

Translate from Bulgarian

REPORTED PERIOD

2019

CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

CONSOLIDATED ANNUAL REPORT ON BUSINESS ACTIVITIES

AUDITOR'S REPORT



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CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 31, 2019

Unless otherwise stated, all amounts are in BGN thousand.

ASSETS	Notes	December 31, 2019	December 31, 2018
<i>Non-current assets</i>			
Property, plant and equipment	- 3.01	4,549	4,634
Intangible assets	3.02	3,231	3,597
Assets with right of use	3.03	91	-
Goodwill	3.04	3,281	15,581
Other long-term capital investments	3.05	3,053	-
Trade receivables	3.08	3,055	-
Deferred tax assets	3.06	419	21
Total non-current assets		17,679	23,833
<i>Current assets</i>			
Inventory	3.07	1,285	964
Trade receivables	3.08	5,431	7,652
Other receivables	3.09	238	430
Cash and cash equivalents	3.10	10,931	543
Prepaid expenses	3.11.	35	17
Total current assets		17,920	9,606
<i>Non-current assets classified as held for sale and assets included in disposal groups classified as held for sale</i>		4,292	8,858
TOTAL ASSETS		39,891	42,297

Date: February 06, 2020

Compiler of the financial statements: *(Signature – illegible)* Executive Director: *(Signature – illegible)*
/ Albena Benkova Beneva/ / Dimitar Stoyanov Dimitrov/

Auditor: *(Signature – illegible)*

Primorska Audit Company OOD (Ltd.)

Oval seal of Audit company Primorska Audit Company OOD (Ltd.), Varna, Reg. No. 086, city of Varna

*These consolidated financial statements have been approved by the Board of Directors of Allterco JSCo
The consolidated statement of financial position should be read in conjunction with the explanatory notes set out on pages
8 to 63, which form an integral part of the financial statements attached.*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
AS OF DECEMBER 31, 2019

Unless otherwise stated, all amounts are in BGN thousand.

LIABILITIES	Notes	December 31, 2019	December 31, 2018
<i>Non-current liabilities</i>			
Bank loans	3.12	2,515	2926
Lease liabilities	3.13	111	117
Total non-current liabilities		2,626	3,043
<i>Current liabilities</i>			
Current share of bank loans	3.12	416	1,206
Current share of lease liabilities	3.13	126	61
Trade payables	3.14	1,409	2,131
Payables to personnel	3.15	94	134
Social-security liabilities		64	60
Tax liabilities	3.16	1,117	348
Other payables	3.17	769	778
Prepaid income		-	3
Total current liabilities		3,995	4,721
<i>Liabilities related to non-current assets classified as held for sale and assets included in disposal groups classified as held for sale</i>		2,934	5,609
TOTAL LIABILITIES		9,555	13,373
EQUITY			
Registered capital	3.18	15,000	15,000
Retained earnings	3.19	13,531	12,227
Reserves		1,500	184
Reserve of issue of shares		-	1,343
Foreign exchange rate differences from translation of financial statements of foreign operations		182	121
Equity attributable to the owners of the parent-company's equity		30,213	28,875
Non-controlling interest		123	49
TOTAL EQUITY		30,336	28,924
TOTAL EQUITY AND LIABILITIES		39,891	42,297

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	Notes	2019	2018
Revenue from sale	4.01	33,318	44,880
Cost of sales	4.01	(19,625)	(32,130)
Gross profit		13,693	12,750
Other operating income	4.02	182	391
Expenses for sale		(428)	(322)
Administrative expenses	4.03	(7,755)	(9,313)
Other operating expenses	4.04	(5,603)	(142)
Profit from operating activities		89	3,364
Financial income	4.05	8,475	-
Financial expenses	4.06	(246)	(285)
Profit from the ordinary activities		8,318	3,079
Net profit before tax on profit		8,318	3,079
Tax expenses	4.07	(1,013)	(473)
Profit for the period from continuing operations		7,913	2,093
Profit/(loss) for the period from discontinued operations		(608)	513
Net profit		7,305	2,606
Other comprehensive income:			
Items that can be reclassified to the profit or loss			
Foreign exchange rate differences from translation of statements of foreign operations		61	71
Profitable purchase in business combination		-	-
Other comprehensive income for the period, after taxation		61	71
Total comprehensive income for the period		7,366	2,677
Net profit attributable to:			
Owners of the Parent-company		7,169	2,648
Non-controlling participation		136	(42)
Other comprehensive income attributable to:			
Owners of the Parent-company		72	71
Non-controlling participation		(11)	-
Total comprehensive income attributable to:			
Owners of the Parent-company		7,241	2,719
Non-controlling participation		125	(42)
Net income per share		0.487	0.174

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CONSOLIDATED FINANCIAL STATEMENT OF CHANGES IN EQUITY FOR THE YEAR
 ENDING ON DECEMBER 31, 2019

Unless otherwise stated, all amounts are in BGN thousand.

	Register ed capital	Undistribut ed profits	Reserv e of issue of shares	Reserv es	Foreign exchange rate differences from translation of financial statements of foreign operations	Total	Minority interest	Total equity
Balance at January 1, 2018	15,000	9,576	1,343	184	50	26,153	94	26,247
Change in non-controlling participation	-	3	-	-	-	3	(3)	-
Net profit	-	2,648	-	-	-	2,648	(42)	2,606
Other comprehensive income	-	-	-	-	71	71	-	71
Balance at 31 December 2018	15,000	12,227	1,343	184	121	28,875	49	28,924
Balance at January 1, 2019	15,000	12,227	1,343	184	121	28,875	49	28,924
Total comprehensive income for the period	-	7,777	-	-	-	7,777	136	7,913
Profit/(loss) for the period from discontinued operations	-	(608)	-	-	-	(608)	-	(608)
Transfer of emissions reserve	-	104	(1,343)	1,239	-	-	-	-
Profit distribution incl. for:	-	(2,947)	-	247	-	(2,700)	-	(2,700)
- reserves	-	(247)	-	247	-	-	-	-
- distribution of dividends	-	(2,700)	-	-	-	(2,700)	-	(2,700)
Change in non-controlling participation	-	-	-	-	-	-	(51)	(51)
Reduction on sale of investments	-	(3,039)	-	(170)	-	(3,209)	-	(3,209)
Other comprehensive income	-	-	-	-	61	61	(11)	50
Foreign exchange rate differences from translation of financial statements of foreign operations of sold investments	-	17	-	-	-	17	-	17
Balance at 31 December 2019	15,000	13,531	-	1,500	182	30,213	123	30,336

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**CONSOLIDATED FINANCIAL STATEMENT OF CHANGES IN CASH FLOW FOR THE YEAR
ENDING ON DECEMBER 31, 2019**

Unless otherwise stated, all amounts are in BGN thousand.

	<u>Notes</u>	<u>2019</u>	<u>2018</u>
<u>Net cash flow from operating activity</u>			
Proceeds from customers		36,305	42,593
Payments to suppliers		(22,398)	(32,907)
Payments/recovered taxes		(1,647)	(2,178)
Paid corporate tax		(686)	(248)
Payments to staff and social security institutions		(4,998)	(6,201)
Cash flows related to interest, bank charges and commissions		-	(1)
Cash flow from exchange rate differences		(96)	(54)
Interest payments on deposits		-	-
Other proceeds/payments, net		(122)	(412)
<i>Net cash flows from operating activities</i>		6,358	592
<u>Cash flow from investment activities</u>			
Cash flows related to non-current tangible and intangible assets		(1,790)	(1,988)
Cash flows related to loans granted		(251)	(143)
Purchase of investments		(29)	(162)
Proceeds from sale of investments		10,367	-
Other proceeds/payments, net		(24)	(36)
<i>Net cash flows from investment activities</i>		8,273	(2,329)
<u>Cash flow from financing activities</u>			
Finance lease payments		(100)	(40)
Proceeds from loans received		-	1,606
Repayment of loans		(967)	(1,041)
Cash flows related to interest and commissions		(91)	(135)
Dividends paid		(2,571)	-
Other proceeds/payments, net		-	935
<i>Net cash flow from financing activities</i>		(3,729)	1,325
<i>Net increase in available funds and cash equivalents for the period 1 January - 31 December</i>		10,902	(412)
Available funds and equivalents in the beginning of the year		543	3,060
<i>Available funds and equivalents at the end of the year</i>	3.08	11,445	2,648
<i>Cash holdings, assets held for sale</i>		(514)	(2,105)
<i>Available funds and equivalents at the end of the year</i>		10,931	543

Date: February 06, 2020

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I, the undersigned Djeylian Ahmed Mancheva certify herewith the fidelity of the translation performed from Bulgarian into English of the attached document (REPORTED PERIOD 2019). The translation consists of 8 (eight) pages.

Sworn translator: See official translation 

Djeylian Ahmed Mancheva

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