



INDUSTRIAL HOLDING BULGARIA

INDUSTRIAL HOLDING BULGARIA PLC

**PUBLIC NOTIFICATION FOR FINANCIAL POSITION
ON A CONSOLIDATED BASIS**

31 DECEMBER 2022

CORPORATE INFORMATION

Industrial Holding Bulgaria PLC (the „Company“) is a joint stock company (PLC), registered in the Republic of Bulgaria on Company File number 13081 / 1996 with headquarters and registered office at 42 Damyan Gruev Str., Sofia, Bulgaria. The financial year of the Company ends on 31 December.

Initially, the Company has been established as a Privatisation Fund according to the Privatisation Funds Act under the company name Privatisation Fund Bulgaria PLC.

The General Meeting of Shareholders held on 27 February 1998 passed a decision to reorganize the activities of Privatisation Fund Bulgaria PLC into a holding company and to rename it from Privatisation Fund Bulgaria PLC to Industrial Holding Bulgaria PLC. The Company has a capital of BGN 96,808,417. The company has a two-tier system of governance, comprising Supervisory Board and Management Board.

As at 31 December 2022, Industrial Holding Bulgaria PLC has 9 direct subsidiaries (31 December 2021: 10), no associates (31 December 2021: Nil), and 10 indirect subsidiaries (31 December 2021: 10 indirect subsidiaries), collectively referred to as “the Group”.

The scope of activity of the Group includes production and trading activities in the area of heavy machinery, shipbuilding, ship repair and maritime transportation, port services, designer’s services, maintenance and repair, and other services.

The duration of all Group companies shall be perpetual and the companies are not limited by other resolute condition.

Industrial Holding Bulgaria PLC is entered into the Register kept by the Registry Agency under Unified Identification Code (UIC) 121631219. The Company is registered in compliance with the Law on Value Added Tax. The shares of the Company are listed on Bulgarian Stock Exchange AD, Sofia.

CONSOLIDATED INCOME STATEMENT

For the period ended 31 December 2022

in BGN'000	2022	2021
Revenue	145,654	130,760
Other operating income	6,356	5,550
	152,010	136,310
Change in stock of work in progress and finished products	2,063	(485)
Costs of acquisition and development of assets' self-construction	1,508	1,122
Costs of materials	(40,272)	(29,774)
Costs of hired services	(22,970)	(20,847)
Depreciation / amortization expenses	(14,006)	(12,791)
Costs of personnel	(35,161)	(29,577)
Other operating expenses	(13,471)	(4,182)
Operating profit	29,701	39,776
Finance income	715	5,354
Finance costs	(282)	(983)
Profit before tax	30,134	44,147
Income tax expense	(1,585)	(784)
Profit for the year	28,549	43,363
Attributable to:		
Equity holders of the parent	28,072	42,980
Non-controlling interest	477	383

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Към 31 December 2022 г.

in BGN'000	31 December 2022	31 December 2021
Assets		
Non-current assets		
Property, plant and equipment	320,940	315,476
Intangible assets	2,341	2,496
Goodwill	9,130	9,130
Investment properties	14,059	13,075
Right-of-use assets	76	296
Deferred tax assets	47	38
Trade and other receivables	12	18
Total non-current assets	346,605	340,529
Current assets		
Inventories	21,730	17,960
Trade and other receivables	11,243	9,229
Contract assets	1,371	469
Income tax receivable	86	57
Cash and cash equivalents	45,376	14,857
Total current assets	79,806	42,572
Assets classified as held for sale	1	626
TOTAL ASSETS	426,412	383,727

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As of 31 December 2022

in BGN'000	31 December 2022	31 December 2021
Equity		
Share capital	96,808	107,400
Decrease in share capital (pending registration)	-	(10,592)
Share premium	31,016	31,016
Other reserves	84,814	84,948
Reserve from foreign exchange translation of foreign operations	24,607	16,409
Retained earnings	147,581	118,735
	384,826	347,916
Non-controlling interest	1,403	2,229
Total equity	386,229	350,145
Liabilities		
Non-current liabilities		
Interest-bearing loans and other borrowings	5,575	1,003
Loans from related parties	591	-
Lease liabilities	-	4
Trade and other payables	106	66
Government financing	1,154	1,261
Retirement benefit liabilities	1,025	930
Deferred tax liabilities	11,155	10,488
Total non-current liabilities	19,606	13,752
Current liabilities		
Interest-bearing loans and other borrowings	3,455	3,774
Loans from related parties	160	157
Lease liabilities	77	325
Trade and other payables	12,765	9,583
Contract liabilities	3,938	5,676
Provisions	10	118
Government financing	109	109
Income tax liabilities	63	88
Total current liabilities	20,577	19,830
Total liabilities	40,183	33,582
TOTAL EQUITY AND LIABILITIES	426,412	383,727

CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 December 2022

in BGN'000	2022	2021
Operating activity		
Proceeds from customers	144,003	133,979
Payments to suppliers	(65,479)	(56,586)
Staff remuneration related payments	(33,396)	(28,427)
Corporate income taxes paid	(946)	(882)
Other taxes refunded /(paid)	3,050	2,092
Foreign currency differences	147	14
Government financing received	704	3,816
Other payments	(1,176)	(6,092)
Net cash flows from operating activity	46,907	47,914
Investing activity		
Payments on the acquisition of fixed assets and self-constructed fixed assets	(20,324)	(7,555)
Proceeds from sale of property, plant and equipment	180	316
Other (payments)/proceeds	(28)	-
Net cash flow used in investing activities	(20,172)	(7,239)
Financing activities		
Payments for redemption of treasury shares	-	(1,512)
Proceeds from interest-bearing loans and other borrowings	9,767	3,422
Payments on interest-bearing loans and other borrowings	(4,924)	(33,438)
Payments on lease liabilities	(324)	(304)
Dividends paid	(437)	(348)
Interest paid on loans and other borrowings	(130)	(452)
Interest paid on lease contracts	(2)	(24)
Fees and commissions paid on loans and borrowings	(26)	(24)
Payments on an interest rate swap	-	(460)
Other payments	22	(90)
Net cash flow used in financing activities	3,946	(33,230)
Net increase in cash and cash equivalents	30,681	7,445
Cash and cash equivalents at 1 January	14,857	6,942
FX translation effects	(182)	470
Cash and cash equivalents at 31 December	45,356	14,857

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 December 2022

in BGN'000	Attributable to equity holders of the parent											Non-controlling interest	Total equity
	Share capital	Reduction of share capital in process of registration	Treasury shares redeemed	Share premium	Additional and statutory reserves	Revaluation reserve	Reserve from FX translation of foreign operations	Cash flow hedge reserve	Retained earnings	Total			
At 1 January 2022	107,400	(10,592)	-	31,016	5,124	79,824	16,409	-	118,735	347,916	2,229	350,145	
Profit for the year	-	-	-	-	-	-	-	-	28,072	28,072	477	28,549	
Other comprehensive income for the year	-	-	-	-	-	-	8,198	-	(245)	7,953	(7)	7,946	
Total comprehensive income for the year	-	-	-	-	-	-	8,198	-	27,827	36,025	470	36,495	
Transactions with shareholders recognised in equity													
Distribution of profit to reserves	-	-	-	-	(330)	-	-	-	330	-	-	-	
Dividends distributed	-	-	-	-	-	-	-	-	-	-	(383)	(383)	
Interest acquisition	-	-	-	-	163	109	-	-	120	392	(392)	-	
Liquidation share paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(28)	(28)	
Registration of capital reduction	(10,592)	10,592	-	-	-	-	-	-	-	-	-	-	
Total transactions with shareholders	(10,592)	10,592	-	-	(167)	109	-	-	450	392	(803)	(411)	
Transfer of revaluation reserve to retained earnings	-	-	-	-	-	(76)	-	-	76	-	-	-	
Other transfers	-	-	-	-	-	-	-	-	493	493	(493)	-	
At 31 December 2022	96,808	-	-	31,016	4,957	79,857	24,607	-	147,581	384,826	1,403	386,229	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 31 December 2021

in BGN'000

	Attributable to equity holders of the parent											Non-controlling interest	Total equity
	Share capital	Reduction of share capital in process of registration	Treasury shares redeemed	Share premium	Additional and statutory reserves	Revaluation reserve	Reserve from FX translation of foreign operations	Cash flow hedge reserve	Retained earnings	Total			
At 1 January 2021	107,400	-	(8,668)	30,604	4,974	80,015	11,597	(299)	75,971	301,594	2,258	303,852	
Profit for the year	-	-	-	-	-	-	-	-	42,980	42,980	383	43,363	
Other comprehensive income for the year	-	-	-	-	-	-	4,812	299	(257)	4,854	(7)	4,847	
Total comprehensive income for the year	-	-	-	-	-	-	4,812	299	42,723	47,834	376	48,210	
Transactions with shareholders recognised in equity													
Distribution of profit to reserves	-	-	-	-	150	-	-	-	(150)	-	-	-	
Dividends distributed	-	-	-	-	-	-	-	-	-	-	(405)	(405)	
Acquisition of treasury shares	-	-	(1,512)	-	-	-	-	-	-	(1,512)	-	(1,512)	
Invalidation of treasury shares redeemed	-	(10,592)	10,180	412	-	-	-	-	-	-	-	-	
Total transactions with shareholders	-	(10,592)	8,668	412	150	-	-	-	(150)	(1,512)	(405)	(1,917)	
Transfer of revaluation reserve to retained earnings	-	-	-	-	-	(191)	-	-	191	-	-	-	
At 31 December 2021	107,400	(10,592)	-	31,016	5,124	79,824	16,409	-	118,735	347,916	2,229	350,145	

NOTES

1. REVENUE

in BGN'000	2022	2021
Revenue from manufacture of metal-cutting machines, components and details	34,694	32,802
Revenue from cargo transportation under voyage charter contracts	25,010	41,708
Revenue from time-charter contracts	36,216	27,649
Revenue from repair and reconstruction of ships	28,015	11,345
Revenue from designer's services	4,446	2,545
Revenue from cargo processing	9,607	8,690
Revenue from cargo storage	2,174	1,283
Quay rentals	679	679
Property rentals	2,117	2,055
Revenue from electric power generation	315	-
Revenue from other services	2,381	2,004
	145,654	130,760

The Group's 2022 total revenue has increased compared to the revenue reported for the same period of 2021. Their dynamics are primarily due to:

- Revenue from ship repairs is increasing mainly thanks to higher workload of the segment, influenced by lower possibility of ship owners to postpone scheduled repairs, as also the freight market slowing down;
- Revenue from ship charter was impacted by the higher average exchange rate of the US Dollar during the reporting period, despite a decrease in average freight rates over the period;
- Revenue from sales of metal-cutting machines, components and details increases as a result of an increase in the share of heavier machines in sales;

in BGN'000	2022	2021
Income from government financing	2,985	3,725
Gain on sale of fixed assets and assets classified as held for sale	183	124
Gain on sales of materials and scrap	2,035	1,249
Income from insurance indemnities	121	12
Gain on revaluation of investment property	690	-
Impairment reversed	60	29
Other income	282	411
	6,356	5,550

Income from financing reported in 2022 includes primarily:

- Income of BGN 2,403 thousand (2021: BGN 280 thousand) received under the government program to compensate electricity consumers;
- Income of BGN 475 thousand (2021: BGN 3,334 thousand) received under the Employment Protection Program of the Employment Agency aimed to support businesses and reduce negative impact of COVID-19.

2. COSTS OF MATERIALS

in BGN'000	2022	2021
Main materials	(19,780)	(14,472)
Fuel used on ships	(8,462)	(7,491)
Electric power	(5,810)	(2,730)
Auxiliary materials	(3,674)	(2,656)
Spare parts	(1,748)	(1,756)
Other materials	(798)	(669)
	(40,272)	(29,774)

According to its accounting policy, the Group recognises the government grants received to compensate the rise in electricity prices as income from financing and does not recognise the costs of electricity offset.

3. COSTS OF HIRED SERVICES

in BGN'000	2022	2021
Port-related expenses	(3,806)	(8,482)
Services of subcontractors	(9,818)	(5,108)
Insurances	(1,651)	(1,313)
Agency services	(1,908)	(1,063)
Security	(931)	(894)
Repairs	(905)	(856)
Software maintenance on subscription	(778)	(363)
Civil contracts	(327)	(341)
Legal services	(102)	(207)
Other costs	(2,744)	(2,220)
	(22,970)	(20,847)

4. COSTS OF PERSONNEL

in BGN'000	2022	2021
Salaries	(26,509)	(22,761)
Compulsory social insurance	(4,180)	(3,610)
Management contracts	(2,211)	(1,737)
Compulsory social and health insurance on management contracts	(114)	(108)
Unused leave accruals	(378)	(305)
Accruals under IAS 19 – retirement benefits	(91)	(64)
Other personnel costs	(1,678)	(992)
	(35,161)	(29,577)

5. OTHER OPERATING EXPENSES

in BGN'000	2022	2021
Impairment expenses	(10,486)	(1,158)
Notarial, judicial and other fees	(258)	(884)
Local taxes and charges, tax on expenses, and VAT	(774)	(696)
Business trip and crew replacement expenses	(1,007)	(693)
Scrap and retirement of fixed tangible assets	(172)	(426)
Provisions accrued	99	130
Other expenses	(873)	(455)
	(13,471)	(4,182)

The Group's management conducted an analysis at 31 December 2022 and found that there were indications of impairment of assets of the "Marine Transport" sector - m/c Karvuna, m/c Anteya, m/c Diamond Sea, and m/c Diamond Sky. Impairment indications relate to the factors listed below:

- a decline in average freight rates in 2022 compared to 2021, coupled with increased interest rates;
- an increasing volatility and instability of the market (political and other risks).

The recoverable amount of the vessels was determined by calculating the value in use, with the assumptions made being consistent with those of the tests carried out in previous periods. The rise in interest rates led to an increase in the discount rate used in the test, which significantly reduced the amount of estimated future cash flows. The total reported loss on the impairment of fixed assets (ships) of the Maritime Transport segment amounted to BGN 10,433 thousand in 2022.

6. FINANCE INCOME AND FINANCE COSTS

in BGN'000	2022	2021
Foreign currency gains, net	422	5,275
Interest income	293	79
Finance income	715	5,354

in BGN'000	2022	2021
Interest expenses	(137)	(824)
Foreign currency losses, net	-	-
Other finance costs	(145)	(159)
Finance costs	(282)	(983)

Interest expenses

in BGN'000	2022	2021
Interest expenses on bank loans received	(122)	(385)
Interest expenses on loans from related parties	(13)	(32)
Interest expenses on interest rate swap	-	(383)
Interest expenses on lease liabilities	(2)	(24)
	(137)	(824)

7. CASH AND CASH EQUIVALENTS

in BGN'000	2022	2021
Cash with banks-related parties	36,643	12,409
Cash with banks	8,438	2,240
Cash on hand	275	208
Cash and cash equivalents presented in the Statement of Cash Flows	45,356	14,857
Cash restricted as collateral on bank loans	20	-
Cash and cash equivalents presented in the Consolidated Statement of Financial Position	45,376	14,857

Cash denominated in BGN is measured at its nominal value and those denominated in foreign currency – at the closing exchange rate of BNB at the end of the reporting period. Foreign exchange differences are reported as current income and respectively, expenses. Aiming at managing cash available and earning revenue from it, the Company concluded one-month and three-month deposits totalling USD 20,477 thousand.

8. BANK LOANS

Long-term

in BGN'000	Currency	Interest rate, %	Maturity	2022	2021
Bank loan contract number 22F-000155 of 24 February 2022	EUR	1.40%	2028	5,083	-
Bank loan contract number 16 of 27 March 2018 - long-term portion	EUR	1.90%	2023	-	326
Bank loan contract number 19F-002296 of 8 October 2019 - long-term portion	EUR	1.60%	2026	492	677
				5,575	1,003

Short-term

in BGN'000	Currency	Interest rate, %	Maturity	2022	2021
Bank loan contract number 22F-000155 of 24 February 2022	EUR	1.40%	2028	3,270	-
Bank loan contract number 16 of 27 March 2018 - long-term portion	EUR	1.90%	2023	-	3,588
Bank loan contract number 19F-002296 of 8 October 2019 - long-term portion	EUR	1.60%	2026	185	186
				3,455	3,774

in BGN'000	2022	2021
Principal payable	9,026	4,775
Interest payable	4	2
	9,030	4,777

In December 2022, Bank loan contract number 16 of 27 March 2018, obtained for the purpose to refinance a debenture loan and maturing in 2023, was fully repaid.

In February 2022, the Group signed Bank loan contract No. 22F-000155 for the purpose of investing in a project for the extension of one of the ports totalling EUR 10,000 thousand. The loan matures in February 2028 with a 12-month term of utilisation and is to be repaid in equal instalments commencing in March 2023. A fixed interest rate of 1.4% p.a. has been agreed. The loan applicant is Industrial Holding Bulgaria PLC, a co-debtor is the company implementing the investment project, and Group companies are guarantors under the contract. The contract is secured by mortgages on real estate of a Group company. In January 2023 an annex to the contract was signed, by means of which the loan utilisation deadline was changed until February 2024, the deadline for loan repayment until February 2029, and the date of the first instalment payment until 20 March 2024.

In November 2022, Industrial Holding Bulgaria PLC signed Bank loan contract No. 22F-001225 with a commercial bank for the provision of a total limit for working capital financing, issuance of bank guarantees and letters of credit to the benefit of the Holding and/or its Group companies in an amount of up to BGN 12,000 thousand. This limit has replaced the then effective limit of USD 10,000 thousand under Contract No. 319 of 30 November 2006 concluded with another commercial bank. According to the new Contract, a variable interest rate has been agreed equal to (a) for EUR loans - the 1M EURIBOR +1.2%, but not less than 1.2%. The contract is secured by mortgages on real estate of a Group company, which is also the guarantor under the contract.

In January 2023, Industrial Holding Bulgaria PLC signed an annex for the termination of the Contract for granting a credit limit for issuance of bank guarantees and working capital financing No. 319 of 30 November 2006. The pledge on the commercial enterprise KRZ Port Burgas AD, registered with respect to that contract, was stricken off the registry.

9. EQUITY

Share capital - registered

The share capital is stated at nominal value according to the registration with the Commercial Register.

in BGN'000	2022	2021
96,808,417 ordinary shares with nominal amount of BGN 1 each	96,808	107,400
	96,808	107,400

On 18 November 2021, the extraordinary General Meeting of Shareholders of Industrial Holding Bulgaria PLC took a decision to reduce the capital of the Company from BGN 107,400,643 to BGN 96,808,417 by invalidating 10,592,226 redeemed treasury shares with par value of BGN 1 each. The reduction of the capital was entered into the Commercial Register on 7 March 2022.

The capital of the parent company Industrial Holding PLC as of 31 December 2022 comprises 96,808,417 dematerialised registered voting shares with nominal amount of BGN 1 each, which are listed for trading on the Bulgarian Stock Exchange. The share capital is subscribed at its par and is fully paid-in. There is no preference shares and bearer's shares.

in BGN'000	Number of shares as of 31 December 2022	2022
BULLS AD	65,647,114	67.81%
DZH AD	9,657,874	9.98%
Other shareholders	21,503,429	22.21%
	96,808,417	100.00%

Treasury shares redeemed

By decision of the General Meeting of Shareholders of Industrial Holding Bulgaria PLC of 18 November 2021, a new treasury shares redemption procedure was initiated with the following parameters:

- Number of shares to be redeemed each year for a period of five years - up to 3% of the registered capital of the Company for each calendar year, but not more than 10% in total for the entire redemption period and not more than 10% of the entire capital of the Company;
- Minimum amount of the purchase price - BGN 1.00 per share;
- Maximum amount of the purchase price - BGN 3.00 per share.

The appointed investment intermediary is Allianz Bank Bulgaria AD.

Industrial Holding Bulgaria PLC held no treasury shares redeemed as of 31 December 2022.

10. RELATED PARTY DISCLOSURE UNDER IAS 24

The consolidated financial data of the Group covers the following companies:

	Country of registration	31 December 2022	31 December 2021
Industrial Holding Bulgaria PLC	Bulgaria	parent company	parent company
Privat Engineering EAD	Bulgaria	100.00%	100.00%
ZMM Bulgaria Holding EAD	Bulgaria	100.00%	100.00%
ZMM Sliven AD	Bulgaria	95.98%	95.98%
ZMM Nova Zagora AD	Bulgaria	99.24%	93.57%
IHB Metal Castings EAD	Bulgaria	100.00%	100.00%
KRZ Port Bourgas AD	Bulgaria	99.65%	99.65%
KLVK AD	Bulgaria	100.00%	100.00%
International Industrial Holding Bulgaria AG	Switzerland	100.00%	100.00%
Maritime Holding AD	Bulgaria	61.00%	61.00%
Bulgarian Register of Shipping EAD	Bulgaria	61.00%	61.00%
Bullyard Shipbuilding Industry EAD	Bulgaria	100.00%	100.00%
IHB Shipping Co EAD	Bulgaria	100.00%	100.00%
Emona LTD (obliterated from the registry)	Marshal Islands	-	100.00%
Karvuna LTD	Marshal Islands	100.00%	100.00%
Odria LTD	Marshal Islands	100.00%	100.00%
Tirista LTD	Marshal Islands	100.00%	100.00%
Serdika LTD	Marshal Islands	100.00%	100.00%
Karia LTD	Marshal Islands	99.00%	-
Bulport Logistics AD	Bulgaria	100.00%	100.00%
Odessos PBM EAD	Bulgaria	100.00%	100.00%
IHB Shipdesign AD	Bulgaria	70.00%	70.00%
IHB 3 Design AD (in liquidation)	Bulgaria	-	51.00%

In November 2021, the General Meeting of Shareholders of IHB 3 Design AD took a decision to discontinue the operations of the company and to announce it in liquidation. In August 2022, the company was obliterated from the Register.

In January 2022, the General Meeting of Shareholders of ZMM Nova Zagora AD took a decision to increase the entity's capital. In March 2022, the capital increase was registered with the Commercial Register and as a result, the Group's share of the company reached 99.24%.

In September 2022, Privat Engineering took part in the incorporation of the subsidiary Karia Ltd – Marshal Islands, and acquired 99% of its capital.

The Groups deems that it is a related party with the following persons in accordance with the definitions of IAS 24:

1. Persons exercising control:

- Bulls AD, a company that holds directly 67.81% of Industrial Holding Bulgaria PLC.
- Dimitar Zhelev, a person exercising control over Bulls AD and husband of Daneta Zheleva, the Chief Executive Officer of Industrial Holding Bulgaria PLC.

II. Key management personnel, including the Management and the Supervisory Board of the Company

III. Entities under the common control of the Persons exercising control

IV. Entities, over which the persons that have control also exercise significant influence or are members of their key management personnel

11. RELATED PARTY TRANSACTIONS

Trade and other receivables from related parties

in BGN'000	2022	2021
Entities under common control of persons exercising control	22	-
Entities, over which the persons that have control exercise also significant influence or are members of their key management personnel	145	7
	167	7

Cash with banks – related parties

in BGN'000	2022	2021
Entities, over which the persons that have control exercise also significant influence or are members of their key management personnel	36,643	12,409
	36,643	12,409

Loans from related parties (including interest)

in BGN'000	2022	2021
Persons exercising control	751	157
	751	157
Long-term portion	591	-
Short-term portion	160	157
Principal	748	157
Interest	3	-

Trade and other payables to related parties

in BGN'000	2022	2021
Entities, over which the persons that have control exercise also significant influence or are members of their key management personnel	9	132
	9	132

Purchase and sales transactions – related parties

in BGN'000		2022	2021
Revenue from contracts with customers			
	Entities, over which the persons that have control exercise also significant influence or are members of their key management personnel	61	51
Rental income			
	Persons exercising control	1	1
	Entities under common control of persons exercising control	3	5
	Entities, over which the persons that have control exercise also significant influence or are members of their key management personnel	83	83
Other income			
	Persons exercising control	2	-
	Entities under common control of persons exercising control	-	1
	Entities, over which the persons that have control exercise also significant influence or are members of their key management personnel	31	18
		181	159

in BGN'000		2022	2021
Costs of hired services			
	Entities, over which the persons that have control exercise also significant influence or are members of their key management personnel	(768)	(758)
Other expenses			
	Entities under common control of persons exercising control	(94)	-
	Entities, over which the persons that have control exercise also significant influence or are members of their key management personnel	(41)	-
Other finance costs			
	Entities, over which the persons that have control exercise also significant influence or are members of their key management personnel	(71)	(125)
		(974)	(883)

Movements of interest-bearing loans and borrowings from banks – related parties

in BGN'000		Amounts received / (provided)	Amounts (paid)/ refunded	Interest (expenses)/ income	Interest paid
Entities, over which the persons that have control exercise also significant influence or are members of their key management personnel	2022	-	-	-	-
Entities, over which the persons that have control exercise also significant influence or are members of their key management personnel	2021	3,217	(21,411)	(227)	(251)
	2022	-	-	-	-
	2021	3,217	(21,411)	(227)	(251)

Movements of loans from related parties

in BGN'000		Amounts received / (provided)	Amounts (paid)/ refunded	Interest (expenses)/ income	Interest paid
Persons exercising control	2022	978	(387)	(13)	(10)
Persons exercising control	2021	-	(4,861)	(32)	(40)
Entities under common control of persons exercising control	2021	-	-	-	-
	2022	978	(387)	(13)	(10)
	2021	-	(4,861)	(32)	(40)

12. TERMS AND CONDITIONS OF RELATED PARTY TRANSACTIONS

The sales to and purchases from related parties are made at contractual prices. Outstanding balances at the period-end are unsecured (except for loans), interest free (except for loans) and the settlement is made in cash. There have been no guarantees provided to or received for related party payables or receivables. For the period ended 31 December 2022 (31 December 2021: Nil), the Group had not written down related party receivables. A review for impairment is made every financial year through examining the financial position of the related party and the market in which the related party operates.

13. COMMITMENTS AND CONTINGENCIES**13.1. LEGAL CLAIMS**

There are no significant legal claims brought against the Group.

13.2. GUARANTEES

According to Contract 22F-001225 for granting a total limit for issuance of bank guarantees and letters of credit, a guarantee was issued to cover a liability of a Group company, namely KRZ Port Burgas, of BGN 6,000 thousand.

In October 2022 the Group concluded Contract No. 22F-001137 for financial collateral through a pledge of receivables under which bank guarantees were issued to a Group company, namely IHB Metal Castings EAD, of BGN 20 thousand.

13.3. COLLATERAL

In connection with Bank loan contract number 22F-001225 of 07 November 2022, obtained for the purpose of providing a total limit for working capital financing, issuance of bank guarantees and letters of credit, Industrial Holding Bulgaria PLC and the company-guarantor concluded financial collateral agreements through a pledge of receivables granting the right of use of all their accounts with the creditor bank in the amount of the liability at the relevant time.

In connection with Contract number 22F-001137 of 11 November 2022, obtained for the purpose of bank guarantees issuance, Industrial Holding Bulgaria PLC concluded a financial collateral agreement through a pledge of receivables granting the right of use of all accounts with the creditor bank in the amount of the liability at the relevant time.

In connection with Bank loan contract number 22F-000155 of 24 February 2022, obtained for the purpose of securing loan funds for investments of a subsidiary, Industrial Holding Bulgaria PLC, the companies-guarantors and the company-co-debtor signed financial collateral agreements through a pledge of receivables providing for a right of use over all their accounts with the creditor bank in the amount of the liability at the relevant time.

In connection with Bank loan contract number 19F-002296 of 8 October 2019, obtained for the purpose of financing the construction of a photovoltaic power plant, the company- borrower under the loan and the company-co-debtor signed financial collateral agreements through a pledge of receivables on all their accounts with the creditor bank in the amount of the liability at the relevant time.

The collateral described above is effective until the date of full repayment of the loan obligations they secure and / or until the date of termination of the revolving limits, as the case may be.

14. DESCRIPTION OF THE MAJOR RISKS AND UNCERTAINTIES FACED BY THE GROUP

Non-systematic risks specific to the Company

Risks associated with the holding structure and the structure of the portfolio of the Group

The Group's investments are focused on businesses characterised by slow rotation of funds invested (machine-building), dependency on energy and other resources (machine-building, ship repair, maritime transport) and high cyclicity (ship repair, ship design, maritime transport, classification and certification, port activity), thus reducing the level of return of the overall investment portfolio.

Risks arising from pandemics and epidemics

Globalization worldwide and the freer movement of goods and people lead to a significantly faster spread of pandemics and epidemics, and make it difficult to locate them in individual regions / countries, which in the case of more serious diseases, such as COVID-19, blocks world trade, limits and pose difficulties on the supply chains, and has an adverse impact on all economic agents. Possible extension / reduction of restrictive measures in individual countries are risks that can lead to both improvement and deterioration of the external environment, and that have an impact on the trade partners of the Group companies.

Risks arising from natural disasters

Like many other regions of the world, Bulgaria is exposed to almost all risks related to climate change. Natural disasters such as floods, earthquakes, etc., resulting from these risks can cause both loss of human life and large financial losses, significantly affecting economic stability and growth. The impact of such events can often go beyond the borders of the country in which they occur and threaten large-scale territories in neighbouring countries.

Risks arising out of dependence on the development of the global economy and trade

The state of the global economy and demand for raw materials underpin the development of trade. Of all segments in the IHB's investment portfolio, the most direct and imminent impact they have on the shipping industry. Stress on the market and pressure on the freight have a number of divergent factors:

- cyclicity of the shipping industry – cycles are linked to the global economy and the balance between the proposed shipping tonnage and the needs of exporters and importers. Risk exists for operators who have failed to properly plan and distribute their cash flows at a time of difficult access to finance under aggravated conditions during crisis;
- number of ships in construction and entry into service and state of the ship cutting market
- increased environmental restrictions – the introduction of new eco-norms and directives against environmental pollution and for energy savings for vessels imposes mandatory reconstructions of vessels and other technical solutions to bring them in compliance with ecological regulations;
- global fuel problems - on the one hand, oil can be a cause of conflict and, on the other hand, the price and availability of it can be a cause of erosion or a fall in the freight market, as marine fuels are the main commodity in the industry and a stock commodity. Restrictions imposed by the European Union and the United States on Russia as a major global supplier of crude oil and gas are having a negative effect;

The level of economic activity worldwide has impacted on machine building, shipbuilding and ship repair, while port operations depend to a greater extent on the developments both in the domestic market and the region.

Risk of political instability in traditional markets and regions, military activities and/or penalties imposed

This risk stems from future changes in economic policy imposed by objective economic or political circumstances - continuing war conflicts around the world, political uncertainty in many places, sanctions and restrictions imposed on trade with a number of countries, refugee flows. This risk impedes the free movement of goods and people, and leads to a change in trade flows and transport corridors; moreover, it hampers the access of registry inspectors to supervised vessels. The risk also affects the machine building industry by reducing sales volumes on traditional markets. The war in Ukraine has the most severe effect. It affects negatively both the sales and the supplies of the Group companies.

Risks associated with fraud and abuse

The changing environment in combination with the expanding use of new technologies have intensified the risk of fraud and abuse, including the risk related to cyber-attacks, unscrupulous trade practices, bankruptcies of contractors, etc. The COVID-19 pandemic and the conflict between Russia and Ukraine has a similar effect.

Risks relating to environment legislation

The domestic and international legislation on ecology implies compliance with a number of measures on prevention, control and reduction of various types of environmental pollution. The trend in recent years is to increase regulations in this area. The pressure on phasing out the use of traditional energy sources, such as coal, oil or gas is growing worldwide. Restrictive duties are being introduced on imports of raw materials from countries that do not follow the European Union's environmental policies.

It is a policy of the Group to comply with its regulatory obligations in the area of ecology, which is linked to fixed investments for the alignment and maintenance of facilities and processes in accordance with the required standards, as well as investing in environmentally friendly technologies (related to RES, equipping own ships with ballast systems, reducing carbon emissions from the Group's fleet, etc.).

Risk related to basic commodities, materials and energy sources

This risk results from changes in the supplies and prices of raw materials, materials and various energy sources being used. Disrupted supplies result in rise in prices and it in turn, has an extremely unfavourable effect on the results of manufacturing companies operating in metal-intensive and energy-absorbing segments, such as machine building and ship repair. Maritime transport is dependent on the prices of fuels. The impact of changes in the market price of electric energy is similar, as the electric energy is subject to international supply and demand and is determined by factors beyond the control of management. For several years now, the supply of electric energy has been negotiated at a Group level on the open market.

In 2022, the level of this risk intensified. Gas, electricity and heat prices have risen to critical levels across Europe. Additional inflationary pressures are being exerted by the many monetary incentives introduced worldwide by countries in an attempt to deal with the effects of the pandemic and the shocking levels of energy prices. The broken supply chains due to COVID-19, as well as to the war in Ukraine, affect the growth of international prices of commodities and goods and fuel inflation at a rapid pace. The price jump cannot be transferred directly to the end customers and significantly affects the profitability of the products manufactured and services offered by the Group.

Risks relating to attracting and retaining experienced and qualified employees

Many sectors of the national economy are experiencing a capacity crunch exacerbated by a long-standing lack of focus on secondary vocational education. The lasting trend of declining and aging population in our country naturally reduces people of working age. Employees' professional qualities affect directly entities' financial results and innovation performance. The risk is intensified by the convertible nature of some professions and high worldwide demand for such staff, and by the withdrawal from the labour market of some of the skilled employees from Russia and Ukraine.

Management has adopted a long-term approach to human resource management related to preliminary and subsequent qualification of staff, as well as a close cooperation with the academic society in the country.

Credit risk

Credit risk is the risk of possible financial loss if a client or a party to a financial instrument fails to perform its contractual obligations. The risk is mainly related to receivables from clients and investments in other financial assets.

Receivables from clients – The Group's credit risk exposure depends on the customer's individual characteristics that differ between sectors. The most affected segments are that of ship building, ship design, port activities, classification and certification.

The war in Ukraine and restrictions against Russia increase the level of credit risk worldwide and for the Group in particular. The Group's credit policy provides for that each new client shall be investigated for solvency before being offered the standard delivery and payment terms and conditions. Besides the price offered, when selecting a potential client or a charterer managers consider its credit rating, reputation, popularity, recommendations, etc.

Investments – The Group invests mainly in businesses and companies where the Holding holds the control and power to determine their development strategy.

Guarantees - It is a policy of the Group to issue financial guarantees only to Group companies and only after obtaining the preliminary approval of the managing bodies. There is a risk that the guarantees may be utilised in the event of non-performance of the covered liabilities. In case of need, the subsidiaries utilise funds from the credit limit agreed by IHB for opening of letters of credit and issuance of bank guarantees to trade contractors.

Liquidity risk

Liquidity risk is the probability that the Group will be unable to meet all its obligations when they become due. Such risk may arise in case of delayed payments by clients. The Group companies elaborate financial planning to cover their expenses and current payables for a period of 90 days. Where possible, a deferred payment to suppliers and subcontractors is applied in combination with the above measures, but without affecting negatively their businesses. The Holding's management supports the Group companies' efforts towards attracting bank financing for investments and capacity utilization in the form of revolving credits for working capital in support of production. The attracted volumes of funds are maintained at pre-determined levels and approved only after their economic effectiveness for each company has been proven.

Currency risk

The Group companies are exposed to currency risk as they perform purchases and/or sales and/or receive loans in currencies, other than the functional currency. Aiming at reducing the Group's exposure to currency risk, the Holding's management is trying to minimise the payments in foreign currencies other than the functional currency in the operating activity of most companies. The goal is that transactions with customers and suppliers are agreed primarily in BGN and EUR for the companies the functional currency of which is the Bulgarian lev and in USD for the ship companies, as USD is the main currency, in which the ship business operates. Given the Bulgaria's joining the ERM II exchange rate mechanism (the so-called euro area waiting room), there is a low risk that the EUR exchange rate agreed vis-à-vis the exchange rate of the Bulgarian lev in the event of entry into the Euro area to be different from the fixed one. The Group is currently exposed to currency risk from changes in the exchange rate of the US Dollar in relation to the free cash flows generated by maritime transport. The increase in the revenue share from foreign ships in total sales strengthens the impact of this risk on the financial results of the ship register.

Interest rate risk

The Group companies are exposed to interest rate risk in cases of financing, whose price includes a floating interest rate component plus a margin. In managing this risk, management seeks to either negotiate fixed-rate loans or to conclude hedging transactions aiming at minimizing the effects of the changes in the floating interest rate component. The inflation growth in 2022 has led to a change in Central Banks' policies to increase interest rates and tighter fiscal conditions, a trend that will continue in 2023 as well.

Systematic risks

The Holding and its subsidiaries are exposed to systematic risks relating to the market and macro-environment in which the companies operate. The risk arising out of the military conflict between Russia and Ukraine is growing. These risks cannot be managed and controlled by the management team.

15. TRENDS FOR BUSINESSES, IN WHICH THE GROUP COMPANIES OPERATE

Maritime transport

In 2022, the international trading scored a decline as a result of disruptions caused by the combined effect of COVID-19, the war in Ukraine and global sanctions against Russia. The shipping market slowed its growth due to the reduced demand for tonnage and lower freight levels compared to 2021, which continued throughout the year. The most serious decline was observed in the last quarter of the year and the beginning of 2023. Because of the continuing uncertainty fuelled also by the looming recession, the cutting of old vessels and reduction of tonnage in operation runs at a slow pace and volume. These factors had a negative impact on orders for new bulk vessels, which remained at low levels. The impact of the rise in the prices of steel, fuels and the ever-increasing environmental requirements towards new ships is similar. Climate issues and the decision to reduce the use of coal as an energy source are shrinking demand for tonnage. There is no foreseeable horizon in which the owners of the new vessels will be able to operate them without making additional costs for bringing them in compliance with regulatory changes and without restrictions. The concept of environmentally friendly marine fuel and at the same time, effective ship fuel, in view of the new regulations is not clear.

The Group's ships sail with Bulgarian and foreign crews. Their recruitment is difficult due to the convertible nature of their professions and limited number of qualified staff in the country.

All vessels of the IHB fleet have ballast systems installed. In 2022, the work on the environmental categorization of ships in accordance with the requirements of the EEXI/IMO regulations began. In the coming years, the impact of new regulations for the reduction of carbon dioxide emissions in the atmosphere are to be assessed.

Ship building and ship repair

The decline in the freight market, shrinking possibilities of postponing mandatory class repairs of ships, and the gradual expiration of the statutory deadline for the implementation of projects for the installation of ballast systems have increased the orders contracted by **Bullyard Shipbuilding Industry (BSI)** from the beginning of 2022. The fully booked capacity of the Turkish shipyards in combination with strict sanitary restrictions in China also contributed to this situation. High interest continued throughout the entire period, which ensured almost full loading of the plant and better results compared to those achieved in 2021. High prices of materials and especially, of energy resources, despite the state subsidies, impacted negatively on them. The military conflict between Russia and Ukraine is also having a negative impact on business because of disrupted supply chains, keeping commodity prices high.

Ship design

Despite the upsurge in new (mostly government) gas and container ship construction orders that began in the second quarter of 2022, the still low levels of shipbuilding are affecting the development of design services in several directions. On the one hand, tighter measures and rules to reduce the greenhouse effect of ships are reducing orders for new construction due to the lack of clarity at the moment what ships will be sought and with what engines. The development of alternatives is still at an early stage. There is also no clear time horizon in which owners can operate their ships without the need for additional investment to meet the dynamically changing environmental regulations. The demand for retrofit ballast design services is gradually decreasing due to the approaching deadline for retrofitting the fleet in operation. In addition, the war in Ukraine and its negative effects on global economy are forcing shipowners to reconsider their investment intentions for new, as well as reconstruction and renovation of existing, vessels.

On the other hand, trends are emerging, stimulating interest to design services from the beginning of 2022. Activity in coastal areas is recovering. New vessels are being sought for the fishing industry as well as general purpose offshore vessels. Interest in specialised vessels (new and retrofit) for construction and maintenance of offshore wind farms is expected to grow gradually. There is also interest in the conversion of vessels – either changing their purpose or increasing their functionality.

The passenger ship market is dependent on the development of the measures to limit the pandemic imposed by the countries. The lifting of most restrictions during the 2022 summer tourist season has had a positive impact on the sector. Despite the demand for such ships, including design services, orders remained at low levels. Shipowners and financing institutions are cautious. Because of the general uncertain situation, fuelled by high inflation and the coming recession, agreed projects have been postponed yet before their start.

Management of IHB Shipdesign monitors the trends in the development of the environmental protection policy. From this year, the so-called hybridization of ships began to develop, aiming to reduce fuel costs. It is planned to increase the share of ships that will be modernized in order to decarbonize and reduce carbon emissions. An increased demand is expected for engineering services and for environmental categorization of ships in operation in accordance with the requirements of the EEXI/IMO regulations effective from 2023.

Classification and certification

The Bulgarian Ship Register (BRS, the Register) reports revenue growth in 2022 on YoY. Thanks to the established network of the company abroad, the Register provides its customers with a competitive service in terms of price and lead time. The appreciation of the US dollar also had a positive effect on the BRS financial results.

The work on the agreed at the end of 2021 supervision for assigning a class to a training and research ship of N. Y. Vaptsarov Naval Academy was completed, and the certification was finalised in January 2023.

At the beginning of 2022, the procedure on authorisation of BSR by the Maritime Administration Executive Agency to inspect ships sailing inland waterways was completed.

In the latest publication of the 2022 Paris Memorandum on the performance of the Recognized Organizations, BSR preserved its average performance position for another year, reported an improvement in indicators and a rise in the ranking, a good sign for attracting new customers and applying for approval by new Flags Administrations. The management's efforts are directed towards attracting new agents and shipowners, developing and offering additional services to the main ones. During the reporting period, a contract was signed with the Administration of Belize. A procedure had also been launched with the Administration of Sierra Leone. Contracts were signed with new agents who will promote the BSR activities in Egypt and Greece. The Register will offer its customers an additional service in connection with the requirement to determine an energy efficiency index for ships in operation, effective from the beginning of 2023.

Port operations

The port terminals of **Odessos PBM** and **KRZ Port Burgas** are part of the public transport ports in Varna and Burgas. Their development depends on the economic situation in Bulgaria and in the countries of the Mediterranean and Black Sea regions.

The demand for port services and cereals cargo flows through the Group's terminals is influenced mostly by the harvest in the country. Expectations for good yields in the new agricultural season in our country stimulated the export of last year's grain at inflated prices in the second quarter of 2022. Despite the relatively good yields in the new season, the expectations of strong exports by the end of the year did not come true. The opening of the grain corridor and the low prices of Ukrainian and Russian grain, in combination with the higher cost of the new harvest in our country due to the high prices of fertilizers, had had a negative impact on exports through Bulgarian ports. Domestic producers refrained from selling in anticipation of better conditions on the global market. Due to the weak trade flows, the Group terminals reported a lower amount of cargo handled. At the same time, storage revenue and the share of value-added services

increased. Moreover, the military conflict resulted in a sharp drop in exports of some other types of cargo. The increased size of shipping lots sought continues to have an adverse effect on the activity and performance of small terminals.

The recovery of metal volumes depends on the development of the economy and investments in infrastructure and construction projects, and most of all, on the European policy regarding the import from third countries. Weak demand in the last quarter of 2022, in spite of the reduced prices, did not live up to expectations for a slight increase in metal cargoes.

The terminals in the regions of Varna and Burgas are focusing their efforts on building new capacities and storage facilities aiming at improving and accelerating the processing of cereals and other cargo, which in turn strengthens the competitive environment. In 2022, the two terminals of the Group built new general cargo warehouses. In Odessos PBM the first stage of the port expansion was launched, namely the construction of a new quay wall. KRZ Port Burgas is to receive a building permit for its project.

Bulport Logistics offers services in the field of small and mid-sized vessels and yachts mooring, small vessels docking for repairs, as well as the rental of offices and areas for storage and production activities. The changed work organisation due to the pandemic in combination with continuing uncertainty and high prices of energy resources impact negatively on the demand for office space and repairs of small vessels in 2022.

The focus of the company is directed towards the development of its warehousing and logistics business by gradually repairing and improving the technical condition of the existing buildings and sites, developing and improving the infrastructure of the area with the aim to attract new customers.

The company is also working on expanding the services offered to its customers. In front of the office building, there is a parking lot for 160 cars, and a 22 kW electric vehicle charging station together with a 50 kW fast-charging station have been built and are functioning and available at any time of the day. By adding several more fast-charging stations for electric vehicles, the formation of a hub is being considered.

Machine building

The overall uncertain situation in 2022, fuelled by rising inflation, long lead times and coming recession reduced the investment activity of the customers of **ZMM Bulgaria Holding and its subsidiaries**, and the number of orders for metal cutting machines offered by the Group. The broad market diversification of the machine-building group and the excessive orders made in 2021, which are being fulfilled this year, are expected to help keep production and sale levels stable in 2022, albeit lower than 2021. In effect, the conflict in Ukraine closed for the Group the market for metal cutting machines in Russia. Despite the slowdown in new orders and difficulties faced in 2022, a partial recovery in customer demand began at the end of the last quarter and the beginning of 2023.

The prices of machines manufactured, adjusted from the beginning of 2022, in combination with the ability to use own electric power generated by the existing solar power plants of the Group and the state subsidies, compensate partially the negative effect on profitability of high prices of basic commodities and record high energy prices.

It is envisaged that the active and consistent marketing policy pursued by ZMM Bulgaria Holding, the change in the pricing processes, optimization of production planning, unification of production components, and the product development in combination with the enhanced online presence and participation in exhibitions, will continue to help in the sale of products in 2023 as well.

16. INFORMATION PURSUANT TO APPENDIX N 4 TO ORDINANCE N 2 ON INITIAL AND SUBSEQUENT DISCLOSURE OF INFORMATION IN PUBLIC OFFERING OF SECURITIES AND ADMISSION OF SECURITIES TO TRADING ON A REGULATED MARKET

Change in individuals exercising control over the company

There were no changes in the ultimate persons exercising control over the Company at 31 December 2022.

As at 31 December 2022, Industrial Holding Bulgaria PLC had information about the following shareholders holding more than 5% of the votes at the General Meeting, as follows:

1. BULLS AD

Number of voting shares and their share of the votes at the General Meeting of Shareholders of the company:

As of 31 December 2022: 65,647,114 shares held directly, representing 67.81% of the capital

2. DZH AD

Number of voting shares and their share of the votes at the General Meeting of Shareholders of the company:

As of 31 December 2022: 9,657,874 shares held directly, representing 9.98% of the capital.

3. Daneta Angelova Zheleva

Number of voting shares and their share of the votes at the General Meeting of Shareholders of the company:

As of 31 December 2022: 41,044 shares held directly, representing 0.04% of the capital and through related parties 9,658,520 shares held directly, representing 9.98% of the capital, or directly and through related parties in total 9,699,564, representing 10.02% of the capital

4. Dimitar Georgiev Zhelev

Number of voting shares and their share of the votes at the General Meeting of Shareholders of the company:

As of 31 December 2022: 646 shares held directly, representing 0.0006% of the capital and through related parties 9,699,564 shares held directly, representing 10.02% of the votes, and controlled through Bulls AD 65,647,114 shares held directly, representing 67.81% of the capital, or directly and through related parties and through controlled parties 75,347,324, representing 77.83% of the capital.

Dimitar Georgiev Zhelev controls Bulls AD.

Dimitar Zhelev and Daneta Zheleva are spouses.

Initiation of bankruptcy proceedings in respect of the Company or its subsidiary and all significant stages relating to the proceedings until the Company is announced insolvent

There is no such circumstance.

Conclusion or performance of significant transactions

N/A

Decision for conclusion, termination and cancellation of a joint venture contract

There is no such circumstance.

Change in the Company's auditors and reasons for the change

There is no such circumstance.

Initiation or termination of court or arbitration proceedings relating to liabilities or receivables of the Company or its subsidiary with a price of the claim of at least 10 per cent of the Company's equity

For the reporting period, there are no initiated or terminated cases in which the price of the claim amounts to or exceeds 10 percent of the equity of Industrial Holding Bulgaria PLC.

Purchase of, sale of or pledge imposed on shares of commercial companies by the issuer or its subsidiary

In January 2022, Industrial Holding Bulgaria PLC acquired from International Industrial Holding Bulgaria AG 100 shares of the capital of ZMM Bulgaria Holding EAD. As a result of the so-contracted deal, currently Industrial Holding Bulgaria AD is the sole equity owner of the company.

In March 2022, Industrial Holding Bulgaria PLC acquired from the subsidiary ZMM Bulgaria Holding 2,442,187 shares of the capital of Bulyard Shipbuilding Industry. As a result of the so-contracted deal, currently IHB is the sole equity owner of the company.

In September 2022, Privat Engineering took part in the incorporation of the subsidiary Karia Ltd – Marshal Islands, and acquired 99% of its capital.

Other circumstances deemed by the Company as being of importance to the investors in taking a decision to acquire or to continue to hold publicly offered securities

N/A

This Public Notification has been prepared in accordance with the requirements of Art. 100o1, par. 4 of POSA.

Daneta Zheleva

Chief Executive Officer

Industrial Holding Bulgaria PLC

Ivan Rashkov

Chief Accountant

Vladislava Zgureva

Investors Relations Director