



**INDUSTRIAL HOLDING BULGARIA PLC**

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**PUBLIC NOTIFICATION FOR FINANCIAL POSITION  
ON A CONSOLIDATED BASIS  
31 MARCH 2025**

## 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 79, Knyaginya Maria Luiza Boulevard, Sofia City, Bulgaria. The financial year of the Company ends on 31 December.

The Company's capital amounts to BGN 96,808,417. The company has a two-tier system of governance, comprising Supervisory Board and Management Board.

As of 31 March 2025, Industrial Holding Bulgaria PLC has 9 direct subsidiaries (31 December 2024: 9), 13 indirect subsidiaries (31 December 2024: 13) , and 2 indirect associates (31 December 2024: 2), collectively referred to as "the Group".

The scope of business 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 STATEMENT OF PROFIT OR LOSS**

in BGN'000	31 March 2025	31 March 2024
Revenue	28,597	29,559
Other operating income	605	708
	<b>29,202</b>	<b>30,267</b>
Change in stock of work in progress and finished products	1,006	725
Costs of acquisition and development of assets' self-construction	279	385
Costs of materials	(9,501)	(9,299)
Costs of hired services	(6,274)	(6,389)
Depreciation / amortization expenses	(3,495)	(3,300)
Costs of personnel	(9,514)	(8,930)
Other operating expenses	(438)	(552)
<b>Operating profit</b>	<b>1,265</b>	<b>2,907</b>
Finance income	217	1,534
Finance costs	(1,243)	(69)
<b>Profit before tax</b>	<b>239</b>	<b>4,372</b>
Income tax expense	(404)	(484)
<b>(Loss)/Profit for the period</b>	<b>(165)</b>	<b>3,888</b>
Attributable to:		
Equity holders of the parent	(222)	3,844
Non-controlling interest	57	44

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As of 31 March 2025

in BGN'000	31 March 2025	31 December 2024
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	377,516	383,923
Right-of-use assets	2,189	2,269
Investment property	15,363	15,363
Intangible assets	2,146	2,196
Goodwill	4,329	4,329
Investments in associates	23	23
Deferred tax assets	52	56
Other non-current receivables	61	61
<b>Total non-current assets</b>	<b>401,679</b>	<b>408,220</b>
<b>Current assets</b>		
Inventories	19,458	19,037
Trade and other receivables	8,214	6,401
Contract assets	796	1,375
Income tax receivable	-	35
Cash and cash equivalents	30,517	30,811
<b>Total current assets</b>	<b>58,985</b>	<b>57,659</b>
<b>TOTAL ASSETS</b>	<b>460,664</b>	<b>465,879</b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)**

As of 31 March 2025

in BGN'000	31 March 2025	31 December 2024
<b>Equity</b>		
Share capital	96,808	96,808
Share premium	31,016	31,016
Other reserves	85,102	84,866
Reserve from foreign exchange translation of foreign operations	22,688	28,426
Retained earnings	166,878	166,836
<b>Equity attributable to the equity owners of the parent company</b>	<b>402,492</b>	<b>407,952</b>
Non-controlling interest	388	1,053
<b>Total equity</b>	<b>402,880</b>	<b>409,005</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Interest-bearing bank loans	11,469	12,495
Loans from related parties	7,000	7,000
Lease liabilities	1,955	2,030
Government financing	1,072	1,103
Retirement benefit liabilities	1,262	1,310
Deferred tax liabilities	11,597	11,610
Other non-current liabilities	310	318
<b>Total non-current liabilities</b>	<b>34,665</b>	<b>35,866</b>
<b>Current liabilities</b>		
Trade and other payables	12,887	12,651
Contract liabilities	4,907	3,441
Interest-bearing bank loans	4,111	4,111
Loans from related parties	46	11
Lease liabilities	300	299
Provisions	10	10
Government financing	111	108
Income tax liabilities	747	377
<b>Total current liabilities</b>	<b>23,119</b>	<b>21,008</b>
<b>Total liabilities</b>	<b>57,784</b>	<b>56,874</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>460,664</b>	<b>465,879</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS

For the period ended 31 March 2025

in BGN'000	31 March 2025	31 March 2024
<b>Operating activity</b>		.
Proceeds from customers	29,711	27,158
Payments to suppliers	(17,616)	(14,160)
Staff remuneration related payments	(9,454)	(8,797)
Corporate income taxes paid, net	(60)	-
Other taxes refunded, net	1,388	1,036
Foreign currency differences, net	(1,061)	1,035
Other payments, net	(98)	(308)
<b>Net cash flows from operating activity</b>	<b>2,810</b>	<b>5,964</b>
<b>Investing activity</b>		
Payments on the acquisition of fixed assets and self-constructed fixed assets	(2,007)	(5,585)
Proceeds from interest on bank deposits	228	556
Other payments	-	81
<b>Net cash flow used in investing activities</b>	<b>(1,779)</b>	<b>(4,948)</b>
<b>Financing activities</b>		
Proceeds from interest-bearing bank loans	-	1,457
Payments on interest-bearing bank loans	(1,026)	(372)
Payments on lease liabilities	(74)	(71)
Dividends paid	(104)	(88)
Interest paid on loans	(56)	(68)
Interest paid on lease contracts	(15)	(16)
Fees and commissions paid on loans	(7)	(8)
<b>Net cash flow used in financing activities</b>	<b>(1,282)</b>	<b>834</b>
Net increase in cash and cash equivalents	(251)	1,850
Cash and cash equivalents at 1 January	30,811	56,938
FX translation effects	(43)	45
<b>Cash and cash equivalents at 31 March</b>	<b>30,517</b>	<b>58,833</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the period ended 31 March 2025

in BGN'000

	Attributable to the equity holders of the parent						Total	Non-controlling interest	Total equity
	Share capital	Issue premium	Statutory and additional reserves	Revaluation reserve	Reserve from FX translation of foreign operations	Retained earnings			
<b>On 1 January 2025</b>	<b>96,808</b>	<b>31,016</b>	<b>4,563</b>	<b>80,303</b>	<b>28,426</b>	<b>166,836</b>	<b>407,952</b>	<b>1,053</b>	<b>409,005</b>
<b>Comprehensive income for the period</b>									
Profit for the period	-	-	-	-	-	(222)	(222)	57	(165)
Other comprehensive income for the period	-	-	-	-	(5,738)	-	(5,738)	-	(5,738)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(5,738)</b>	<b>(222)</b>	<b>(5,960)</b>	<b>57</b>	<b>(5,903)</b>
<b>Transactions with shareholders recognised in equity</b>									
Distributed dividends	-	-	-	-	-	-	-	(222)	(222)
Acquisition of shareholding	-	-	99	154	-	247	500	(500)	-
<b>Total transactions with shareholders</b>	<b>-</b>	<b>-</b>	<b>99</b>	<b>154</b>	<b>-</b>	<b>247</b>	<b>500</b>	<b>(722)</b>	<b>(222)</b>
Transfer of revaluation reserve to retained earnings	-	-	-	(17)	-	17	-	-	-
<b>On 31 March 2025</b>	<b>96,808</b>	<b>31,016</b>	<b>4,662</b>	<b>80,440</b>	<b>22,688</b>	<b>166,878</b>	<b>402,492</b>	<b>388</b>	<b>402,880</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the period ended 31 March 2024

in BGN'000

	Attributable to the equity holders of the parent						Total	Non-controlling interest	Total equity
	Share capital	Issue premium	Statutory and additional reserves	Revaluation reserve	Reserve from FX translation of foreign operations	Retained earnings			
<b>On 1 January 2024</b>	<b>96,808</b>	<b>31,016</b>	<b>4,684</b>	<b>80,386</b>	<b>20,393</b>	<b>149,388</b>	<b>382,675</b>	<b>1,124</b>	<b>383,799</b>
<b>Comprehensive income for the period</b>									
Profit for the period	-	-	-	-	-	3,844	3,844	44	3,888
Other comprehensive income for the period	-	-	-	-	2,487	-	2,487	-	2,487
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,487</b>	<b>3,844</b>	<b>6,331</b>	<b>44</b>	<b>6,375</b>
<b>Transactions with shareholders recognised in equity</b>									
Distributed dividends	-	-	-	-	-	-	-	(229)	(229)
<b>Total transactions with shareholders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(229)</b>	<b>(229)</b>
Transfer of revaluation reserve to retained earnings	-	-	-	-	-	-	-	-	-
<b>On 31 March 2024</b>	<b>96,808</b>	<b>31,016</b>	<b>4,684</b>	<b>80,386</b>	<b>22,880</b>	<b>153,232</b>	<b>389,006</b>	<b>939</b>	<b>389,945</b>

## NOTES

### 1. REVENUE

in BGN'000	31 March 2025	31 March 2024
Revenue from manufacture of metal-cutting machines, components and details	7,483	7,788
Revenue from cargo transportation under voyage charter contracts	3,631	1,033
Revenue from time-charter contracts	3,363	6,640
Revenue from repair and reconstruction of ships	8,015	9,698
Revenue from designer's services	710	772
Revenue from cargo processing	3,238	1,922
Revenue from cargo storage	547	209
Quay rentals	213	227
Property rentals	837	754
Revenue from other services	560	516
	<b>28,597</b>	<b>29,559</b>

The Group's total revenue realised in the first quarter of 2025 has decreased compared to the revenue reported for the same period in 2024. Their dynamics were due to the following:

- Despite the higher number of ships repaired during the period, there was a decline in the revenue from the repair and conversion of vessels due to a reduction in the volume of repair work and fewer orders for ballast systems as a result of the expiry of the statutory deadline for their installation;
- There was also a decline in revenue from ship chartering due to reduced demand for tonnage as a result of the uncertain geopolitical environment;
- There has been an increase in cargo handling revenue due to the rise in cereal exports.

Other operating income

in BGN'000	31 March 2025	31 March 2024
Gain on sales of materials and scrap	276	553
Income from government financing	283	26
Gain on sale of fixed assets	1	3
Income from insurance indemnities	9	-
Other income	36	126
	<b>605</b>	<b>708</b>

**2. COSTS OF MATERIALS**

in BGN'000	31 March 2025	31 March 2024
Main materials	(4,536)	(4,648)
Fuel used un ships	(1,831)	(2,213)
Auxiliary materials	(1,059)	(925)
Electric power	(1,052)	(627)
Spare parts	(806)	(624)
Other materials	(217)	(262)
	<b>(9,501)</b>	<b>(9,299)</b>

**3. COSTS OF HIRED SERVICES**

in BGN'000	31 March 2025	31 March 2024
Services of subcontractors	(2,819)	(2,843)
Agency services	(614)	(1,228)
Insurances	(389)	(491)
Port-related expenses	(879)	(439)
Security	(272)	(244)
Repair services	(300)	(183)
Software maintenance on subscription	(107)	(110)
Civil contracts	(90)	(68)
Other costs	(804)	(783)
	<b>(6,274)</b>	<b>(6,389)</b>

**4. EMPLOYEE BENEFIT EXPENSES**

in BGN'000	31 March 2025	31 March 2024
Salaries	(7,494)	(7,026)
Compulsory social insurance	(1,144)	(1,092)
Management contracts	(431)	(414)
Compulsory social and health insurance under management contracts	(31)	(31)
Other employee benefit expenses	(414)	(367)
	<b>(9,514)</b>	<b>(8,930)</b>

## 5. OTHER OPERATING EXPENSES

in BGN'000	31 March 2025	31 March 2024
Business trip and crew replacement expenses	(187)	(287)
Local taxes and charges, tax on expenses	(154)	(142)
Litigation costs, notarial and other fees	(1)	(27)
Scrap and retirement of fixed tangible assets	(10)	(1)
Other expenses	(86)	(95)
	<b>(438)</b>	<b>(552)</b>

## 6. FINANCE INCOME AND FINANCE COSTS

in BGN'000	31 March 2025	31 March 2024
Foreign currency gains, net	-	1,047
Gain on sale of debt instruments (US government securities)	-	-
Interest income	217	487
<b>Finance income</b>	<b>217</b>	<b>1,534</b>

in BGN'000	31 March 2025	31 March 2024
Interest expenses	(53)	(30)
Foreign currency losses, net	(1,144)	-
Other finance costs	(46)	(39)
<b>Finance costs</b>	<b>(1,243)</b>	<b>(69)</b>

### 6.1. INTEREST INCOME

in BGN'000	31 March 2025	31 March 2024
Interest income from deposits with banks – related parties	160	426
Interest income from deposits with banks – unrelated parties	56	60
Other interest income	1	1
	<b>217</b>	<b>487</b>

### 6.2. INTEREST EXPENSES

in BGN'000	31 March 2025	31 March 2024
Interest expenses on bank loans	(3)	(14)
Interest expenses on loans from related parties	(35)	-
Interest expenses on lease liabilities	(15)	(16)
	<b>(53)</b>	<b>(30)</b>

In the first quarter of 2025, interest on bank loans in the amount of BGN 53 thousand was capitalised to the assets' value of the Port Operations segment (the first quarter of 2024: BGN 54 thousand).

## 7. CASH AND CASH EQUIVALENTS

in BGN'000	31 March 2025	31 December 2024
Cash with banks-related parties	21,084	22,658
Cash with banks-unrelated parties	9,162	7,853
Cash on hand	271	300
<b>Cash and cash equivalents presented in the Consolidated Statement of Cash Flows</b>	<b>30,517</b>	<b>30,811</b>
Restricted cash as collateral on bank loans	-	-
<b>Cash and cash equivalents presented in the Consolidated Statement of Financial Position</b>	<b>30,517</b>	<b>30,811</b>

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 in US Dollar and earning revenue from it, the Company concluded short-term deposits (within 3 months).

## 8. INTEREST-BEARING BANK LOANS

### Non-current portion of long-term interest-bearing bank loans

in BGN'000	Currency	Interest rate, %	Maturity	31 March 2025	31 December 2024
Bank loan contract number 22F-000155 of 24 February 2022	EUR	1.40%	2029	11,393	12,373
Bank loan contract number 19F-002296 of 8 October 2019	EUR	1.60%	2026	76	122
				<b>11,469</b>	<b>12,495</b>

### Current portion of long-term interest-bearing bank loans

in BGN'000	Currency	Interest rate, %	Maturity	31 March 2025	31 December 2024
Bank loan contract number 22F-000155 of 24 February 2022	EUR	1.40%	2029	3,926	3,926
Bank loan contract number 19F-002296 of 8 October 2019	EUR	1.60%	2026	185	185
				<b>4,111</b>	<b>4,111</b>

The payables on interest-bearing bank loans include payables of principal and interest, as follows:

in BGN'000	31 March 2025	31 December 2024
Principal payable	15,573	16,599
Interest payable	7	7
	<b>15,580</b>	<b>16,606</b>

Bank Loan Contract No. 22F-000155 was concluded for the purpose of investing in a project for the expansion of one of the Group's ports in the amount of EUR 10,000 thousand. The contract is secured by mortgages on real estate (land and buildings) of the company that is carrying out the investment project. The loan matures in February 2029.

Under Bank Loan Contract No. 22F-001225, a total limit for working capital financing, issuance of bank guarantees and letters of credit of the Holding and/or its Group companies in the amount of up to BGN 12,000 thousand was granted. In November 2024, an annex was signed for revolving the part of the loan used as overdraft until 04 November 2025. The

current floating interest rates are as follows: (a) for loans denominated in EUR – a one-month EURIBOR + 1.2%, but not less than 1.2%; (b) for loans denominated in BGN – the reference interest rate of the financing bank + 1.7%, but not less than 1.7%. The agreement is secured by mortgages on real estate (land and buildings) of a Group company, which is also a guarantor under the contract. No funds for working capital financing were utilised as of 31 March 2025.

## 9. EQUITY

### Share capital - registered

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

in BGN'000	31 March 2025	31 December 2024
96,808,417 ordinary shares with a nominal value of BGN 1 each	96,808	96,808
	<b>96,808</b>	<b>96,808</b>

The capital of the parent company Industrial Holding PLC as of 31 March 2025 comprises 96,808,417 dematerialised registered voting shares with a nominal value 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.

Shareholders of Industrial Holding Bulgaria PLC holding more than 5% share in the Group's capital as of 31 March 2025:

in BGN'000	Number of shares as of 31 March 2025	31 March 2025
BULLS AD	66,264,650	68.45%
DZH AD	9,657,874	9.98%
Other legal entities and natural persons	20,885,893	21.57%
	<b>96,808,417</b>	<b>100.00%</b>

### Treasury shares redeemed

By decision of the General Meeting of Shareholders of Industrial Holding Bulgaria PLC of 18 November 2021, another 5-year 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 March 2025.

## 10. RELATED PARTY DISCLOSURE UNDER IAS 24

The following subsidiaries were included in the Group's consolidated financial data:

	Country of registration	31 March 2025	31 December 2024
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	99.31%	95.98%
ZMM Nova Zagora AD	Bulgaria	99.66%	99.66%
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%
Bulyard Shipbuilding Industry EAD	Bulgaria	100.00%	100.00%
IHB Shipping Co EAD	Bulgaria	100.00%	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	100.00%	100.00%
Ticha Ltd	Marshal Islands	100.00%	100.00%
Vaya Ltd	Marshal Islands	100.00%	100.00%
Bulport Logistics AD	Bulgaria	100.00%	100.00%
Odessos PBM EAD	Bulgaria	100.00%	100.00%
IHB Shipdesign AD	Bulgaria	70.00%	70.00%

In the first quarter of 2025, the General Meeting of Shareholders of ZMM Sliven AD approved an increase in the company's capital. Only the parent company, ZMM Bulgaria Holding EAD, subscribed to new shares in this procedure, thereby acquiring 1,356,100 shares for a total amount of BGN 1,492 thousand, while the other shareholders waived their voting rights. As a result, the Group's share in ZMM Sliven AD increased from 95.98% to 99.31%.

The Group is of the opinion that in accordance with the definitions of IAS 24 it is a related party with:

### *I. Persons exercising control*

- BULLS AD, a company that directly holds 68.45% 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. Entities under the common control of the persons exercising control (item I)*

*III. Entities over which the persons that have control (item I) also exercise significant influence or are members of their key management staff*

*IV. Key management personnel, including the Management and Supervisory Boards*

*V. Associates.*

**10.1. RECEIVABLES FROM AND PAYABLES TO RELATED PARTIES****Trade and other receivables from related parties**

in BGN'000	31 March 2025	31 December 2024
Entities under common control of persons exercising control	23	23
Entities over which the persons exercising control have significant influence or are members of their key management staff	87	93
	<b>110</b>	<b>116</b>

**Loans to related parties**

in BGN'000	31 March 2025	31 December 2024
Associated companies	56	55
	<b>56</b>	<b>55</b>

**Cash with banks – related parties**

in BGN'000	31 March 2025	31 December 2024
Entities over which the persons exercising control have significant influence or are members of their key management staff	21,084	22,658
	<b>21,084</b>	<b>22,658</b>

**Loans from related parties (including interest)**

in BGN'000	31 March 2025	31 December 2024
Persons exercising control	7,046	7,011
	<b>7,046</b>	<b>7,011</b>
Non-current portion of long-term loans	7,000	7,000
Current portion of long-term loans	46	11
Principal	7,000	7,000
Interest	46	11

**Liabilities under lease contracts with related parties**

in BGN'000	31 March 2025	31 December 2024
Entities under common control of persons exercising control	2,255	2,256
	<b>2,255</b>	<b>2,256</b>
Long-term portion	1,928	1,994
Short-term portion	263	262

The fee due under a lease contract concluded with an entity under the common control of the persons exercising control for the first quarter of 2025 amounts to BGN 89 thousand, and the cash outflow is BGN 89 thousand.

**Trade and other receivables from related parties**

in BGN'000	31 March 2025	31 December 2024
Entities under common control of persons exercising control	-	5
Entities over which the persons exercising control have significant influence or are members of their key management staff	11	11
	<b>11</b>	<b>16</b>

**10.2. RELATED PARTY TRANSACTIONS****Related party purchase and sale transactions**

in BGN'000	31 March 2025	31 March 2024
Revenue from contracts with customers		
Entities over which the persons exercising control have significant influence or are members of their key management staff	16	14
Rental income		
Entities over which the persons exercising control have significant influence or are members of their key management staff	25	24
Other income		
Entities over which the persons exercising control have significant influence or are members of their key management staff	1	1
	<b>42</b>	<b>39</b>

in BGN'000		31 March 2025	31 March 2024
Costs of materials			
	Entities under common control of persons exercising control	14	13
Costs of hired services			
	Entities over which the persons exercising control have significant influence or are members of their key management staff	59	62
Other expenses			
	Entities under common control of persons exercising control	12	16
Other finance costs			
	Entities over which the persons exercising control have significant influence or are members of their key management staff	28	18
		<b>113</b>	<b>109</b>

Interest income on short-term deposits placed with a bank-related party (entities over which the persons exercising control have significant influence or are members of their key management staff) in the first quarter of 2025 amounts to BGN 160 thousand (the first quarter of 2024: BGN 426 thousand). Interest on deposits paid by the bank during the period amounted to BGN 166 thousand (the first quarter of 2024: BGN 479 thousand).

#### Movements of loans from related parties

in BGN'000		Amounts received / (provided)	Amounts (paid)/ refunded	Interest (expenses)/ income	Interest paid
Persons exercising control	31 March 2025	-	-	(35)	-
Persons exercising control	31 March 2024	-	-	-	-
	<b>31 March 2025</b>	<b>-</b>	<b>-</b>	<b>(35)</b>	<b>-</b>
	<b>31 March 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Movements of loans to related parties

in BGN'000		Amounts received / (provided)	Amounts (paid)/ refunded	Interest (expenses)/ income	Interest paid
Associated companies	31 March 2025	-	-	1	-
Associated companies	31 March 2024	-	-	1	-
	<b>31 March 2025</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>
	<b>31 March 2024</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>-</b>

## 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, 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, except of those disclosed below. For the period ended 31 March 2024 (31 December 2024: Nil), the Group had not written down related party receivables. A review for expected credit losses due to impairment is made every financial year through examining the financial position of the related party, economic environment and the market in which the related party operates.

## 11. COMMITMENTS AND CONTINGENCIES

### 11.1. CAPITAL COMMITMENTS

In June 2024, the Group signed three contracts for the construction of three new 64,100 DWT bulk carriers, with an expected delivery date of the first vessel at the end of October 2027 and of the other two – in the first quarter of 2028. The total price for the three ships is USD 104,350 thousand, whereas in 2024, an advance payment was made in the amount of USD 19,113 thousand. The balance is payable gradually during the construction process, with the most significant portion thereof being due in 2027 and 2028.

The total amount of the agreed capital commitments at the reporting period-end, which have not been recognised as liabilities, is USD 85,237 thousand.

### 11.2. LEGAL CLAIMS

There are no significant legal claims brought against the Group.

### 11.3. GUARANTEES

According to Bank Loan Contract 22F-001225 for granting a total limit for working capital financing, issuance of bank guarantees and letters of credit in the amount of up to BGN 12,000 thousand as of 31 March 2025:

- Bank guarantees were issued to Group companies, namely IHB Metal Castings AD in the amount of BGN 20 thousand, ZMM Nova Zagora in the amount of BGN 15 thousand (31 December 2024: BGN 29 thousand).

The unutilised limit under Contract No. 22F-001225 amounted to BGN 11,965 thousand as of 31 March 2025.

In 2024, Industrial Holding Bulgaria PLC issued three corporate guarantees to guarantee the performance of the subsidiaries' obligation to make advance payments under the three shipbuilding contracts.

The corporate guarantees secure all advance payments before the ship's delivery in the total amount of USD 52,175 thousand and any possibly due interest for delay. Guarantees are valid until the payment of all advance payments (from first to fourth), which is expected to be made by the end of 2027. The obligation under the guarantees may also be terminated if the contracts are terminated by the buyer in accordance with the agreed terms and conditions. The amount of the corporate guarantees is reduced by every payment made under the shipbuilding contracts. In 2024, the Group made the first advance payment of USD 19,113 thousand (after obtaining the cross-bank guarantees from the seller).

### 11.4. COLLATERAL

In connection with Bank loan contract number 22F-001225 of 07 November 2022, obtained to provide 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 appropriate time.

In connection with Bank loan contract number 22F-000155 of 24 February 2022, obtained to secure 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 appropriate time.

In connection with Bank loan contract number 19F-002296 of 8 October 2019, obtained to finance 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 appropriate time.

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

## 12. DESCRIPTION OF THE MAJOR RISKS AND UNCERTAINTIES FACED BY THE GROUP

The Group's risk management policy is developed in such a way as to identify and analyse any risks faced by the Group, to set risk appetite limits and controls, and to monitor the risks and compliance with the limits set.

*Non-systematic risks specific to the Company*

### **Risks associated with the Group's portfolio structure**

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 cyclicality (ship repair, ship design, maritime transport, classification and certification, port activity), thus reducing the level of return of the investment portfolio of IHB.

### **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:

- cyclicality 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 and customs duties imposed**

This risk stems from future changes in economic policy imposed by objective economic or political circumstances - expanding war conflicts around the world, political uncertainty in many places, sanctions and changes in the customs policies of leading economies, 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.

### **Risks associated with climate change**

Like many other regions of the world, Bulgaria is exposed to almost all risks related to climate change. On the one hand, these risks can have a significant impact on the building stock and machinery, which requires adaptation arrangements to be made (such as the use of sustainable building materials, energy efficiency measures, change in the way of designing, investments in low-energy technologies, etc.) to minimise the negative effect. On the other hand, climate change poses threats to employees' health and safety. The higher temperatures and worsened air quality increase the risk of health issues and reduce productivity, which also requires additional adaptation arrangements (cooling of the working environment, provision of areas for rest, health programs, etc.).

Natural disasters such as floods, earthquakes, etc., resulting from these risks can cause both loss of human life and significant financial losses, significantly affecting economic stability and growth. The impact of similar events can often go beyond the borders of the country in which they occur and threaten large-scale territories in neighbouring countries.

Along with the direct effects on assets and employees, climate risks also impact the insurance market – an increase in insurance premiums is observed, which simultaneously limits coverages, further increasing the financial vulnerability of businesses.

Climate risks can also impact financial stability, reputation and operational continuity, requiring a comprehensive sustainability and adaptation strategy that includes assessing materiality and integrating sustainable practices across all levels of business operations.

### **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 significantly regulations in this area. The pressure on phasing out 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, and other financial burdens to compensate harmful ecological footprint.

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.).

### **Risks arising from pandemics and epidemics**

Globalisation 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, blocks world trade, limits and pose difficulties on the supply chain, and has an adverse impact on all economic agents. Possible extension / reduction of restrictive measures in individual countries are risks that can lead very fast to both improvement and deterioration of the external environment, and that have an impact on the trade partners 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.

### **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 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.

### **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 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.

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

### **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 repair, ship design, port activities, classification and certification.

The unstable political and economic environment intensified 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 competent bodies of the Company. 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.

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.

The sale of goods and services in euros limits the currency risk but may adversely affect the competitiveness of some subsidiaries. These effects are significant in the engineering sector, where the change in the US Dollar exchange rate against the euro affects the price positioning of lathes in the US market. Foreign exchange fluctuations alter the relative price of lathes, necessitating a delicate balance between currency stability and market presence.

### **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 conclude hedging transactions aiming at minimising the effects of the changes in the floating interest rate component. The leading central banks tend to loosen monetary policies in response to slowing inflation and, respectively, reduce base interest rates.

### *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 risks arising from trade wars and military conflicts worldwide intensify. These risks cannot be managed and controlled by the management team.

## 13. TRENDS FOR BUSINESSES, IN WHICH THE GROUP COMPANIES OPERATE

### Maritime transport

Since the beginning of 2025, the charter market has been volatile, and market participants are forced to operate under conditions of high uncertainty and inability to plan and optimise processes. The introduction of trade barriers by the US poses a significant risk to the growth of the global economy (i.e., freight movement) and could cause trade flows to be redirected.

In response, bulk tariffs in 2025 face additional risks, with some routes likely to experience spikes due to intensified competition while others face overcapacity and declining rates. Demand for key commodities such as iron ore, coal and bauxite is expected to increase, which could result in higher rates for larger vessels. However, geopolitical factors and potential oversupply risks remain key pricing factors for the bulk freight market.

The potential resolution of the conflict in the Red Sea would put pressure on freight prices. Geopolitical uncertainty is having a strong effect on the reduction in the orders for building new ships. Due to market participants' caution, the old ship cut-up market remains relatively low.

The shift in regulations that are expected to influence the decarbonisation efforts also impacts significantly on the freight levels:

- The new FuelEU regulation aims to reduce greenhouse gas intensity covering not only CO<sub>2</sub> emissions but also methane and nitrous oxide emissions.
- The EU Emissions Trading Scheme: from January 2024, the European Union has included shipping in its Emissions Trading Scheme (ETS).
- Appendix VI to MARPOL: Since January 2025, new restrictions have been imposed on the ships about the discharge of oil and oily mixtures in the Red Sea and Gulf of Aden Special Areas.

Introducing new rules to combat adverse climate change (such as EEXI/CII/EU-ETS) is expected to continue stimulating the low sailing speed and, respectively, put significant price pressure on the freight market. However, it is unclear how the regulatory environmental framework will develop, depending on the shifts in political adjustments on the topic in Europe and especially in the United States.

In 2024, the Group continued its work in compliance with the new regulations to improve operational effectiveness. Based on the annual operational efficiency indicator Carbon Intensity Index (CII) for 2024, one of the ships was awarded a B rating, and the other three ships - a C rating (the scale is A to E, with A being a better-performing ship).

The work related to the three new shipbuilding contracts is also continuing towards selecting the key equipment for the Group's three new Ultramax awarded for construction in 2024 and approval of their technical documentation. Delivery of the first vessel is expected in late 2027, and the other two in the first half of 2028.

The Group's ships sail with Bulgarian and foreign crews.

### Ship building and ship repair

Due to the ongoing events in the Gulf of Aden and Gaza Strip, the tendency of shipowners to divert ship repairs to the Mediterranean Basin region continues into early 2025 due to the increased costs and risks of moving to China. Due to the increased price levels in the country, the trend of outflows from Turkish factories has also been maintained. All of this continues to impact **Bulyard Shipbuilding's** orders positively.

However, the strained trade relations between the US and China since the beginning of 2025 have also created considerable uncertainty for the shipbuilding industry. The US's introduced/planned trade restrictions are expected to complicate the geopolitical situation further and put pricing pressure on the market.

The decline in customer enquiries for the installation of ballast systems due to the expiry of the legal deadline for their installation negatively impacted the income in 2025. However, the increasing regulatory requirements for decarbonising ships are expected to open up other market niches and opportunities for ship repair plants, including an intensified demand for alternative technology.

Disrupted supply chains continue to keep prices high for some materials.

## Ship design

Currently, the most significant trends in the ship design sector are focused on energy transformation and digitalisation, emphasising new technologies for decarbonisation and sustainable shipping. Despite innovations in hydrogen solutions, the realisation of these changes has been slow - shipbuilding companies are waiting for new regulations and standards to evolve, creating challenges and significant opportunities for innovation in the sector.

Tighter measures and rules to reduce the greenhouse effect of ships are affecting orders for new construction due to the need for more clarity at the moment on what ships will be sought and with what engines. The development of alternatives is still at an early stage. The expanding military conflicts in different regions globally and the worsening economic environment are forcing shipowners to reconsider their investment intentions for new and the reconstruction and renovation of existing vessels.

On the other hand, trends are emerging, stimulating interest in design services. Activity in coastal areas is growing. Vessels are being sought for the fishing industry and general-purpose offshore vessels. Interest in specialised vessels for the construction and maintenance of offshore wind farms and in the conversion of ships – either changing their purpose or increasing their functionality- is expected to grow. There has also been a stirring of the market in the area of small "pilot" projects, financed primarily by various grant schemes, related to the design of alternative variants of ships with reduced harmful emissions (even in the absence of established market technologies for the replacement of ship fuels).

The management of **IHB Shipdesign** follows trends in environmental protection policy. It is planned to increase the proportion of ships to be retrofitted in order to decarbonise and reduce carbon emissions. The development of so-called ship hybridisation, aimed at reducing fuel costs, is expected, as well as increased demand for engineering services to bring ships into service in line with the requirements of EEXI and CII/IMO regulations.

## Classification and certification

In the first quarter of 2025, **the Bulgarian Register of Shipping** (BRS, the Register) reported stable levels in its revenue from foreign shipowners. There has also been a relative stability of markets as the surveys of ships sailing on inland waterways and in small craft show.

Management's efforts to attract new agents and shipowners and develop and offer additional services to supplement the main ones continue. However, the volatile geopolitical environment beginning in 2025 could negatively impact the Company's revenues and profitability.

## Port operations

World cereal and oilseed production in 2025 is forecast to grow for wheat and decline for sunflower, maize, barley and rapeseed. Meanwhile, wheat production in the European Union is expected to increase, mainly due to countries such as France and Germany. However, global trade in the sector is expected to decline due to lower demand from China and changing export dynamics.

In Bulgaria, 2025 begins with higher wheat prices compared to the same period in 2024, while global prices remain volatile. Aggressive pricing policies by Russia and Ukraine in the cereal market may continue to exacerbate the competitive environment in the Black Sea region and maintain its adverse impact on imports and exports of these crops. The opposing countries have a leading position in exports to traditional, otherwise for Bulgaria, markets such as the Mediterranean and Western Europe. Growing geopolitical tensions and the changes in trade policies of leading states may also negatively impact grain trade in Bulgaria and the region.

Another important trend is the change in domestic consumption of maize, sunflower and rapeseed by processing plants in Bulgaria. In 2025, imports of such raw materials are estimated to materialise to maximise capacity utilisation. The constant geopolitical and economic turbulence are factors negatively impacting growth in consumption.

The trend of grain traders continuing to consolidate grain export consignments and use larger ship sizes continues, which in turn requires introducing new port equipment with higher productivity.

The port terminals of **Odessos PBM and KRZ Port Burgas** are part of the public transport ports in Varna and Burgas, whose development depends to a more significant extent on the economic situation in Bulgaria and in the countries of the Mediterranean and Black Sea regions.

The terminals in the regions of Varna and Burgas focus their efforts on building new capacities and storage facilities to improve and accelerate the processing of cereals and other cargo, strengthening the competitive environment. The two terminals of the Group are also gradually expanding their capabilities. In Odessos PBM, the port expansion is being implemented actively - the new quay wall and necessary storage facilities were completed; dredging activities are currently underway.

**Bulport Logistics** offers services to small and mid-sized vessels and yacht mooring, small vessels docking for repairs, and the rental of offices and areas for storage and production activities. The gradual abatement of the effects of the pandemic has increased the demand for production premises combined with office space.

The Company has focused on developing its warehousing and logistics activities by gradually renovating and improving the technical condition of existing buildings and sites, expanding and upgrading the area's infrastructure to meet changing demand trends.

The Company is also working on expanding the services it offers to customers. In front of the business building is a parking lot for 160 cars, a fast-charging station with a capacity of 50 kW and a two-connector fast-charging station with a capacity of 150 kW, available at all times of day or night. Since March 2025, a new fast-charging station with a capacity of 200 kW has been put in operation. Heating for two buildings is solved entirely using geothermal energy.

### **Machine building**

Traditionally, **ZMM Bulgaria Holding and its subsidiaries** export products to customers in Europe, Asia, Africa and North America. The machine-building group's lathes are used in the mining, textile, paper and shipbuilding industries, and are also suitable for equipping the bases of vocational schools. For the Group, the beginning of 2025 is characterised by an increased demand for heavier machinery, and by markets, countries such as Ukraine, the Czech Republic and Austria are scoring growth. There is a tendency for markets to develop at a steady pace.

Globally, the Asia-Pacific region continues to dominate the market, driven by rapid industrialisation and infrastructure development in countries such as China and India. Europe has traditionally remained a strong market focusing on precision and sustainability, but the complicated geopolitical situation has deterred investors from investing heavily in manufacturing. The change in US customs policy, combined with the weakening of the US dollar exchange rate against the euro, creates additional challenges for European machine tool manufacturers, including ZMM Bulgaria Holding.

Despite economic and geopolitical instability in the early months of 2025, the sector remains relatively stable. Profitability is expected to increase for market players using innovative automation methods and renewable energy. In view of the above, the option to use own electricity from the operating solar plants of the machine-building group has a positive impact on both the profitability of the offered products and the energy footprint of products.

The machine-building industry faces several key challenges:

- The market is highly competitive, with the established international players seeking to gain a competitive edge through product innovations and strategic partnerships. In Europe, ZMM Bulgaria Holding is the only manufacturer offering a wide range of universal lathes, for which there has been a growing demand due to their ability to work in untempered rooms and to serve specific industrial needs;
- Increasing focus on sustainability: the industry is witnessing a shift to sustainable manufacturing practices. Machines optimising the use of materials, reducing energy consumption, and minimising waste are gaining market share.

## **14. 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 as of 31 March 2025.

As of 31 March 2025, Industrial Holding Bulgaria 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 March 2025: 66,264,650 shares held directly, representing 68.45% 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 March 2025: 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 March 2025: 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 March 2025: 646 shares held directly, representing 0.0007 of the capital and through related parties 9,698,918 shares held directly, representing 10.02% of the votes, and controlled through Bulls AD 66,264,650 shares held directly, representing 68.45% of the capital, or directly and through related parties and through controlled parties 75,964,214, representing 78.47% 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**

There is no such circumstance during the reporting period.

### **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 December 2024, the General Meeting of Shareholders of ZMM Nova Zagora AD resolved on increasing the company's capital. In this procedure, only the parent company ZMM Bulgaria Holding EAD subscribed for new shares, and the other shareholders did not exercise their rights. As a result, the Group's share in ZMM Nova Zagora AD increased from 95.98% to 99.31%. The increase of the subsidiary's capital was entered into the Commercial Register in March 2025.

**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 in conjunction with par. 2 of POSA.

**Daneta Zheleva**

**Chief Executive Officer**

**Industrial Holding Bulgaria PLC**

**Ivan Rashkov**

**Chief Accountant**

**Vladislava Zgureva**

**Investors Relations Director**