 34.14% | 0.03% | 0.00% | 0.00% | 0.00% | 34.41% | 0.00% | 0.00% | 0.00% | 0.00% | 68.55% | 0.03% | 0.00% | 0.00% | 0.00% | 1.60% |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 22 | NFCs subject to NFRD disclosure obligations | 34.14% | 0.03% | 0.00% | 0.00% | 0.00% | 34.41% | 0.00% | 0.00% | 0.00% | 0.00% | 68.55% | 0.03% | 0.00% | 0.00% | 0.00% | 1.60% |
| 23 | Loans and advances | 38.73% | 0.00% | 0.00% | 0.00% | 0.00% | 38.71% | 0.00% | 0.00% | 0.00% | 0.00% | 77.44% | 0.00% | 0.00% | 0.00% | 0.00% | 1.21% |
| 24 | Debt securities, including UoP | 17.77% | 0.17% | 0.00% | 0.00% | 0.00% | 19.28% | 0.00% | 0.00% | 0.00% | 0.00% | 37.06% | 0.17% | 0.00% | 0.00% | 0.00% | 0.30% |
| 25 | Equity instruments | 27.00% | 0.00% | 0.00% | | 0.00% | 27.00% | 0.00% | 0.00% | | 0.00% | 54.00% | 0.00% | 0.00% | | 0.00% | 0.08% |
| 26 | Households | 50.51% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 50.51% | 0.00% | 0.00% | 0.00% | 0.00% | 16.79% |
| 27 | of which loans collateralised by residential immovable property | 64.74% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 64.74% | 0.00% | 0.00% | 0.00% | 0.00% | 13.10% |
| 28 | of which building renovation loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29 | of which motor vehicle loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 30 | Local governments financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 31 | Collateral obtained by taking possession: residential and commercial immovable properties | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.25% |
| 32 | Other local government financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.10% |
| 49 | Total GAR assets | 0.223 | - | - | - | - | 0.142 | - | - | - | - | 0.365 | - | - | - | - | |

GAR - KPI change for a certain period (stream)

| % (compared to flow of total eligible assets) | | Disclosure reference date T | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total new assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | |
| | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | |
| 1 | GAR - Covered assets in both numerator and denominator | 38.24% | 38.24% | 0.00% | 0.00% | 0.00% | 0.11% | 0.00% | 0.00% | 0.00% | 0.00% | 11.35% | 0.00% | 0.00% | 0.00% | 0.00% | 3.68% |
| 2 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 38.80% | 38.80% | 0.00% | 0.00% | 0.00% | 0.11% | 0.00% | 0.00% | 0.00% | 0.00% | 11.52% | 0.00% | 0.00% | 0.00% | 0.00% | 3.60% |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| | % (compared to flow of total eligible assets) | Disclosure reference date T | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total new assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | |
| | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | |
| 3 | Financial corporations | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 1.70% |
| 4 | Credit institutions | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 1.08% |
| 5 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 1.56% |
| 6 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.03% |
| 7 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | -0.51% |
| 8 | Other financial corporations | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.62% |
| 9 | of which investment firms | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 10 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 11 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 12 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% |
| 13 | of which management companies | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 14 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 15 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 16 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% |
| 17 | of which insurance undertakings | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 18 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 19 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 20 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% |
| 21 | Non-financial corporations | 25.64% | 25.64% | 0.00% | 0.00% | 0.00% | 1.73% | 0.00% | 0.00% | 0.00% | 0.00% | 4.13% | 0.00% | 0.00% | 0.00% | 0.00% | 0.37% |
| 22 | NFCs subject to NFRD disclosure obligations | 25.64% | 25.64% | 0.00% | 0.00% | 0.00% | 1.73% | 0.00% | 0.00% | 0.00% | 0.00% | 4.13% | 0.00% | 0.00% | 0.00% | 0.00% | 0.37% |
| 23 | Loans and advances | 22.27% | 0.00% | 0.00% | 0.00% | 0.00% | -2.48% | 0.00% | 0.00% | 0.00% | 0.00% | -4.96% | 0.00% | 0.00% | 0.00% | 0.00% | 0.20% |
| 24 | Debt securities, including UoP | 34.48% | 34.48% | 0.00% | 0.00% | 0.00% | 8.92% | 0.00% | 0.00% | 0.00% | 0.00% | 18.15% | 0.01% | 0.00% | 0.00% | 0.00% | 0.00% |
| 25 | Equity instruments | 37.75% | 0.00% | 0.00% | | 0.00% | 19.67% | 0.00% | 0.00% | | 0.00% | 43.90% | 0.00% | 0.00% | | 0.00% | 0.17% |
| 26 | Households | 66.66% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 20.21% | 0.00% | 0.00% | 0.00% | 0.00% | 1.53% |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| | % (compared to flow of total eligible assets) | Disclosure reference date T | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total new assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | |
| | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | |
| 27 | of which loans collateralised by residential immovable property | 87.44% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 26.51% | 0.00% | 0.00% | 0.00% | 0.00% | 5.05% |
| 28 | of which building renovation loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29 | of which motor vehicle loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 30 | Local governments financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 31 | Collateral obtained by taking possession: residential and commercial immovable properties | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.11% |
| 32 | Other local government financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.03% |
| 49 | Total GAR assets | | | | | | | | | | | | | | | | |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

KPI for off-balance sheet exposures

| | % (compared to total eligible off-balance sheet assets) | Disclosure reference date T | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | |
| | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling |
| 1 | Financial guarantees (FinGuar KPI) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2 | Assets under management (AuM KPI) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

Summary of KPI, which credit institutions must disclose, according to Art. 8 of the Taxonomies Regulations

| | | Total environmentally sustainable assets | KPI**** | KPI***** | *** % coverage (over total assets)*** |
|---|---|---|---|---|---|
| Main KPI | Green asset ratio (GAR) stock | 53 | 0% | 0% | 0% |

| | | Total environmentally sustainable activities | KPI | KPI | % coverage (over total assets) |
|---|---|---|---|---|---|
| Additional KPIs | GAR (flow) | | | | |
| | Financial guarantees | 0 | 0 | 0 | |
| | Assets under management | 0 | 0 | 0 | |

* for credit institutions that do not meet the conditions under Art. 94, paragraph 1 of the RIC or the conditions under Art. 325a, paragraph 1 of the RIC
** Income from fees and commissions from services other than lending and asset management
For these KPI institutions publish forecast information, including information on the target values and appropriate explanations of the methodology used
***Share in percentage of assets covered by KPI, of the total value of bank assets
**** on the basis of KPI for the counterparty's turnover
***** on the basis of the KPI for the counterparty's KR, with the exception of lending activities, for which the general KPI is used for the turnover from the provision of loans
Note 1: In all reporting samples: cells with black coloring are not filled.
Note 2: The reporting of KPI for fees and commissions (sheet 6) and the trading portfolio (sheet 7) applies only from 2026.

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

Assets for GAR calculation

| TBG | | Disclosure reference date T | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Total gross carrying amount | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| 1 | GAR - Covered assets in both numerator and denominator | 2 819 475 | 1 078 835 | 0 | 0 | 0 | 0 | 45 029 | 0 | 0 | 0 | 0 | 1 123 864 | 0 | 0 | 0 | 0 |
| 2 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 2 778 203 | 1 078 835 | 0 | 0 | 0 | 0 | 45 029 | 0 | 0 | 0 | 0 | 1 123 864 | 0 | 0 | 0 | 0 |
| 3 | Financial corporations | 1 048 126 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4 | Credit institutions | 202 019 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 5 | Loans and advances | 169 562 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6 | Debt securities, including UoP | 24 834 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 7 | Equity instruments | 7 623 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 |
| 8 | Other financial corporations | 846 107 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9 | of which investment firms | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10 | Loans and advances | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 11 | Debt securities, including UoP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12 | Equity instruments | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 13 | of which management companies | 3 200 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14 | Loans and advances | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 15 | Debt securities, including UoP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 16 | Equity instruments | 3 200 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 |
| 17 | of which insurance undertakings | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 18 | Loans and advances | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 19 | Debt securities, including UoP | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 20 | Equity instruments | 0 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 | 0 | 0 | [redacted] | 0 | 0 |
| 21 | Non-financial corporations | 183 148 | 47 005 | 0 | 0 | 0 | 0 | 45 029 | 0 | 0 | 0 | 0 | 92 034 | 0 | 0 | 0 | 0 |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBG | | Disclosure reference date T | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Total gross carrying amount | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| 22 | NFCs subject to NFRD disclosure obligations | 183 148 | 47 005 | 0 | 0 | 0 | 0 | 45 029 | 0 | 0 | 0 | 0 | 92 034 | 0 | 0 | 0 | 0 |
| 23 | Loans and advances | 139 345 | 31 065 | 0 | 0 | 0 | 0 | 31 058 | 0 | 0 | 0 | 0 | 62 123 | 0 | 0 | 0 | 0 |
| 24 | Debt securities, including UoP | 18 429 | 6 360 | 0 | 0 | 0 | 0 | 5 546 | 0 | 0 | 0 | 0 | 11 905 | 0 | 0 | 0 | 0 |
| 25 | Equity instruments | 25 374 | 9 581 | 0 | [redacted] | 0 | 0 | 8 425 | 0 | [redacted] | 0 | 0 | 18 006 | 0 | [redacted] | 0 | 0 |
| 26 | Households | 1 546 929 | 1 031 830 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 031 830 | 0 | 0 | 0 | 0 |
| 27 | of which loans collateralised by residential immovable property | 1 179 205 | 1 031 830 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 031 830 | 0 | 0 | 0 | 0 |
| 28 | of which building renovation loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29 | of which motor vehicle loans | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30 | Local governments financing | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 31 | Collateral obtained by taking possession: residential and commercial immovable properties | 29 137 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 32 | Other local government financing | 12 135 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 33 | Other assets excluded from the numerator for GAR calculation (covered in the denominator) | 2 946 311 | 942 818 | 0 | 0 | 0 | 0 | 991 731 | 0 | 0 | 0 | 0 | 1 934 549 | 0 | 0 | 0 | 0 |
| 34 | Non-financial corporations | 2 128 460 | [redacted] | | | | | | | | | | | | | | |
| 35 | SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations | 2 083 377 | | | | | | | | | | | | | | | |
| 36 | Loans and advances | 1 502 335 | | | | | | | | | | | | | | | |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBG | | Disclosure reference date T | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Total gross carrying amount | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling | |
| 37 | of which loans collateralised by commercial immovable property | 803 012 | | | | | | | | | | | | | | | | |
| 38 | of which building renovation loans | 0 | | | | | | | | | | | | | | | | |
| 39 | Debt securities | 543 588 | | | | | | | | | | | | | | | | |
| 40 | Equity instruments | 37 454 | | | | | | | | | | | | | | | | |
| 41 | Non-EU country counterparties not subject to NFRD disclosure obligations | 45 083 | | | | | | | | | | | | | | | | |
| 42 | Loans and advances | 12 201 | | | | | | | | | | | | | | | | |
| 43 | Debt securities | 15 442 | | | | | | | | | | | | | | | | |
| 44 | Equity instruments | 17 439 | | | | | | | | | | | | | | | | |
| 45 | Derivatives | 306 | | | | | | | | | | | | | | | | |
| 46 | On demand interbank loans | 147 502 | | | | | | | | | | | | | | | | |
| 47 | Cash and cash-related assets | 422 860 | | | | | | | | | | | | | | | | |
| 48 | Other assets (e.g. Goodwill, commodities etc.) | 247 183 | | | | | | | | | | | | | | | | |
| 49 | Total GAR assets | 5 765 786 | 2 021 653 | 0 | 0 | 0 | 0 | 1 036 760 | 0 | 0 | 0 | 0 | 3 058 413 | 0 | 0 | 0 | 0 | |
| 50 | Other assets not covered for GAR calculation | 3 372 389 | | | | | | | | | | | | | | | | |
| 51 | Sovereigns | 1 804 208 | | | | | | | | | | | | | | | | |
| 52 | Central banks exposure | 1 535 149 | | | | | | | | | | | | | | | | |
| 53 | Trading book | 33 032 | | | | | | | | | | | | | | | | |
| 54 | Total assets | 9 138 174 | 2 021 653 | 0 | 0 | 0 | 0 | 1 036 760 | 0 | 0 | 0 | 0 | 3 058 413 | 0 | 0 | 0 | 0 | |
| Off-balance sheet exposures - Corporates subject to NFRD disclosure obligations | | | | | | | | | | | | | | | | | | |
| 55 | Financial guarantees | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 56 | Assets under management | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| TBG | | Disclosure reference date T | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Total gross carrying amount | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | |
| | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | | Of which towards taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | | | Of which environmentally sustainable (Taxonomy-aligned) | | | |
| | | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which adaptation | Of which enabling | | | Of which specialised lending | Of which transitional/adaptation | Of which enabling |
| 57 | Of which debt securities | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 58 | Of which equity instruments | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

GAR sector by sector

| Breakdown by sector - NACE 4 digits level (code and label) | Climate Change Mitigation (CCM) | | | | Climate Change Adaptation (CCA) | | | | TOTAL (CCM + CCA) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | | Non-Financial corporates (Subject to NFRD) | | SMEs and other NFC not subject to NFRD | |
| | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | | Gross carrying amount | |
| | TBGN | Of which environmentally sustainable (CCM) | TBGN | Of which environmentally sustainable (CCM) | TBGN | Of which environmentally sustainable (CCA) | TBGN | Of which environmentally sustainable (CCA) | TBGN | Of which environmentally sustainable (CCM + CCA) | TBGN | Of which environmentally sustainable (CCM + CCA) |
| B07 | 0 | 0 | | | 0 | 0 | | | 0 | 0 | | |
| D35 | 580 | 0 | | | 580 | 0 | | | 1 160 | 0 | | |
| G47 | 0 | 0 | | | 0 | 0 | | | 0 | 0 | | |
| J61 | 0 | 0 | | | 0 | 0 | | | 0 | 0 | | |
| K64 | 0 | 0 | | | 0 | 0 | | | 0 | 0 | | |
| L68 | 56 308 | 0 | | | 0 | 0 | | | 56 308 | 0 | | |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

ОЕА - КПР информация по сектори

| % (compared to total covered assets in the denominator) | | Disclosure reference date T | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | |
| | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | |
| 1 | GAR - Covered assets in both numerator and denominator | 29.70% | 0.00% | 0.00% | 0.00% | 0.00% | 1.81% | 0.00% | 0.00% | 0.00% | 0.00% | 31.51% | 0.00% | 0.00% | 0.00% | 0.00% | 30.39% |
| 2 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | 30.06% | 0.00% | 0.00% | 0.00% | 0.00% | 1.83% | 0.00% | 0.00% | 0.00% | 0.00% | 31.89% | 0.00% | 0.00% | 0.00% | 0.00% | 30.03% |
| 3 | Financial corporations | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 11.64% |
| 4 | Credit institutions | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.79% |
| 5 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.06% |
| 6 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.22% |
| 7 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.51% |
| 8 | Other financial corporations | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 10.86% |
| 9 | of which investment firms | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 10 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 11 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 12 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.03% |
| 13 | of which management companies | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.03% |
| 14 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 15 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 16 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.03% |
| 17 | of which insurance undertakings | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 18 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 19 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 20 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 21 | Non-financial corporations | 34.14% | 0.00% | 0.00% | 0.00% | 0.00% | 34.41% | 0.00% | 0.00% | 0.00% | 0.00% | 68.55% | 0.00% | 0.00% | 0.00% | 0.00% | 1.60% |
| 22 | NFCs subject to NFRD disclosure obligations | 34.14% | 0.00% | 0.00% | 0.00% | 0.00% | 34.41% | 0.00% | 0.00% | 0.00% | 0.00% | 68.55% | 0.00% | 0.00% | 0.00% | 0.00% | 1.60% |
| 23 | Loans and advances | 38.73% | 0.00% | 0.00% | 0.00% | 0.00% | 38.71% | 0.00% | 0.00% | 0.00% | 0.00% | 77.44% | 0.00% | 0.00% | 0.00% | 0.00% | 1.21% |
| 24 | Debt securities, including UoP | 17.77% | 0.00% | 0.00% | 0.00% | 0.00% | 19.28% | 0.00% | 0.00% | 0.00% | 0.00% | 37.06% | 0.00% | 0.00% | 0.00% | 0.00% | 0.30% |
| 25 | Equity instruments | 27.00% | 0.00% | 0.00% | | 0.00% | 27.00% | 0.00% | 0.00% | | 0.00% | 54.00% | 0.00% | 0.00% | | 0.00% | 0.08% |
| 26 | Households | 50.51% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 50.51% | 0.00% | 0.00% | 0.00% | 0.00% | 16.79% |
| 27 | of which loans collateralised by residential immovable property | 64.74% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 64.74% | 0.00% | 0.00% | 0.00% | 0.00% | 13.10% |
| 28 | Of which building renovation loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29 | of which motor vehicle loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 30 | Local governments financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 31 | Collateral obtained by taking possession: residential and commercial immovable properties | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.25% |
| 32 | Other local government financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.10% |
| 49 | Total GAR assets | | | | | | | | | | | | | | | | |

**2023**

| % (compared to total covered assets in the denominator) | | Disclosure reference date T | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | |
| | | | | Of which specialised lending | Of which transitional | Of which enabling | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | |
| 1 | GAR - Covered assets in both numerator and denominator | 38.26% | 0.00% | 0.00% | 0.00% | 0.00% | 1.60% | 0.00% | 0.00% | 0.00% | 0.00% | 39.86% | 0.00% | 0.00% | 0.00% | 0.00% | 30.96% |
| 2 | Loans and advances, debt securities and equity | 38.83% | 0.00% | 0.00% | 0.00% | 0.00% | 1.62% | 0.00% | 0.00% | 0.00% | 0.00% | 40.45% | 0.00% | 0.00% | 0.00% | 0.00% | 30.51% |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | instruments not HfT eligible for GAR calculation | | | | | | | | | | | | | | | | |
| 3 | Financial corporations | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 11.51% |
| 4 | Credit institutions | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 2.22% |
| 5 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 1.86% |
| 6 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.27% |
| 7 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.08% |
| 8 | Other financial corporations | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 9.29% |
| 9 | of which investment firms | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 10 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 11 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 12 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% |
| 13 | of which management companies | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.04% |
| 14 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 15 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 16 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.04% |
| 17 | of which insurance undertakings | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 18 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 19 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 20 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% |
| 21 | Non-financial corporations | 25.67% | 0.00% | 0.00% | 0.00% | 0.00% | 24.59% | 0.00% | 0.00% | 0.00% | 0.00% | 50.25% | 0.00% | 0.00% | 0.00% | 0.00% | 2.01% |
| 22 | NFCs subject to NFRD disclosure obligations | 25.67% | 0.00% | 0.00% | 0.00% | 0.00% | 24.59% | 0.00% | 0.00% | 0.00% | 0.00% | 50.25% | 0.00% | 0.00% | 0.00% | 0.00% | 2.01% |
| 23 | Loans and advances | 22.29% | 0.00% | 0.00% | 0.00% | 0.00% | 22.29% | 0.00% | 0.00% | 0.00% | 0.00% | 44.58% | 0.00% | 0.00% | 0.00% | 0.00% | 1.53% |
| 24 | Debt securities, including UoP | 34.51% | 0.00% | 0.00% | 0.00% | 0.00% | 30.09% | 0.00% | 0.00% | 0.00% | 0.00% | 64.60% | 0.00% | 0.00% | 0.00% | 0.00% | 0.20% |
| 25 | Equity instruments | 37.76% | 0.00% | 0.00% | | 0.00% | 33.20% | 0.00% | 0.00% | | 0.00% | 70.96% | 0.00% | 0.00% | | 0.00% | 0.28% |
| 26 | Households | 66.70% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 66.70% | 0.00% | 0.00% | 0.00% | 0.00% | 16.99% |
| 27 | of which loans collateralised by residential immovable property | 87.50% | 0.00% | 0.00% | 0.00% | 0.00% | ` | 0.00% | 0.00% | 0.00% | 0.00% | 87.50% | 0.00% | 0.00% | 0.00% | 0.00% | 12.95% |
| 28 | Of which building renovation loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29 | of which motor vehicle loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 30 | Local governments financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 31 | Collateral obtained by taking possession: residential and commercial immovable properties | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.32% |

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 32 | Other local government financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.13% |
| 49 | Total GAR assets | | | | | | | | | | | | | | | | |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

GAR -KPI change for a certain period (steam/flow)

| % (compared to flow of total eligible assets) | | Disclosure reference date T | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | Proportion of total new assets covered |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | |
| | | | | Of which specialised lending | Of which transitional | Of which enabling | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | |
| 1 | GAR - Covered assets in both numerator and denominator | -42.81% | 0.00% | 0.00% | 0.00% | 0.00% | 3.61% | 0.00% | 0.00% | 0.00% | 0.00% | -39.20% | 0.00% | 0.00% | 0.00% | 0.00% | 26.94% |
| 2 | Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation | -42.27% | 0.00% | 0.00% | 0.00% | 0.00% | 3.57% | 0.00% | 0.00% | 0.00% | 0.00% | -38.70% | 0.00% | 0.00% | 0.00% | 0.00% | 27.28% |
| 3 | Financial corporations | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 12.92% |
| 4 | Credit institutions | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -9.75% |
| 5 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -13.22% |
| 6 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.19% |
| 7 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 3.66% |
| 8 | Other financial corporations | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 22.67% |
| 9 | of which investment firms | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 10 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 11 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 12 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% |
| 13 | of which management companies | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 14 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 15 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 16 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.26% |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

| | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 17 | of which insurance undertakings | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 18 | Loans and advances | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 19 | Debt securities, including UoP | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 20 | Equity instruments | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% | 0.00% | 0.00% | | 0.00% | 0.00% |
| 21 | Non-financial corporations | -55.33% | 0.00% | 0.00% | 0.00% | 0.00% | -69.32% | 0.00% | 0.00% | 0.00% | 0.00% | -124.65% | 0.00% | 0.00% | 0.00% | 0.00% | -1.40% |
| 22 | NFCs subject to NFRD disclosure obligations | -55.33% | 0.00% | 0.00% | 0.00% | 0.00% | -69.32% | 0.00% | 0.00% | 0.00% | 0.00% | -124.65% | 0.00% | 0.00% | 0.00% | 0.00% | -1.40% |
| 23 | Loans and advances | -129.55% | 0.00% | 0.00% | 0.00% | 0.00% | -129.40% | 0.00% | 0.00% | 0.00% | 0.00% | -258.94% | 0.00% | 0.00% | 0.00% | 0.00% | -1.10% |
| 24 | Debt securities, including UoP | -5.66% | 0.00% | 0.00% | 0.00% | 0.00% | 4.15% | 0.00% | 0.00% | 0.00% | 0.00% | -1.51% | 0.00% | 0.00% | 0.00% | 0.00% | 1.07% |
| 25 | Equity instruments | 43.16% | 0.00% | 0.00% | | 0.00% | 36.32% | 0.00% | 0.00% | | 0.00% | 79.47% | 0.00% | 0.00% | | 0.00% | -1.37% |
| 26 | Households | -78.08% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -78.08% | 0.00% | 0.00% | 0.00% | 0.00% | 15.76% |
| 27 | - of which loans collateralised by residential immovable property | -84.59% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -84.59% | 0.00% | 0.00% | 0.00% | 0.00% | 14.55% |
| 28 | of which building renovation loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 29 | of which motor vehicle loans | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 30 | Local governments financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| 31 | Collateral obtained by taking possession: residential and commercial immovable properties | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.23% |
| 32 | Other local government financing | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -0.12% |
| 49 | Total GAR assets | | | | | | | | | | | | | | | | |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

KPI for off-balance sheet exposures

| % (compared to total eligible off-balance sheet assets) | | Disclosure reference date T | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Climate Change Mitigation (CCM) | | | | | Climate Change Adaptation (CCA) | | | | | TOTAL (CCM + CCA) | | | | |
| | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible) | | | | |
| | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | | | Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned) | | | |
| | | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling | | | Of which specialised lending | Of which transitional | Of which enabling |
| 1 | Financial guarantees (FinGuar KPI) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2 | Assets under management (AuM KPI) | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

In 2025, in accordance with Art. 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Delegated Regulation (EU) 2021/2178, the main bank of the Group performed an analysis of its customers and its loan portfolio, identifying exposures to allowable and inadmissible for the EU Taxonomy economic activities related to environmental goals.

The ratio of ecological assets (EOA) for the balance sheet exposures shows the share of the Bank's assets, financing and invested in taxonomy-compliant economic activities, of the total value of the assets covered.

The EU taxonomy is a fundamental concept in shaping the future of sustainable investment in the EU. It is designed to provide a transparent and clear list of environmentally sustainable economic activities, promote the transition to zero carbon emissions and thus serve as a guide to direct more investment to sustainable projects to address the climate crisis and prevent further deterioration of the environment.

The process of identifying customers went through the following fundamental concepts and rules:

1. Substantial contribution: Based on the technical screening criteria, the economic activity has a significant positive impact on the environment or significantly reduces the negative impacts of the activity on the environment.
2. Technical screening criteria: Technical screening criteria are the detailed requirements used to assess whether an economic activity contributes significantly to one or more environmental objectives and meets the DNSH criteria. These criteria are developed for each environmental objective and guide the classification of economic activities as conforming to the taxonomy or not.
3. Do No Significant Harm (DNSH) Principle: The EU taxonomy applies the DNSH principle to ensure that activities which, although not directly contributing to environmental objectives, must not cause significant harm to them.
4. Minimum Safeguards: To be sustainable, economic activity must demonstrate compliance with minimum standards of human rights, social responsibility, labor rights and anti-corruption procedures.

Central Cooperative Bank AD divided the economic activities of its counterparties into the following two areas:

Eligible economic activities

CCB AD has accepted that these are activities described in the delegated acts with technical screening criteria set out in the Taxonomy Regulation.

For CCB AD, an economic activity is eligible regardless of whether it meets some or all of the technical screening criteria set out in the Climate Delegated Act (and future Delegated Acts). Therefore, the fact that an economic activity is eligible under the Taxonomy does not necessarily imply the existence of environmental performance or sustainability of that activity.

CCB AD has assumed that if an enterprise generates turnover or invests in capital expenditure (CapEx) or operating expenditure (OpEx) corresponding to an economic activity described in the Delegated Climate Act, it will be considered eligible for taxonomic eligibility disclosure.

The identification of economic activities meeting the requirements of the taxonomy was the first step of the Parent Bank towards assessing the compliance of economic activities with the technical screening criteria of the taxonomy.

Relevant economic activities

For relevant activities, the Parent Bank has adopted the technical screening criteria set out in the delegated acts with specific requirements and thresholds that each activity will have to meet in order to be considered to contribute significantly to an environmental objective and not cause significant harm to others.

Specifically, taxonomy-compliant activities are eligible and meet the additional criteria below that classify them as environmentally sustainable:

• This activity must make a significant contribution to at least one of the environmental objectives of the EU Taxonomy.

• The activity must not significantly harm any of the other environmental objectives of the EU Taxonomy.

• The activity must be carried out in accordance with minimum safeguards, ensuring compliance with the Guidelines for Multinational Enterprises presented by the Organization for Economic Co-operation and Development (OECD) and the Guiding Principles on Business and Human Rights of the United Nations (UN ). The activity must also be consistent with the principles and rights set out in the eight core conventions set out in the International Labor Organization's Declaration of Fundamental Principles and Rights at Work and the International Declaration of Human Rights.

Calculation process

The main key performance indicator is the ratio of eco-friendly assets - OEA (GAR) - a ratio that shows the ratio of exposures related to taxonomy activities compared to the total assets of these credit institutions.

The Parent Bank's Eco-Friendly Asset Ratio (GAR) reflects the ratio of taxonomy-compliant financed and invested assets as a percentage of total covered assets. The parent bank applies this ratio to its financial instruments, including loans, advances and debt securities, and to their equity interests, in order to reflect the extent of financed activities consistent with the taxonomy.

In the process of carrying out the valuation of eco-friendly assets, the main bank of the Group has included information on loans and advances, debt securities and equity instruments in its banking portfolio to financial corporations, non-financial corporations (NFCs), including SMEs, households (including residential real estate, home improvement loans and motor vehicle loans only) and local authorities/municipalities (housing finance). The calculations were made based on the following ratios:

- Ratio of loans and advances, debt securities, capital instruments financing taxonomically eligible economic activities for the environmental purpose compared to total loans and advances, debt securities, capital instruments of non-financial enterprises and all other covered balance sheet assets.
- Ratio of loans and advances, debt securities, equity instruments financing taxonomy-compliant economic activities for the purpose of the environmental objective compared to loans and advances, debt securities, equity instruments financing activities in sectors covered by the taxonomy for the goal.
- Ratio of loans and advances, debt securities, equity instruments financing the taxonomy of activities aligned with the environmental objective (e.g. climate change mitigation and/or adaptation to climate change) compared to total loans and advances, debt securities, capital instruments of non-financial enterprises and all other assets on the balance sheet, with a separate breakdown for activating and transitional activities.

CCB AD was the first commercial bank in Southeastern Europe to introduce MasterCard’s Carbon Calculator through its mobile banking in 2023. The calculator is an innovative digital solution that aims to help consumers measure and effectively manage the carbon footprint of the transactions they make through constant monitoring of the various goods and services purchased by customers with debit and credit cards and an assessment of the value chain. The purpose of this calculator is to provide consumers with a sustainable consumption model and information on how, by carrying out their transactions, they impact the environment and how they can help restore the climate.

For insurance activity

Green transformation encompasses various strategies, policies and practices aimed at changing the way our society and economy function, in order to reduce the negative impact on the environment and create a more sustainable future. Despite the fact that the subsidiary ZAD Armeec is not a financial market participant in the sense of an insurance undertaking providing an insurance-based investment product (Regulation 2019/2008), the Group is committed to protecting the environment as a core asset and manages all significant environmental aspects of business operations in order to ensure compatibility between business initiative and environmental protection requirements. The objectives are related to both the direct impact on the environment, which follows directly from the Group’s insurance and financial activities, and the indirect impacts related to participation in and implementation of public procurement, the planning and provision of insurance and financial products and institutional investment operations.

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

The Group does not participate in tenders under the Public Procurement Act for the provision of coverage for property and non-property interests of enterprises related to the extraction and production of fossil fuels and carbon-intensive industries. The same are not subject to insurance in the Group's insurance portfolio.

In 2024, the Group withdrew its minority participation in co-insurance contracts of the property of enterprises such as KCM AD, Sofia Med AD, etc. and reduced its participation below 20% in the co-insurance panel of Neochim AD.

The main part of the insurance income is from insurance products related to motor vehicles - 85%, insurance related to other types of transport insurance is 2% of the insurance income. In its underwriting policy, the Group will continue to exclude from its risk appetite activities related to the extraction, production and/or use of coal. As of 01.01.2022, the Group does not provide coverage under policies to enterprises related to coal mining and/or coal-based power plants. This policy will continue in the future. The Group continues to provide preferential rates for electric vehicles under Motor Third Party Liability Insurance and equal conditions under Motor Vehicle Casco Insurance.

Doing business in extremely diverse social, environmental and cultural contexts requires a commitment to the overall objective of sustainable economic development, linked to the direct impact of the Group’s activities and areas of influence. No direct or indirect effects are expected, as well as possible impacts on the Group’s activities from the Paris Agreement and the European Climate Law.

The subsidiary falls within the scope of Regulation 2020/852 establishing a framework to facilitate sustainable investment. In compliance with its obligation to disclose information set out in Delegated Regulation 2021/2178, which supplements Regulation 2020/852 and specifies the content, methodology and presentation of the information that financial and non-financial undertakings must disclose regarding the share of environmentally sustainable economic activities in their business, investments or lending activities, the Group periodically analyses the implementation of its investment strategy. The subsidiary does not carry out credit activities, nor does it develop products that would fall within the scope of the regulation.

The Group, in its insurance and investment activities, complies with best practices and relevant regulations, aiming to mitigate sustainability-related risks through its investments, products and services, thus facilitating the transition in the future to a more efficient and sustainable economy.

The Group follows the principles of responsibility in making investment decisions in accordance with approved policies, rules and established good practices. The investment strategy complies with the principles of responsible and sustainable investments, recognition of human rights and compliance with all legal and regulatory requirements. Activities related to the production and/or use of coal are excluded from the Group's investment and insurance portfolio. This has been achieved by applying restrictive criteria for the exclusion of these activities.

The Group will expand the scope of investments in sustainable development, investments in companies with good environmental, socially responsible and management practices. After creating a regulatory environment and conditions for sustainable investments, the Group will direct its activity to thematic investments, including green bonds. In addition, the Group will strive to renew its car fleet, gradually increasing the share of hybrid and electric cars.

The Group is ready to intervene in any indication of deviation in the indicators, as well as to strictly comply with the restrictive measures and sanctions imposed by the Council of the European Union.

**Outside banking:**

The EU Taxonomy Regulation establishes a classification system for environmentally sustainable economic activities. It plays an important role in supporting the EU in increasing sustainable investments and implementing the European Green Deal.

# Disclosure in accordance with Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation) and Commission Delegated Regulation (EU) 2021/2178Consolidated

Some of the buildings owned by companies in the group are holders of Energy Performance Certificates for buildings in operation.

For some of the buildings, actions have been taken to:

- Replace the fluorescent lighting fixtures in the offices of the parent bank in Sofia and some in the country with diode ones, which are of lower power. The replacement is currently ongoing.
- The costs of replacing burnt-out fluorescent tubes and defective electronic units are also significantly reduced.
- Due to higher light intensity, the number of lighting fixtures themselves has been reduced by about 40%.

Regarding the commitments that some of the companies in the Group fulfill in relation to ecology, they are:

- Handover of obsolete electronic and electrical equipment
- Handover for processing of waste fats

The main environmental risks that are relevant to the activities of the Group are related to non-compliance with environmental standards and established rules.

The main social risks that the Group faces are the risk of turnover and the risk of low qualification of newly hired personnel.

In 2025, the Group will continue its work on developing and adapting its internal systems to comply with the requirements of the Taxonomy Regulation for classifying economic activities as environmentally sustainable. In this way, compliance of the taxonomy with the main economic activities and development directions will be achieved, so that the Group can prepare in a timely and adequate manner for the increased requirements in this area

Future tasks for the Group are:

1.Attracting new qualified personnel.

2.Minimizing turnover by introducing incentives for achieved results and expanding the social program.
3.Training of newly hired personnel. The Group complies with all its adopted policies regarding environmental and social issues.

# Consolidated report on payments to governments

# CONSOLIDATED REPORT ON PAYMENTS TO GOVERNMENTS

**Consolidated report on payments to governments**

The Group, through its subsidiary Oil and Gas Exploration and Production AD, operates in the extractive industry and according to Art. 53 and Art. 58 of the Accounting Act has the obligation to prepare and publish a consolidated report on payments to governments, simultaneously with the consolidated report on its activities.

The main activity of Oil and Gas Exploration and Production AD is carried out on the basis of concession rights granted by the state under 13 concession contracts.

According to the concluded contracts, Oil and Gas Exploration and Production AD is obliged to make concession payments (concession fee) every six months on the basis of sold quantities of crude oil and natural gas, and the payment is due by the end of the month following the six months.

In 2025 Oil and Gas Exploration and Production AD has paid a concession fee to the Ministry of Energy as follows:

- for the second half of 2024 – BGN 935 637 thousand;
- for the first half of 2025 – BGN 822 416 thousand;

The amounts indicated include value added tax and represent the payments made by Oil and Gas Exploration and Production AD in 2025, which differ from the amounts accrued as expenses of the Group for concession fees, stated in note 28 in the annual consolidated financial statements.

Following the adopted amendments to the Corporate Income Tax Act, introduced by §5 of the Transitional and Final Provisions of the State Budget Act of the Republic of Bulgaria for 2025, Oil and Gas Exploration and Production AD paid a mandatory annual contribution for 2025 to the state budget, in its capacity as a concessionaire under granted concessions for the extraction of underground resources. The contribution amounted to the aggregate of the calculated annual concession fee for 2024, including VAT, totaling BGN 1 981 899.

The amount was paid into the state budget via the Ministry of Energy in four equal quarterly installments.

In 2025, Oil and Gas Exploration and Production AD paid taxes on expenses in the amount of BGN 12 313 according to the annual tax return for 2024 and advance payments for corporate tax - BGN 15 000 for 2025.

# CONTACT US

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www.x3news.com

All current shareholders, interested persons/stakeholders and potential investors may receive the necessary information related to the activitis of the company and its financial results at the following address:

2 "Stefan Karadja" Str., Sofia 1000, every Friday from 13.00 till 17.00.

FOR ADDITIONAL INFORMATION
PLEASE VISIT OUR WEBSITE
www.chimimport.bg



USEFUL LINKS

Financial Supervision Comission
http://www.fsc.bg/

Bulgarian Stock Exchange
http://www.bse-sofia.bg/

Central Depository
http://www.csd-bg.bg/

Bulgarian National Bank
http://www.bnb.bg/

Privatization Agency
http://www.priv.government.bg/

www.chimimport.bg

**DECLARATION**
**in accordance to**
**Article 100n, Para. 4, Item 4**
**from the Public**
**Offering of Securities Act**

# DECLARATION

**in accordance to Article 100n, Para. 4, Item 4 from the Public Offering of Securities Act**

Today, April 30th 2026 Sofia

The undersigned,

1. Mirolyub Ivanov - CEO and Member of the Management Board of Chimimport AD and

2. Alexander Kerezov – Chief accountant of Chimimport AD

in accordance to Article 100n, Paragraph 4 from the Public Offering of Securities Act and Article and ORDINANCE № 2 on the prospectuses to be published when securities are offered to the public or admitted to trading on a regulated market and on disclosure of information by the public companies and the other issuers of securities

We declare, that to our knowledge:

1. The set of annual consolidated financial statements for the year ending in 2025 are prepared in accordance with the applicable accounting standards and give a true and fair statement of assets and liabilities, financial position and profit or loss of Chimimport AD;

2. The annual consolidated activity report of Chimimport AD for 2025 includes a fair review of the information in accordance to Article 100, Paragraph 4 from the Public Offering of Securities Act and ORDINANCE № 2 /09.11.2021

April 30th 2026
Sofia

Declarants:



1.....
/CEO/



2.....
/Chief Accountant/

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# INDEPENDENT AUDITOR'S REPORT

**To the shareholders of**

**CHIMIMPORT AD**

**Sofia**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of **Chimimport AD** (the Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2025 and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, containing material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2025 and of its financial performance and its cash flows for the year then ended in accordance with IFRS accounting standards, as adopted by the European Union (EU).

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), applicable for audits of consolidated financial statements of public interest entities together with the ethical requirements that are relevant to audits of consoliated financial statements of public interest entities in Bulgaria. We have aslo fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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RSM BG Ltd is a member of the RSM Network and trades as RSM. RSM is the trading name used by the members of the RSM Network. Each member of the RSM Network is an independent accounting and consulting firm which practices in its own right. The RSM Network is not itself a separate legal entity in any jurisdiction

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a consolidated opinion on these matters.

| **Impairment of loans granted and advances to bank customers**<br>**Note 4.20.4. Impairment of financial assets, 13 Loans and advances to bank customers and 47.4 Credit risk** | |
|---|---|
| **Key audit matter** | **How this matter was addressed during the audit** |
| The loans and advances granted to bank customers as of 31 December 2025 form 22% of the total amount of the Group's assets and have a net book value of BGN 3 441 360 thousand, including a gross book value of BGN 3 495 909 thousand less accumulated impairment amounting to BGN 54 549 thousand.<br><br>The Group applies impairment models in relation to loans and advances to bank customers based on expected credit losses in accordance with the requirements of IFRS 9 Financial Instruments.<br><br>The models used are based on probability of default and expected loss given default. Input data for the models, calculation methods and their application depend on the judgment of the Group's management.<br><br>The judgment of classification into individual impairment stages is the result of a combination of quantitative and qualitative factors.<br><br>The statistical models used for the impairment of collectively rated financial assets are based on determining probability of default (PD) and loss given default (LGD) values for each collectively rated asset, applying amortization with the effective interest rate (EIR) in the calculation of the expected exposure at default (EAD). Input data for the models, calculation methods and their application depend on the | We analyzed the compliance of the Group's expected credit loss determination models with the requirements of IFRS 9 Financial Instruments. During our audit, our audit procedures included, but were not limited to, the following:<br><br>- inquiries and obtaining an understanding of the processes, policies and used criteria and models applied by the Group for classification and subsequent accounting of the loans and advances granted to bank customers and confirmation of the compliance of these criteria with the requirements of IFRS 9 Financial Instruments;<br><br>- review and evaluation of the policies and procedures developed by the Group for the models for calculating expected credit losses on loans and advances to bank customers;<br><br>- procedures for confirmation the extent to which the controls related to the monitoring of the granted loans have been established and implemented by the Group, as well as an assessment of their operational efficiency;<br><br>- assessment of the adequacy of the policies, procedures and process controls in place, with the aim of developing further audit procedures in a way to be able to address the risks of material misstatement related to the accrued expected credit losses of loans and advances to bank customers;<br><br>- with respect to exposures impaired on an individual and collective basis, we applied |

| Impairment of loans granted and advances to bank customers<br><br>Note 4.20.4. Impairment of financial assets, 13 Loans and advances to bank customers and 47.4 Credit risk | |
|---|---|
| **Key audit matter** | **How this matter was addressed during the audit** |
| judgment of the Group's management.<br><br>The assessment of expected credit losses from impairment of loans granted and advances to bank customers requires the Group's management to apply a significant level of judgment in the application of accounting estimates in the following areas:<br><br>- the classification of exposures by phases of impairment and identification of exposures with deteriorating credit quality;<br><br>- the assumptions included in the risk parameters of the models for determining expected credit losses, with input data obtained from internal and external sources;<br><br>- the included factors and expected scenarios influenced by the wide range of existing and potential consequences of negative macroeconomic developments that may have an effect on expected credit losses.<br><br>We have identified the determination of impairment of loans and advances to bank customers of the Group as a key audit matter, due to the following factors:<br><br>- the value and the moment of recognition of impairments on loans and advances to bank customers;<br><br>- the high degree of uncertainty of accounting estimates related to the applied models for calculating expected credit losses. | professional judgment to analyze and evaluate the key assumptions used in applying the ECL models and calculating impairments for loans and advances to bank customers and the impact of the macroeconomic indicators and the scenarios used;<br><br>- application of the models for ECL and calculation of impairments for loans granted and advances to customers and the impact of macroeconomic indicators and scenarios used;<br><br>- review of the quality of historical data used in the calculation of risk parameters.<br><br>For samples of exposures from the loan portfolio, we performed:<br><br>- assessment of the appropriateness of the methods used to determine expected credit losses and impairments;<br><br>- confirmation on a sampling basis of selected loans from the loan portfolio regarding the classification by phases, the presence of factors for a significant increase in credit risk or events of default, and their impact on the value of loans granted and advances to bank clients;<br><br>- analysis of the financial position of the borrowers and analysis whether there are deviations in compliance with the contractual conditions, taking into account the impact of macroeconomic conditions on the relevant industry of the bank clients, assessment of the assets provided as collateral and other factors that may affect the collectability of loans confirmed on a sample basis;<br><br>- analysis of the main assumptions and judgments of the Group's management, including an assessment of the applied |

| Impairment of loans granted and advances to bank customers<br>Note 4.20.4. Impairment of financial assets, 13 Loans and advances to bank customers and 47.4 Credit risk | |
|---|---|
| **Key audit matter** | **How this matter was addressed during the audit** |
| | scenarios for expected cash flows;<br>- recalculation of the impairment of a sample of exposures, based on the values of the risk parameters obtained as a result of the application of the models.<br><br>We have prepared an assessment of the completeness and adequacy of the disclosures in the consolidated financial statement, including the disclosures of the main assumptions and judgments related to the requirements of IFRS 9 for the classification and impairment of loans and advances to the Group's bank customers |

| Fair value measurement of financial assets at fair value through profit or loss<br>Notes 4.20 Financial instruments, 4.20.3 Subsequent valuation of financial assets, 14. Financial assets at fair value through profit or loss and 48.1. Fair value measurement of financial assets | |
|---|---|
| **Key audit matter** | **How this matter was addressed during the audit** |
| Financial assets measured at fair value through profit or loss as of 31.12.2025 represent 20% of the Group's total assets and are amounting to BGN 3 124 590 thousand.<br><br>In estimating the fair value of financial assets, measured at fair value through profit or loss the Group uses various methods and makes assumptions that are based on market conditions existing at each reporting date. Some of the data needed for appraisals can be obtained relatively easily, such as market prices and interest rates. The determination of said fair values requires the application of judgments regarding the sources of market prices, the identification of an active market, as well as the appropriate methods and techniques | During our audit, audit procedures performed where applicable with the assistance of our specialist valuers and certified financial analysts included, but were not limited to:<br>- review, analysis and assessment of the applied accounting policy for subsequent assessment and presentation of the Group's financial assets from the point of view of the requirements of IFRS and Bulgarian legislation;<br>- assessment of the adequacy of policies and procedures, of the design and effectiveness of the implemented key controls related to the process of determining the fair value of financial instruments;<br>- inquiries addressed to the Group's experts regarding the related valuation processes |

| | |
|---|---|
| used to estimate them.<br><br>The current macroeconomic environment, which results from the combination of the effects of geopolitical risks, volatile inflation and interest rates, a deteriorating business climate and uncertainty regarding future developments, poses significant challenges in forecasting expected indicators and parameters used in determining the fair value.<br><br>Due to the significance of the aforementioned circumstances, we considered that the determination of the fair value of financial assets measured at fair value through profit or loss is a key audit matter. | and the observability of the external data used by the Group;<br><br>- a test of details on the valuation of the fair value of financial assets as of 31.12.2025 by obtaining market prices from independent sources;<br><br>- test of revaluations at fair value on a sample basis;<br><br>- a critical review of the activity of the markets, which are used as reference for the purposes of valuations of the Group's financial assets, by analyzing the frequency and volume of the transactions carried out and the ability to provide price information on an ongoing basis;<br><br>- critical evaluation and analysis, with the participation of the auditors' experts, of the appropriateness of the key valuation methods, including the assumptions made and key indicators used in determining the fair value of financial assets for which there are no quoted prices from an active market;<br><br>- confirmation of the information on the nominal value of the investments as of 31.12.2025 by third parties;<br><br>- assessment of the adequacy of the disclosures in the consolidated financial statement in relation to the requirements of the IFRS accounting standards, as adopted by the EU. |

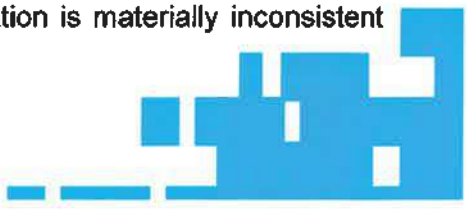
**Information Other than the Financial Statements and Auditor's Report Thereon**

Management is responsible for the other information. The other information comprises the annual consolidated activity report, including Declaration for corporate governance and report for the implementation of the remuneration policy prepared in accordance with Chapter seven from Accountancy Act and Public Offering of Securities Act, but does not include the consolidated financial statements and our auditor's report thereon which we received prior to the date of our auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon unless specifically stated in our report and to the extent stated.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent





with the consolidated financial statements or whether our knowledge obtained in the audit may indicate that there is a material misstatement or otherwise the other information appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS accounting standards, as adopted by the EU and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for supervising the Group's financial reporting process.

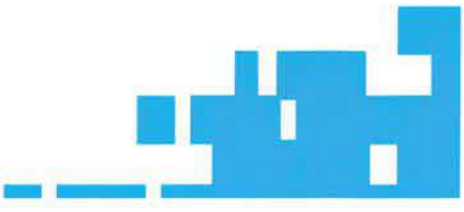
**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of our audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are





based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient and appropriate audit evidence about the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the management, supervision and auditing of the Group. We bear sole responsibility for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

**Additional matters to be reported under Bulgarian Accountancy Act**

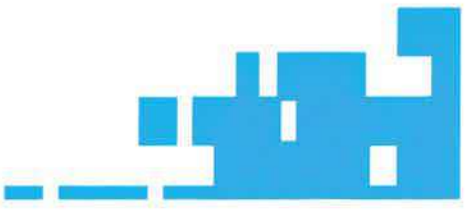
***Additional matters to be reported under Bulgarian Accountancy Act and Bulgarian Public Offering of Securities Act***

In addition to our responsibilities for reporting under ISAs, described above in section "Information Other than the Consolidated Financial Statements and Auditor's Report Thereon", regarding the Management Report, the Declaration for Corporate Governance and the Report on the Implementation of the Remuneration Policy, we have performed the additional procedures contained in the Guidelines on New and Expanded Auditor`s Reports and Auditor`s Communication of the professional organization of certified public accountants and registered auditors in Bulgaria - Institute of Certified Public Accountants (ICPA). The procedures on the existence, form and contents of the other information have been carried out in order to state whether the other information includes the elements and disclosures in accordance with Chapter Seven of Accountancy Act and and in accordance with Bulgarian Public Offering of Securities Act (art. 100m, Paragraph (10) of Bulgarian Public Offering of Securities Act related to art. 100m, Paragraph (8), Items 3 and 4 of Bulgarian Public Offering of Securities Act.

***Statement Pursuant to Article 37, Paragraph (6) of Bulgarian Accountancy Act***

Based on the procedures performed, we describe the outcome of our work:





a) The information in the consolidated management report is consistent with the consolidated financial statements for the same reporting period;

b) The consolidated management report is prepared in accordance with the applicable legal requirements, including Chapter Seven of Bulgarian Accountancy Act and Art. 100m, Paragraph (7) of Bulgarian Public Offering of Securities Act, except as stated:

- in the consolidated management report, the required information regarding the loan agreements under which Chimimport AD or its subsidiaries are borrowers and lenders is not included in full, according to item 8 and item 9 of Appendix No. 2 to Ordinance No. 2/9.11.2021 in connection with Art. 100m, paragraph (7), item 2 of the Bulgarian Public Offering of Securities Act. The Group has presented summary data on the attracted funds and granted loans related to its banking activity, to the extend as the Group complies with the requirements for bank secrecy pursuant to Article 62, para 2 of the Credit Institutions Act;

d) in the consolidated corporate governance statement for the financial year for which the consolidated financial statement was prepared, contains the required information in accordance with Chapter Seven of the Accountancy Act and Art. 100m, Paragraph (8) of the Bulgarian Public Offering of Securities Act;

e) the consolidated report on payments to governments is and made available in accordance with the requirements of Bulgarian Accountancy Act.

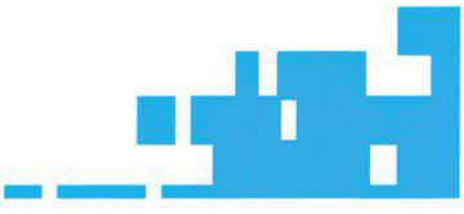
***Statement Pursuant to Article 100m, Paragraph (10) in relation to Article 100m, paragraph (8), subparagraphs (3) and (4) of Bulgarian Public Offering of Securities Act***

Based on the procedures performed and our knowledge of the Group and the environment in which it operates, in our opinion, there is no material misstatement in the description of the main characteristics of the internal control system and of the risk management system of the Group in connection with the financial reporting process and also in the information pursuant to Article 10, paragraph 1, items "c", "d", "f", "h" and "i" of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 regarding take-over offers, which are included in the consolidated corporate governance statement, being a component of the consolidated activity report.

***Reporting on compliance with the electronic format of the financial statements included in the management report under Art. 100m, paragraph 5 of Bulgarian Public Offering of Securities Act (POSA) with the requirements of the ESEF Regulation***

We have undertaken a reasonable assurance engagement on the compliance of the electronic format of the consolidated financial statements of Chimimport AD for the year ended on 31 December 2025 included in the digital file "549300GB265U3RQEQC54-20251231-BG-CON.zip", with the requirements of Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format ("ESEF Regulation"). Our opinion is only regarding the electronic format of the consolidated financial statements and does not include the other information contained in the annual consolidated financial report on the activity under art. 100m, para. 5 of Bulgarian Public Offering of Securities Act.





# INDEPENDENT AUDITOR'S REPORT (continued)

*Description of Subject Matter Information and Applicable Criteria*

Management has prepared the electronic format of Group's consolidated financial statements for the year ended 31 December 2025 in accordance with ESEF Regulation in order to comply with Bulgarian Public Offering of Securities Act. The rules for preparation of the consolidated financial statements in this electronic format are described in the ESEF Regulation and in our opinion, they are applicable criteria for providing reasonable assurance.

*Responsibilities of Management and Those Charged with Governance*

Group's management is responsible for the application of the requirements of ESEF Regulation in preparing the electronic XHTML format of the consolidated financial statements. These responsibilities include the selection and application of suitable iXBRL tags in accordance with the taxonomy of ESEF Regulation, as well as implementing and the application of such internal controls system, that are necessary for the preparation of the electronic format of Group's annual consolidated financial statements, that are free from material misstatements in accordance with ESEF Regulation.

Those charged with governance are responsible for the oversight of the process of preparing the Group's annual consolidated financial statements, including the application of the ESEF Regulation.

*Auditor's Responsibilities*

Our responsibility is to obtain reasonable assurance about whether the electronic format of the consolidated financial statements complies with ESEF Regulation. We applied the "Guidance on issuing an opinion on the application of ESEF Regulation by issuers whose securities are admitted to trading on a regulated market in the European Union (EU)" of the professional organization of the registered auditors in Bulgaria, Institute of Certified Public Accountants (ICPA) and conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000 (Revised))". The standard requires that we comply with ethical requirements, design and perform audit procedures to obtain reasonable assurance whether the electronic format of Group's consolidated financial statements has been prepared in all material aspects in accordance with the applicable criteria described above. The nature, timing and extent of our procedures depend on our professional judgement, including the risk of material misstatements whether due to fraud or error, in applying the requirements of ESEF Regulation.

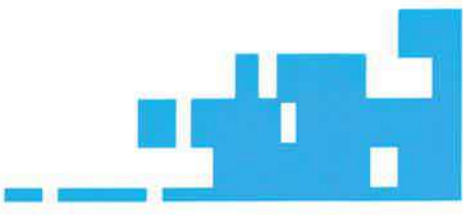
Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAE 3000 (Revised) will always detect a material misstatement when it exists.

*Quality Management Requirements*

We have applied the requirements of International Standard on Quality Management (ISQM) 1 which requires the firm to design, implement and operate a system of quality control, including documented policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements for registered auditors in Bulgaria.

We meet the ethical and independence requirements of the International Code of Ethics for Professional Accountants (including the International Standards of Independence) of the International Ethics Standards Board for Accountants (the IESBA Code), adopted by the ICPA through the IFASAA.





*Summary of the Work Performed*

The purpose of the designed and performed procedures was to obtain reasonable assurance whether the electronic format of the consolidated financial statements has been prepared in all material aspects in compliance with the requirements of ESEF Regulation. In performing procedures for assessing compliance with the requirements of ESEF Regulation on electronic (XHTML) format of Group's consolidated financial statements, we used professional judgement and applied professional scepticism.
We have also:
- obtained an understanding of the internal control and processes, related to the application of ESEF Regulation in regards to Groups' consolidated financial statements including the preparation of the Groups` consolidated financial statements in XHTML format and its tagging in machine-readable language (iXBRL);
- checked that the enclosed XHTML format is valid;
- checked that human-readable part of the electronic format of the consolidated financial statement corresponds with the audited consolidated financial statements;
- evaluated the completeness of Group's tags in the consolidated financial statements using the machine-readable language (iXBRL) in accordance with the requirements of ESEF Regulation;
- evaluated the appropriateness of the use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements in accordance with ESEF Regulation where no suitable element in the ESEF taxonomy has been identified;
- evaluated the use of anchoring in relation to the extension elements in accordance with ESEF Regulation.

We believe that the evidences we have obtained are sufficient and appropriate to provide a basis for our opinion.

*Opinion on Compliance of the Electronic Format of the Consolidated Financial Statements with ESEF Regulation*

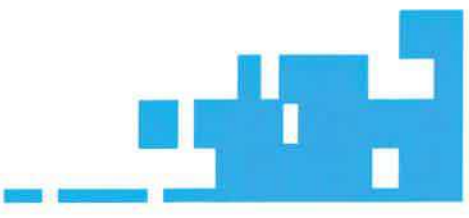
Based on the performed procedures, our opinion is that the electronic format of the consolidated financial statements of the Group for the year ended 31 December 2025, contained in the attached electronic file "549300GB265U3RQEQC54-20251231-BG-CON.zip", has been prepared in all material aspects in accordance with the requirements of the ESEF Regulation.

***Reporting Pursuant to Article 59 of Bulgarian Independent Financial Audit Act in relation to Article 10 of Regulation (EU) № 537/2014***

In accordance with the requirements of Bulgarian Independent Financial Audit Act and in relation with Article 10 of Regulation (EU) № 537/2014, we report additionally the information as follows:

- RSM BG LTD was appointed as statutory auditor of the consolidated financial statements of Chimimport AD for the year ended on 31 December 2025 by the general meeting of shareholders, held on 30 September 2025, for a period of one year;
- The audit of the consolidated financial statements of the Group for the year ended on 31 December 2025 has been made for the third consecutive year of a continuing engagement for statutory audit of the Group, performed by us.
- In support of the audit opinion provided, we have included in the "Key Audit Matters" section a description of the most significant assessed risks, a summary of the auditor's response, and significant observations related to these risks, where appropriate.





# INDEPENDENT AUDITOR'S REPORT (continued)

- We confirm that our audit opinion is consistent with the additional report to the Audit Committee of Chimimport AD, which is in accordance with Article 60 of Bulgarian Independent Financial Audit Act.
- We declare that prohibited non-audit services referred to in Article 64 of Bulgarian Independent Financial Audit Act were not provided.
- We confirm that we remained independent of the Group in conducting the audit.

**Mariana Mihaylova, PhD**
**Manager**
**RSM BG LTD**
**Audit firm number 173**

**Mariana Mihaylova, PhD**
**Registered auditor responsible for the audit**

**30 April 2026**
**Sofia, 9, Professor Fridtjof Nansen str., fl. 7, Bulgaria**