

EUROHOLD BULGARIA

INTERIM CONDENSED INDIVIDUAL REPORT



March 31, 2023

TABLE OF CONTENTS

1 Interim condensed individual activity report as at 31 March 2023

Operational review

Significant events

Activity results

Review of the main risks

Events after the date of the reporting period

Concluded significant transactions with related parties

2 Interim condensed individual financial statement as at 31 March 2023

Interim condensed individual statement of profit or loss and other comprehensive income

Interim condensed individual statement of financial position

Interim condensed individual cash flow statement

Interim condensed individual statement of changes in equity

3 Notes to the interim condensed individual financial statements

4 Internal information

5 Additional information

6 Appendix 4

7 Declaration of responsible persons



ABOUT THIS REPORT

The interim individual financial statements of Eurohold Bulgaria AD (Eurohold, Company, Holding) have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company.

Further information about Eurohold Bulgaria can be found on our website www.eurohold.bg

Eurohold Bulgaria plc also prepares a consolidated annual report including the results of the parent company, subsidiaries and associates.

In order to obtain a complete view of the financial position of the Eurohold Group, users of this interim condensed separate report should read it together with the consolidated report of the Eurohold Group as at the same reporting period

1

Interim condensed individual activity report – 31 March 2023

OPERATIONAL REVIEW

BUSINESS ACCENTS

Eurohold Bulgaria AD,

- ✓ is a leading independent business group in Central and Southeastern Europe (SEE) with leading positions in the insurance and energy businesses
- ✓ has a principal activity relating to the creation, acquisition and management of participations and the financing of related undertakings
- ✓ owner of a large energy group in Bulgaria - the Electrohold group
- ✓ is the owner of the largest independent insurance group in SEE by gross premium income - Euroins Insurance Group
- ✓ has an experienced management team
- ✓ has a high level of corporate governance in line with best practice
- ✓ is a public joint-stock company within the meaning of the Public Offering of Securities Act (POSA), the company's shares are registered for trading on:
 - » Bulgarian Stock Exchange (BSE) - stock code EUBG
 - » Warsaw Stock Exchange (WSE) - with stock code EHG

Q1'2023

BUSINESS OPERATIONS

- 3 business sectors
 - 4 subsidiaries
- 2 dedicated energy business development companies
 - 16 operating companies
 - 12 countries in Europe
 - 9 400 shareholders
 - 28 years of history

BUSINESS ASSETS

- ↳ **Euroins Insurance Group**
CEE and SEE insurer with leading positions in Romania and Bulgaria.
Active operations in 9 markets in Europe.
- ↳ **Eastern European Electric Company II B.V. - Energy Group**
Company uniting the energy companies acquired in 2021.
- ↳ **Euro-Finance - investment intermediation and asset management**
Market turnover leader on the Bulgarian Stock Exchange, Member of Deutsche Börse Group.
More than 20 years of experience.

EUROHOLD BULGARIA

1 January - 31 March 2023

MAIN ACTIVITY

Eurohold Bulgaria AD is a holding company primarily engaged in financial activities related to the acquisition, sale and management of interests and financing of related companies.

The Company has a subject of activity: acquisition, management, evaluation and sale of participations in Bulgarian and foreign companies, acquisition, management and sale of bonds, acquisition, evaluation and sale of patents, assignment of licenses for the use of patents to companies in which the Company participates, as well as financing of companies in which the Company participates.

The Company does not engage in any activities subject to special permitting regimes requiring patents, licenses or other authorizations from regulatory authorities.

In order to optimize management, business processes and fixed costs, the Company has structured its businesses into subholding structures depending on the sector in which they operate. Eurohold Bulgaria AD together with its subsidiary subholding companies and their operating companies form an economic group, the Eurohold Group.

Eurohold manages and supports the business of its economic group through its strategy, risk, financing of affiliates, control, communication, legal advice, human resources, information systems and technology and other functions.

ECONOMIC GROUP

The organizational structure of Eurohold is structured on three levels:

- ✓ **parent company;**
- ✓ **subsidiary companies; and**
- ✓ **operating companies;**

Each of the three levels has its specific functions, business activities and objectives.

Existing business activities as of 31.03.2023

The subsidiary companies represent holding structures, uniting the investments of Eurohold Bulgaria AD in the following sectors:

- **Energy;**
- **Insurance; and**
- **Investment brokerage and asset management**

As of 31.03.2023 and as of the date of this report, Eurohold Bulgaria AD has holdings in 22 companies*

direct participation	indirect participation
<ul style="list-style-type: none"> » 4 subsidiaries ✓ two sub-holding structures (energy and insurance), ✓ two operating companies (finance - investment mediation and energy) 	<ul style="list-style-type: none"> » 2 dedicated energy business development companies » 16 operating companies (8 energy and 8 insurance)

CHANGES IN THE ECONOMIC GROUP COMPARED TO THE COMPARABLE REPORTING PERIOD

Discontinued operations in 2022.

- **Completely ceased business activities**
- **Automobiles; and**
- **Leasing**

As of June 30, 2022, Eurohold Bulgaria AD operated in the following business sectors:

- ✓ **Automobiles (car sales and servicing) through its subsidiary company Auto Union AD; and**
- ✓ **Leasing (financial and operational leasing) through its subsidiary Eurolease Group AD;**

✂ **Discontinued regional business operations in existing businesses**

- **Belarus and Russia;**
- **Romania**

- ✓ On 30 December 2022, Euroins Insurance Group (EIG), signed an agreement for the sale of its subsidiary insurance company in Belarus (100% participation) and the group's 48.61% stake in an insurance company in Russia.

As of the date of the contract (30.12.2022), the results of the two insurance companies have been reclassified as discontinued operations.

- ✓ On 17.03.2023, the Romanian insurance supervision ASF revoked the license of the Romanian insurance company Euroins Romania Asigurare-Reasigurare S.A. (see item C.2.3 Significant events that occurred after the balance sheet date) as a result of which the management of Eurohold Bulgaria AD and of Euroins Insurance Group (EIG) decided to write down the investment in the balance sheet of the companies with the value of the reputation of the Romanian company as of 31.12.2022.

Considering that Eurohold Bulgaria AD, through its subsidiary company Euroins Insurance Group AD, has started a procedure to challenge this decision of the ASF by court order, in the event that the court rules in favor of EIG, the written-off investment in Euroins Romania Assuring-Reassuring S.A. will be returned to the balance sheet of EIG and the Eurohold Bulgaria AD group, taking the appropriate corrective operations.

ASSIGNED CREDIT RATINGS

 <p>Eurohold Issuer Default Rating "B" Outlook: stable</p>	 <p>Eurohold Long-term: BBB- Outlook: stable Short-term: A-3 bonds issues Long-term: BBB- Outlook: stable Short-term: A-3</p>
---	---

INFORMATION ON SIGNIFICANT EVENTS, ACCORDING TO ARTICLE 100o, 4, S.2 OF THE POSA

IMPORTANT EVENTS FOR THE ACTIVITIES OF EUROHOLD BULGARIA DURING THE REPORTING PERIOD

January

- ✓ No significant events have occurred

February

- ✓ **On 10 February 2023** Eurohold Bulgaria informed the public about illegal actions of employees of the Romanian insurance supervision against the Romanian insurance company "Euroins Romania Asigurare-Reasigurare" S.A. (Euroins Romania) part of the group.
Eurohold has informed the FSC and a number of competent state and international bodies and institutions about these actions.
On the website of Eurohold Bulgaria AD, in the news section (www.eurohold.bg), the information published by the company can be followed, as well as the subsequent actions and measures taken.
On 17 February 2023 - The management of Eurohold Bulgaria AD informed the public (news section of www.eurohold.bg) that despite its disagreement with the actions of insurance supervision officials in Romania against the local division of Euroins in order to protect the company from further regulatory overpressure, Euroins Romania concluded a new reinsurance contract with the group's reinsurer - IC EIG Re EAD (EIG Re). This contract guarantees the payment of all claims of the Romanian insurer and ensures the transfer of a significant part (87%) of the risk in its portfolio outside the company, thereby retroceded to leading European reinsurers.
The announcement also states that the shareholders of Euroins Romania already in the third quarter of 2022 have launched actions to increase the company's share capital in two consecutive procedures with a total value of 99,700,000 Romanian lei. As a result of these increases, the share capital increased by 9,970,000 new shares (with an issue value of 10 Romanian lei each and a nominal value of 1 Romanian lei) and an amount of 567,457,674 Romanian lei distributed in 567,457,674 registered shares with nominal value of 1 /one/ lei each. The participation of "Euroins Insurance Group" AD in the capital of the Romanian insurer increased to 559,489,450 shares, corresponding to about 98.5958% of the capital.
Also, Euroins Romania, according to its development strategy, continues to diversify its portfolio in order to reduce risk, in just one year the insurer's market share in the "Civil Liability" segment decreased by 15% to nearly 28%, measured by the number of issued policies and registered cars in the country, and compared to active policies at the end of the year, this share is even smaller - 27.68%. At the same time, the company's insurance revenues, which are not related to the "Civil Liability" policy, have doubled. As a result, Euroins Romania ends 2022 with BGN 62.2 million profit before taxes.
- ✓ **On 17 March 2023** - the Romanian financial regulator ASF decided to revoke the insurance activity license of Euroins Romania, part of Euroins Insurance Group AD (EIG), open bankruptcy proceedings and appoint the Fund Insurance Guarantee (FGA) as a temporary company administrator.
In this regard, Eurohold's management made a statement that, notwithstanding this, apart from Euroins Romania, all other subsidiaries and businesses of Eurohold in all the other 11 markets in which they operate, including

insurance and energy, are operating and will continue to operate as usual and without any problems, serving their customers and duties and executing their business plans.

Since the beginning of February, when Eurohold publicly raised the alarm about the illegal actions against Euroins Romania, within a month and a half the management of the holding took all the necessary actions to protect the other companies of the group and guarantee their stable and normal functioning, so that in no way will the activity of the other companies in the Eurohold group be affected.

As a result of the decision of the Romanian financial regulator against Euroins Romania, the holding company announced that it has started a procedure to challenge this decision in all competent courts in Europe and around the world.

On 21 March 2023 - Eurohold requested the return of the Euroins Romania license.

At a press conference in Bucharest, the holding warned that ASF's decision to revoke the license and file for bankruptcy leads to:

- termination of all reinsurance contracts of the Romanian company, as a result of which all damages and claims will have to be paid by the Guarantee Fund (this condition is basic and standard for every reinsurance contract).
- causing severe financial consequences for insured persons and up to EUR 1 billion in losses for Romanian taxpayers.

There are two alternatives to ASF:

- to confirm its decision of March 17, which will bring direct damages and losses to taxpayers in Romania for nearly 1 billion euros; or
- to ask the court to annul this decision and return the license to Euroins Romania, whereby EIG will be able to continue to support the development of the company.

Financial status and reinsurance contracts of Euroins Romania

The management of Eurohold confirmed the good financial condition of the Romanian insurer at the date of license revocation with specific data and examples at the press conference in Bucharest, where it also presented the following data and facts.

As of March 17 (date of license revocation), Euroins Romania has more than 110 million lei in current assets, including 40 million lei in cash and short-term receivables from insurance brokers and intermediaries for 70 million lei, due to enter the company within 5 days. At the same time, the company's daily operating expenses are in the order of 5-5.5 million lei and separate current liabilities for another 1-1.5 million lei. These data show that the company is in good financial condition and there can be no question of insolvency, as is the motive of the Romanian regulator.

As of the license revocation date, the Romanian company regularly and on time fulfills its obligations and at any moment ensures full coverage of both the minimum capital requirement (MCR) and the solvency capital requirement (SCR) - the two key indicators for any insurer (confirmed and by the Romanian regulator). The coverage of both indicators is guaranteed both under the terms of the company's previous reinsurance contracts, not recognized by the Romanian supervisor, and under the new reinsurance contract with EIG Re, which, although perfect from a legal and economic point of view, was also not accepted by the regulator in Bucharest. This happens regardless of the fact that the reinsurance contract concluded with EIG Re has been officially confirmed by the Financial Supervision Commission (the Bulgarian regulator), which is solely competent and in a position to rule on the solvency of EIG Re and the validity of this contract (both confirmed with a letter from the FSC on 14.03.2023).

Failure to recognize the reinsurance contract with EIG Re leads to a violation of European (Article 32 of the EU Solvency 2 Directive) and Romanian legislation. It is this reinsurance contract with EIG Re that is the reason why there is no basis to claim that the company does not cover its capital requirements (MKI and KIP) and that it has a problem with its solvency, which was used as an argument by the Romanian regulator in the official report on revocation of the license.

Contrary to ASF's claims of a capital shortfall of Euroins Romania as of September 30, 2022, Eurohold's data shows the exact opposite. As of this date, the Romanian insurer actually possesses the necessary permissible basic own funds, which ensure the minimum capital coverage and the capital requirement for solvency in amounts that exceed the 100% required by law. This is the case both through the prism of the reinsurance contracts with leading reinsurers in Europe, which are not recognized by the financial supervision, which ensure the transfer of 55% of the risk in the company's portfolio, and in relation to the subsequent new reinsurance contract with EIG Re, which transfers outside the company 87 % of risk. As of September 2022, the CPI is 143%, and as of December 2022 - 134%, and the MCI - 272% and 280%, respectively. In addition, the reinsurance contracts of Euroins Romania, not recognized by the Romanian regulator, have been formally confirmed by the same supervisor in the past at least twice in the last three years, including during a significant audit and a large-scale review of insurers' balance sheets in Romania in 2021. They were also confirmed by the two independent auditors appointed by ASF during the review of the balance sheets. At a later point, these same contracts become unacceptable to the regulator and the company is forced to terminate them and replace them with new ones.

The ASF report dated February 2, 2023 stated that the Romanian reinsurance supervisor suspended Euroins Romania's existing reinsurance contracts with leading European AA-rated reinsurers and charged additional reserves to the insurer in the amount of 605 million lei.

In this way, ASF found on paper a capital shortfall of 2 billion lei or 400 million euros. Eurohold's calculations show, however, that if the existing reinsurance contracts are taken into account, even with the additional reserves charged by the regulator for 605 million lei, the coverage of MKI and KIP would be over 100%.

With the conclusion of a new quota reinsurance contract with EIG Re at the beginning of February, Euroins Romania meets all the requirements of the Romanian insurance supervision. The new contract was concluded in accordance with all European standards and norms and is customary for most of Europe's leading insurance groups. It ensures the transfer of 87% of the risk in the portfolio of Euroins Romania and guarantees the full volume of damages to the Romanian insurer. Another 10% of the risk remains for the leading reinsurer in Europe and only 3% in the Romanian company itself. An additional security for Euroins Romania and EIG Re is that a significant part of the risks assumed by the new reinsurer are retroceded to leading European reinsurers. The higher risk coverage is also accompanied by a transfer of assets of the Romanian company to the reinsurer, again in accordance with ASF requirements.

With the reinsurance contract with EIG Re, Euroins Romania's MKI and KIP coverage jumps to 219% and 148%, respectively, as of January 1, even if the 605 million lei increase in technical reserves prescribed by the Romanian regulator is taken into account. In this way, the risk and solvency of Euroins Romania are fully guaranteed.

ASF refuses to recognize the reinsurance contract with ridiculous arguments and claims by persons from the insurance supervision that EIG Re is an unknown, Bulgarian company and does not have the necessary capital. At the same time, EIG Re is a company with over 20 years of history and experience, acquired by EIG 8 years ago from the German HDI.

The entire published announcement, including the presentation from the press conference, can be viewed in the news section of the announcement of 21.03.2023 on the website www.eurohold.bg.

March

- ✓ **29 March 2023** - Fitch confirmed limited impact of the case with Euroins Romania on EIG and its remaining subsidiaries.

Fitch Ratings downgraded Euroins Romania from "B+" to "CC" and placed it under monitoring and follow-up development.

At the same time, Fitch Ratings leaves unchanged the ratings of the other companies evaluated by it, which are part of Euroins Insurance Group AD - ZD Euroins AD and the reinsurer EIG Re AD, as well as the group itself. The agency only places them under surveillance with a negative outlook.

April

- ✓ **10 April 2023** - The European Bank for Reconstruction and Development (EBRD), which is a minority shareholder in Euroins Insurance Group AD (EIG), part of Eurohold Bulgaria AD, published on its website on April 5 a position on the case with Euroins Romania and on the state of the Romanian insurance market.

The EBRD is in active discussions with all responsible parties to reach a solution in relation to the market turmoil caused by the revocation of Euroins Romania's license.

The EBRD wants to help find a solution, therefore, together with EIG, the bank made a proposal to the ASF to find such a solution. In relation to this proposal, EBRD, EIG and ASF continue to hold constructive discussions.

SIGNIFICANT EVENTS OCCURRING AFTER THE REPORTING PERIOD DATE

The Management Board of Eurohold Bulgaria AD is not aware of any other significant or material events occurring after the closing date of the reporting period.

ACTIVITY RESULTS

Results on an individual basis

Eurohold Bulgaria AD is a holding company with significant investments in subsidiary companies and as such does not carry out independent and regular commercial transactions. The main (operating) income of the holding company is of a financial nature, with the most significant of them - profits from operations with financial instruments and subsequent assessments appearing in different accounting periods and not of a permanent nature.

As of 31.03.2023, Eurohold manages a portfolio of companies in the sectors: energy, insurance, investment mediation and asset management (financial and investment services).

Eurohold Bulgaria AD has a long-term approach to its investments and holds leading positions on the markets in the segments in which it operates.

In this regard, investors and interested parties should analyze the results of this individual financial report together with the consolidated report, giving a clear and complete view of the results, financial position, strategies and development prospects of the Eurohold group.

FINANCIAL OVERVIEW

ANALYSIS OF THE FINANCIAL SITUATION

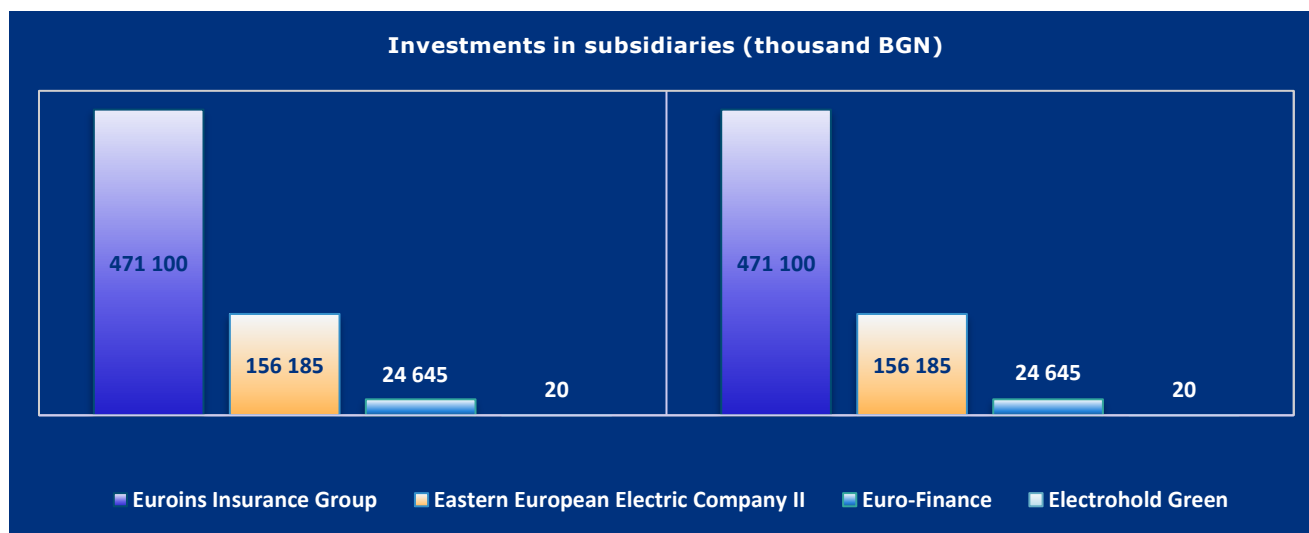
ACTIVITIES

The company's assets as of 31 December 2022 amounted to BGN 748.3 million, reporting an increase of 3.9% (BGN 28 million) compared to their amount of BGN 720.3 million at the end of 2021.

Assets		Δ	31.03.2023	Δ	2022
		%	thousand BGN	thousand BGN	thousand BGN
Non-current assets	Investments in subsidiaries	-	651 950	-	651 950
	Property, plant and equipment, usufruct rights	(4)%	1 156	(48)	1 204
	Other non-current assets	-	1	-	1
Current assets	Receivables from related parties	(0.7)%	23 604	(155)	23 759
	Other receivables and current assets	(0.4)%	16 403	(57)	16 460
	Cash	(95.2)%	108	(2 130)	2 238
Total Assets		(0.3)%	693 222	(2 390)	695 612

ANALYSIS OF SUBSTANTIAL CHANGES IN ASSETS

» Investments in enterprises



In the first quarter of 2023, there were no changes in the value of investments in subsidiaries.

» Current receivables from related enterprises

The value of current receivables from related enterprises remains unchanged and amounts to BGN 23.6 million. They mainly represent receivables from the subsidiary insurance company Euroins Insurance Group AD and arose under a loan agreement and a debt replacement agreement under the following parameters:

Creditor	Liabe person	Currency	Contract limit	Principal due 31.03.2023	Principal due 31.12.2021	Interest rate	Due date
Borrowing under a loan agreement with related parties:							
Eurohold Bulgaria AD	Euroins Insurance Group AD	BGN	8 010 000	8 010 000	8 010 000	8.00%	08.11.2023
Collection under assignment agreement with related parties:							
Eurohold Bulgaria AD	Euroins Insurance Group AD	BGN	14 425 523	13 171 064	13 271 064	2.50%	01.01.2024
Total claims on loans/assignments from related parties:				21 181 064	21 281 064		

» Other receivables (current)

The other receivables did not take into account significant changes, their value at the end of the period was BGN 19.1 million before impairment and BGN 16.4 million after impairment. The other receivables mainly represent a receivable under a debt substitution agreement with an unrelated third party, under the following parameters:

Creditor	Liabe person	Currency	Contract limit	Principal due 31.03.2023	Principal due 31.12.2022	Due date
Eurohold Bulgaria AD	Third - an unrelated person	BGN	21 000 000	18 000 000	18 000 000	03.04.2024

Cash and cash equivalents

At the end of the first quarter of 2023, cash and cash equivalents decreased from BGN 2.2 million at the end of 2022 to BGN 108 thousand.

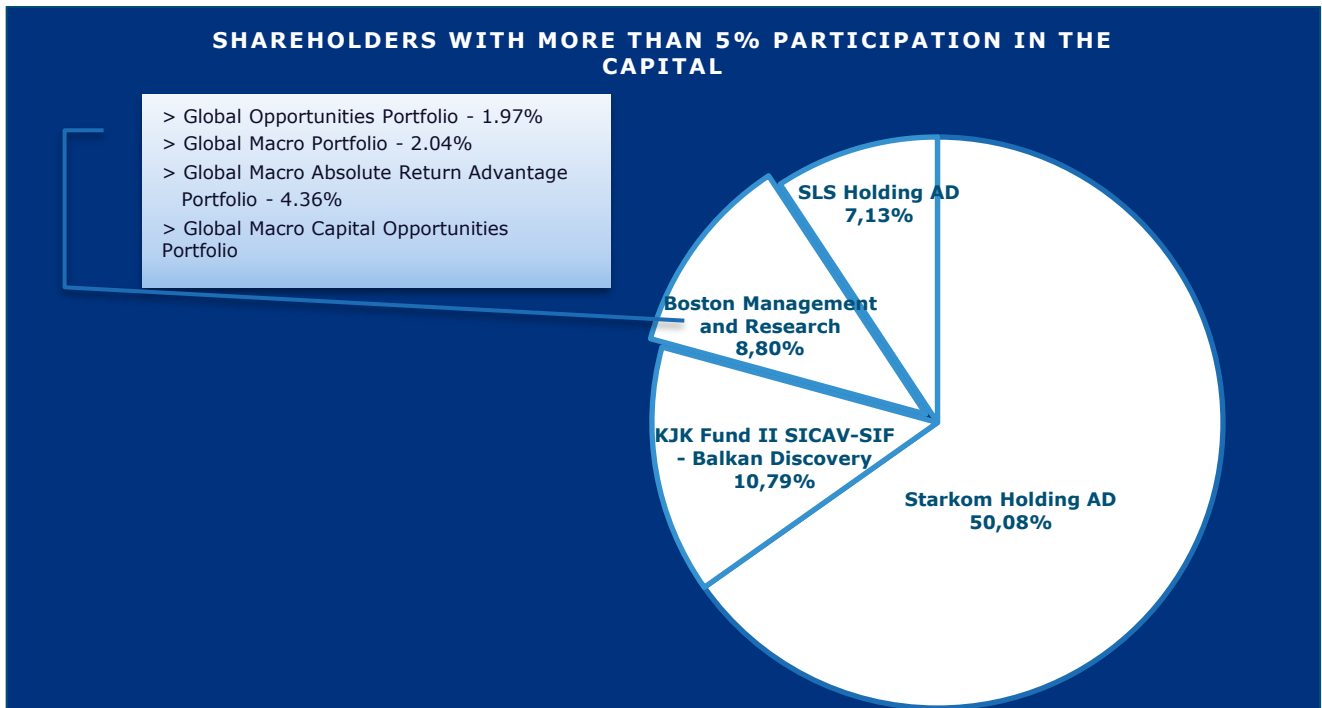
 EQUITY AND LIABILITIES

EQUITY AND LIABILITIES		Δ	31.12.2022	Δ	2021
		%	thousand BGN	thousand BGN	thousand BGN
Equity	Share capital	-	260 500	-	260 500
	Premium reserve on issue of securities	-	144 030	-	14 030
	General reserves	-	7 641	-	7 641
	(Accumulated Loss)/ Retained Earnings	151,5%	(169 569)	(102 147)	(67 422)
	Total Profits / Losses	(92.6)%	(7 593)	94 554	(102 147)
Subordinated debt	Subordinated debt instruments	0.1%	8 585	5	8 580
	Debenture loans payable	2.9%	240 909	6 798	234 111
Non-current liabilities	Due to related parties	(12.3)%	14 523	(2 032)	16 555
	Borrowings from financial and non-financial institutions	74.7%	24 097	10 300	13 797
	Other long-term liabilities	(5.2)%	1 082	(59)	1 141
	Debenture loans payable	153.7%	3 986	2 415	1 571
Current liabilities	Due to related parties	3.4%	9 588	313	9 275
	Loans from financial and non-financial institutions	(6.9)%	153 675	(11 449)	165 124
	Trade payables	(62.3)%	518	(856)	1 374
	Other short-term liabilities	(15.7)%	1 250	(232)	1 482
	Total Equity and Liabilities	3.9%	748 310	27 978	720 332

Analysis of significant changes in equity and liabilities

» Equity

Eurohold's share capital remains unchanged at BGN 260.5 million. The Company's registered capital consists of 260,500,000 fully paid ordinary shares with a par value of BGN 1 per share. All shares are entitled to receive a dividend and a liquidation share and represent one vote at the Company's shareholders' meeting.



During the reporting first quarter of 2023, there was no change in the shareholders owning more than 5% of the Company's capital.

The equity of Eurohold as of 31.03.2023 is in the amount of BGN 235 million, marking a decrease of 3.1% compared to the end of 2022 in connection with the realized loss for the reporting period.

» Subordinated debts

Subordinated debts have no fixed maturity and the lender - Starcom Holding AD cannot demand its repayment, regardless of whether there is a case of non-performance under the agreement. Eurohold Bulgaria AD has the right (but is not obliged) to pay amounts from the loan principal corresponding to each consecutively received tranche after the expiration of 5 years from the date of receipt of the respective tranche. Premature demandability of the principal of the subordinated debt is not allowed, except in cases of liquidation or bankruptcy, after payment of the amounts due to all privileged creditors, as well as to all other unsecured creditors.

The interest due under the contract from 12.08.2021 is 5% on an annual basis on the attracted sums of money for the period of their actual use. The interest due under the contract from 29.11.2022 is 6% + 3M EURIBOR on an annual basis on the borrowed sums of money for the period of their actual use.

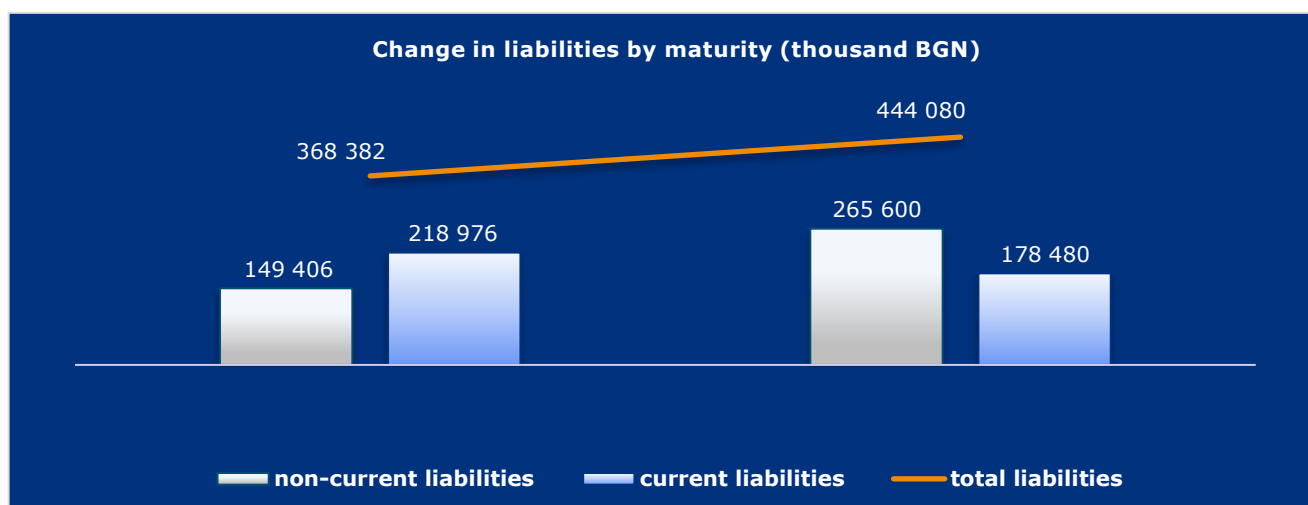
» Liabilities

The company's liabilities (without the subordinated debt capital) reach BGN 449.6 million, increasing by nearly 1.2 % compared to the end of 2022.

The increase in the Holding's liabilities is related to its core business of acquiring, managing and financially supporting subsidiaries.

↳ Liability analysis

Remark: The data presented in the graph are without taking into account subordinated debt instruments in the total liabilities.



Non-current liabilities increased by 5.7%. (BGN 15 million), which is mainly due to the following changes:

⇒ Growth in the amount of obligations under bond loans by 2.9% (BGN 6.8 million).

! Information on bond loans issued is available in the Appendices to the Interim Condensed Individual Financial Statement for the first quarter of 2023 (Appendix: 21 Bond Loan Obligations).

In the first quarter of 2023, the following bond transactions were carried out:

- 4,000 units were sold. purchased own bonds with ISIN XS1731768302.
- Pursuant to the Agreement, a subsidiary of Eurohold Bulgaria AD replaces another subsidiary of Eurohold Bulgaria AD in its capacity as a lender under a loan agreement for financial instruments with 2,126 units owed by Eurohold Bulgaria AD. securities from the EMTN Program in EUR with ISIN XS1731768302 with a total nominal value of EUR 2,126 thousand and unpaid interest in the amount of BGN 91 thousand

⇒ Reduction of liabilities for loans from financial and non-financial institutions by BGN 2 million for two loans with the International Investment Bank;

⇒ Long-term liabilities to related parties are based on a loan agreement with Starcom Holding AD with a limit of BGN 30 million, an interest rate of 5.5% and a maturity date of 05.05.2025. As of 03.31.2023, the amount drawn on the loan increased to 24.1 million BGN (2022: BGN 13.8 million).

Current liabilities decreased by 5.5% (BGN 5.2 million), which is mainly due to the following changes:

⇒ Increase in liabilities to bond loans by 153.7% (BGN 2.4 million) in connection with accrued interest during the reporting period for bond loans. As of 31.03.2023, accrued interest amounts to nearly BGN 4 million.

⇒ Liabilities to related parties remain almost unchanged. During the period, a liability to ZD Euroins AD in the amount of BGN 4.2 million was repaid, and a liability to ZD EIG-Re EAD in the amount of BGN 4.2 million was incurred for the transfer of a claim on a loan of financial instruments with an annual interest rate in the amount of 7.0% and maturity on 05.12.2023.

⇒ Reduction of the amount of current liabilities to financial and non-financial institutions by BGN 11.4 million after payment of principals on bank loans according to maturity.

- principals paid on bank loans:

JP Morgan ESI – BGN 7.8 million.

International Bank for Economic Cooperation - BGN 4 million.

- increase in the value of the Euro Commercial Book (ECP) by BGN 0.4 million.

In the first quarter of 2022, the Company carried out transactions on:

- the sale of the Euro Trading Book (ECP) from an issue with ISIN XS2430057443 worth EUR 27,500 thousand, as a result of which losses from operations with investments and financial instruments in the amount of BGN 10 thousand were reported (Appendix 8).
- by repurchase of Euro Commercial Book (ECP) from issue with ISIN XS2430057443 in the amount of EUR 1,660 thousand.

Structure of loan commitments by type and nature:

Loans payable	Δ	31.12.2022	31.12.2021
	%	thousand BGN	thousand BGN
Subordinated debt instruments	0.1%	8 585	8 580
Bank loan liabilities:	(11)%	110 462	124 294
Non-current payables to banks	(12)%	14 523	16 555
Current liabilities to banks	(11)%	95 939	107 739
Liabilities on bonded loans:	1%	238 097	235 682
Non-current liabilities on bonded loans:	0%	234 111	234 111
<i>EMTN Programme ISIN: XS1731768302</i>	9%	84 470	77 673
<i>EMTN Programme ISIN: XS1542984288</i>	-	19 558	19 558
<i>Bond loan with ISIN code BG2100013205</i>	-	58 675	58 675
<i>Bond loan with ISIN code BG2100002224</i>	-	78 205	78 205
Current liabilities on bonded loans:	154%	3 986	1 571
<i>Interest Obligations on Bonded Loans</i>	154%	3 986	1 571
Due to non-financial institutions:	1%	57 736	57 385
Current other loans (Euro Commercial Paper - ECP)	1%	57 736	57 385
Loans payable to related parties:	48%	32 599	21 972
Non-current	75%	24 097	13 797
Current	4%	8 502	8 175
Total amount of loan commitments	(0.1)%	447 479	447 913
Non-current liabilities	3%	281 316	273 043
Current liabilities	(5)%	166 163	174 870

ACTIVITY RESULTS

↳ FINANCIAL RESULT

Eurohold Bulgaria AD for the period 1 January - 31 March 2023 reports a financial result on an individual basis loss in the amount of 7.6 million. BGN (first quarter of 2022: loss BGN 6.4 million)

INCOME AND EXPENSES

» Income

Income from operating activities	Δ %	31.03.2023 thousand BGN	31.03.2022 thousand BGN
- Dividends	-	-	-
- Gains from the sale of investments in subsidiaries, transactions with financial instruments and subsequent valuations.	(74)%	63	241
- Interest income	212%	243	78
- Other financial income	(80)%	1	5
Total operating income	(5)%	307	324

Analysis of material income:

↳ Gains from the sale of investments in subsidiaries, operations with financial instruments and subsequent valuations (shown below):

In the current period of 2023:

- **BGN 63 thousand from revaluation of own bonds bought by EMTN Program in EUR with ISIN XS1731768302**

In the current period of 2022:

- ✓ Profits from operations with investments and financial instruments include:
 - BGN 4 thousand profit from the sale of other financial instruments;
- ✓ Income from revaluations of debt instruments valued at fair value are:
 - BGN 144 thousand from the revaluation of purchased own bonds from the EMTN Program in EUR with ISIN XS1731768302;
 - BGN 62 thousand from revaluation of purchased own bonds with ISIN BG2100002224;
 - BGN 31 thousand from revaluation of other financial instruments;

» Expenses

Eurohold's operating expenses are mainly related to the costs of carrying out specific ongoing projects, interest expenses on borrowed funds used/raised to finance the Holding's operations and the development and support of its subsidiaries, as well as expenses from operations with financial instruments and other financial items.

Eurohold also records fixed costs for personnel and other external services such as office rents, consumables and other costs related to the normal course and conduct of business.

Operating expenses	Δ	31.03.2023	31.03.2022
	B %	thousand BGN	thousand BGN
- Interest expenses	25%	(6 330)	(5 070)
- Losses on sale of investments in subsidiaries, transactions with financial instruments and subsequent valuations	(99)%	(8)	(859)
- Other financial expenses	442%	(65)	(12)
- Expenditure on external services	234%	(1 060)	(317)
- Personnel expenses	12%	(230)	(205)
- Amortization expense	(58)%	(56)	(132)
- (Accumulated)/Reversed impairment loss on financial assets, net	(74)%	(80)	(306)
Total operating expenses	13%	(7 829)	(6 901)

Analysis of essential costs:

The main expenses for the activity of Eurohold Bulgaria are interest expenses and losses from operations with financial instruments and subsequent assessments.

↳ Interest expenses:

Interest expenses increased for the nine months of 2022 by nearly BGN 1.3 million in connection with absorbed new financing for the development of subsidiaries and a new bond loan issued in March 2022. Interest expenses can be grouped into three categories depending on the financing , namely:

- Interest on loans from banks and non-bank financial institutions in the amount of BGN 3.1 million, reporting an increase of BGN 2.3 million;
- Interest on bond loans in the amount of BGN 2.6 million - with a reported decrease of BGN 1 million. BGN;
- Interest on received loans and leases from related and third parties in the amount of BGN 0.5 million – a reduction of BGN 0.1 million was reported.

↳ Losses on sale of investments in subsidiaries, transactions with financial instruments and subsequent valuations (shown below):

During the current period of 2023:

- ✓ *Losses from operations with investments and financial instruments include – BGN 8 thousand loss from operations with purchased own bonds from EMTN Program in EUR with ISIN XS1731768302;*

During the comparable period of 2022:

- ✓ Losses from operations with investments and financial instruments include:
 - BGN 485 thousand loss from operations with purchased own bonds with ISIN BG2100002224;
 - BGN 85 thousand loss from operations with other financial instruments;
 - BGN 75,000 fees and commissions for the services of the investment intermediary Euro-Finance AD, a subsidiary.
- ✓ Costs from revaluations of financial instruments include:
 - BGN 201,000 from the revaluation of purchased own bonds from the EMTN Program in EUR with ISIN XS1731768302;
 - BGN 10,000 from revaluation of repurchased own Euro Commercial Book (ECP) with ISIN: XS2430057443;
 - BGN 3 thousand from revaluation of other financial instruments.

CASH FLOWS

Cash flows for the six months of 2022 are mainly generated from the Company's financing and investing activities related to the restructuring of long-term debt, as well as in the accumulation of free cash from subsidiaries and directing it to finance the current and investing activities of other subsidiaries.

Cash flow analysis

Cash flows	Δ %	31.03.2023 thousand BGN	31.03.2022 thousand BGN
- Net cash flow from operating activities	(40)%	(2 033)	(3 382)
- Net cash flow from investing activities	(100)%	-	(15 762)
- Net cash flow from financing activities	(100.5)%	(96)	19 642
Net cash flows	(528)%	(2 129)	498
- Effect of expected credit losses	(50)%	(1)	(2)
- Cash and cash equivalents at the beginning of the year	1846%	2 238	115
Cash and cash equivalents at the end of the period	(82)%	108	611

NON-CASH TRANSACTIONS

The Company's non-cash transactions for 2022 and 2021 can be traced in Note 27. "Non-cash transactions" of the Annexes to the 2022 interim condensed individual financial statements.

THE RELATED PARTIES' TRANSACTIONS (transactions with subsidiaries and other related parties under common control)

The transactions carried out by the Company with related parties for the period of the nine months of 2022 and 2021 can be traced in Note 29.1.1. "Transactions with subsidiaries and other related parties under common control" of the Notes to the condensed interim individual financial statements for the nine months of 2022. Transactions with key management personnel are available in Note 29.1.2. from the same document.

LITIGATIONS

As at 31.03.2023 against the Company has no significant legal proceedings instituted.

WARRANTIES AND PROVIDED GUARANTEES

The company is a co-debtor/guarantor for loans received from banking/financial institutions as follows:

Business area	Third / Related parties	Amount in EUR'000 as of 31.03.2023	Amount in BGN'000 as of 31.03.2023	Amount in EUR'000 as of 31.12. 2022	Amount in BGN'000 as of 31.12.2022	EXPOSURE MATURITY AS OF 31.03.2023 (EUR'000)				
						2023	2024	2025	2026	2027
Energy sub-holding										
Corporate payment guarantee	Related parties	3 500	6 845	3 500	6 845		3 500	-	-	-
Working capital loans	Related parties	20 847	40 773	19 238	37 626	20 847	-	-	-	-
Corporate guarantee in connection with an acquisition	Related parties	220 000	430 283	220 000	430 283	-	-	-	-	220 000
Insurance sub-holding										
Bond loan	Related parties	-	-	10 000	34 622	-	-	-	-	-
Parent company										
Bank loans for investment purposes	Related parties	5 000	9 779	5 000	9 779	-	5 000	-	-	-
Group of leasing companies*										
For financing leasing activity	Related parties until 30.06.2022	20 549	40 190	21 891	42 815	5 628	6 177	4 445	3 184	1 015
Group of automotive companies*										
Working capital loans	Related parties until 30.06.2022	5 487	10 732	4 788	9 365	2 757	523	523	523	418
TOTAL:		275 383	538 602	284 417	571 335	29 232	15 200	4 968	3 707	221 433

* Eurohold Bulgaria AD is selling the companies from the automotive and leasing segment in 2022. It is expected that the new owners will act as a guarantor for the mentioned loans from banking/financial institutions.

In connection with financing as part of a package deal, a pledge of 35% shares of a subsidiary was established.

In connection with a concluded contract for financing by a financial institution, a pledge of shares of a subsidiary company was established (Note 20).

In connection with a loan contract by a credit institution, a pledge of shares of a subsidiary company and a pledge of bonds was established in 12.2022 (Note 20).

The company is a guarantor under issued bank guarantees **, as follows:

Company of:	Amount in EUR'000 as of 31.03.2023	Amount in BGN'000 as of 31.03.2023	Amount in EUR'000 as of 31.12.2022	Amount in BGN'000 as of 31.12.2022	MATURITY OF EXPOSURE AS OF 31.03.2023 (EUR'000)
Automotive subholding (related party until 30.6.2022)	2 050	4 009	2 050	4 009	2.2024
Automotive subholding (related party until 30.6.2022)	1 800	3 520	1 800	3 520	4.2023
TOTAL:	3 850	7 529	3 850	7 529	

** Eurohold Bulgaria AD is selling the companies from the automotive and leasing segment in 2022. It is expected that the new owners will act as a guarantor for the mentioned loans from banking/financial institutions.

The liabilities of the Company have guaranteed by related parties are as follows:

Company/ Guarantor	Currency	Guaranteed liability	Guaranteed amount as of 31.12.2022 in original currency	Maturity date
Euroins Insurance Group AD	EUR	Issue of bonds (EMTN programme)	70 000 000	07.2026
Euroins Insurance Group AD	EUR	Issue of bonds (EMTN programme)	10 000 000	12.2026
Euroins Insurance Group AD <i>* Pledge of shares of "Euroins Insurance Group" AD in a subsidiary.</i>	EUR	Bank loan	12 000 000	07.2023
Euroins Insurance Group AD <i>* Pledge of shares of a subsidiary - EEEC II BV.</i>	EUR	Loan from financial institution	36 000 000	06.2023

Established guarantees in favor of the Company:

Company/ Guarantor	Currency	Guaranteed liability	Guaranteed amount as of 31.12.2022 in original currency	Maturity date
Milena Milchova Cuentcheva, Procurator	BGN	Management guarantee	3 330	03.2024 *

*Automatic renewal with 1 year.

REVIEW OF THE MAIN RISKS

This section describes our material risks, including how we manage them. If any of the risks described in this section were to occur, even in part or in combination with other risk factors or circumstances, it could have a material adverse effect on the Company.

The Company's future results of operations may differ materially from past results as a result of the occurrence of the risks described herein. Given the dynamic macroeconomic environment at this time, other risks and/or uncertainties may occur that are not currently known or that we are unable to estimate or are considered immaterial at this time and which risks could have a material adverse effect on the Company's business.

We draw attention to the fact that Eurohold Bulgaria AD develops its business through its subsidiaries, in this regard the Company's financial position, operating results and development prospects are directly dependent on the position, results and prospects of its subsidiaries. Each business sector, including the segments in which we operate, is subject to common risks, such as changes in the macroeconomic environment, social, political, financial, regulatory and legislative changes. Our principal risks and uncertainties are those that may have the greatest impact on our group key priorities.

a) NON-SYSTEMATIC RISKS

Non-systematic risks are associated with the general investment risk specific to a company, as well as the sector (industry) of the economy in which it operates.

Risks related to Eurohold's operations and structure

Insofar as the activity of "Eurohold Bulgaria" AD is related to the management of other companies, it cannot be attributed to a separate sector of the national economy and is exposed to the sectoral risks of the subsidiaries. Eurohold Bulgaria AD group companies operate in the following sectors: "energy", "insurance" and "investment brokerage and asset management".

The impact of the individual risks of the subsidiaries is proportional to the share of the respective sector in the structure of Eurohold's long-term investment portfolio.

The Holding's principal activities are carried out through its subsidiaries, which means that its financial performance is directly linked to the financial performance and development trends of its business units within the economic group.

The existence of companies in the portfolio whose net sales revenues are also generated by products sold to other subsidiaries (related parties) places the performance of these companies in direct dependence on the level of profitability of the customers (related parties), which may negatively affect the profitability of the entire group.

The main risk associated with the operations of Eurohold Bulgaria AD is the possibility of a reduction in the sales revenues of the companies in which it participates and on the receipt of dividends. In this regard, this may have an impact on the company's revenue growth as well as on the change in its profitability.

Deterioration in the performance of one or more subsidiaries could result in a deterioration in results on a consolidated basis. This in turn is also linked to the company's share price as a result of investors' expectations of the company's and Eurohold Group's prospects, as the share market price takes into account the business potential and assets of the economic group as a whole.

Risks related to Eurohold's development strategy

Eurohold's future earnings and economic value depend on the strategy chosen by the senior management team of the company and its subsidiaries. Choosing an inappropriate strategy could lead to significant losses.

Eurohold Bulgaria plc seeks to manage the risk of strategic errors by continuously monitoring the various stages in the implementation of its market strategy, and the results thereof. This is essential in order to be able to react in a timely manner if a change is required at a particular stage in the strategic development plan. Untimely or inappropriate changes in strategy could also have a material adverse effect on the Company's business, operating results and financial condition.

Risks related to the management of Eurohold

The risks associated with the management of the Company might be:

- making the wrong decisions about the day-to-day investment management and liquidity of the Company and the Group as a whole, both by Eurohold's senior management and operational staff;
- management's inability to start the implementation of planned projects or lack of suitable staff for specific projects;
- possible technical errors of the single management information system;
- possible errors of the internal control system;
- the departure of key staff and the inability to recruit staff with the necessary qualities;
- risk of excessive increases in management and administration costs leading to a reduction in the overall profitability of the company.

Risks associated with Eurohold's inability to raise capital to fund its strategic objectives

The ability of Eurohold Bulgaria AD to grow and implement its strategies depends to a large extent on its ability to raise capital. The volatility of the financial markets, as well as any apparent lack of trust between financial institutions, could make it significantly more difficult to raise long-term capital on reasonable terms.

The management of Eurohold Bulgaria AD supports the efforts of the Group's subsidiaries to attract bank resources for investment and to use the opportunities provided by this type of financing to secure working capital. The volumes of these funds raised are maintained at certain levels and are authorised after demonstrating the economic efficiency for each company.

Management's policy is to raise financial resources from the market mainly in the form of equity securities (shares), debt instruments (bonds) and borrowings from banking and non-banking institutions, which it invests in its subsidiaries to finance their projects, by increasing their capital or providing loans. Separately, Eurohold Bulgaria plc monitors the capital structure of each company and takes action to maintain the regulatory capital requirements for each business segment by increasing their capital.

Liquidity risk

Liquidity risk relates to the possibility that Eurohold Bulgaria AD may not repay its liabilities in the agreed amount and/or on time when they become due. The Issuer seeks to minimise this risk through optimal cash

flow management within the Group. The Group adopts an approach to ensure that it has the liquidity resources necessary to meet liabilities as they arise under normal or exceptional conditions without incurring unacceptable losses or damaging the reputation of individual companies and the economic group as a whole.

Subsidiaries shall make financial planning to meet the payment of expenses and current liabilities over a ninety-day period, including the servicing of financial liabilities. This financial planning minimises or completely excludes the potential effect of contingencies.

Risk of possible transactions between companies in the group, the terms of which differ from the market

Relationships with related parties arise under temporary financial assistance agreements of subsidiaries and in connection with transactions related to the ordinary business activities of subsidiaries.

The risk of possible transactions between the companies in the Group under conditions that differ from market conditions is expressed in: a) assuming a risk to achieve a low yield from interest on provided intra-group financing; b) when carrying out intra-group commercial transactions, there is a risk that sufficient revenues will not be realized, and hence a good profit for the respective company. At a consolidated level, this may reflect negatively on the profitability of the entire group.

Within Eurohold, transactions between the parent company and the subsidiaries and between the subsidiaries themselves, arising from the nature of their core business, take place on an ongoing basis. All transactions with related parties are carried out on terms that do not differ from normal market prices and in compliance with IAS 24 'Related Party Disclosures'.

Eurohold Bulgaria AD operates through its subsidiaries, which means that its financial results are directly dependent on the financial performance, development and prospects of its subsidiaries. Poor performance of one or several subsidiaries could lead to a deterioration of financial results on a consolidated basis.

b) SYSTEMATIC RISKS

Macroeconomic risk

Macroeconomic risk is the risk of shocks that may affect economic growth, population income, supply and demand, the realization of profits by economic entities, etc. These shocks include global economic and business conditions, fluctuations in national currencies, political events, changing legislation and regulatory requirements, priorities of national governments, etc. Trends in the macroeconomic environment affect the market performance and the final results of the activity of all sectors of the economy. Bulgaria has an open economy and its development depends directly on international market conditions.

Trends in the macroeconomic environment affect the market performance and the final results of the activity of all sectors of the economy.

The outcome of the realization of some risks related to the international environment will depend to a large extent on the plans and preventive measures of individual countries and international institutions, which is also evident from the latest global economic crisis and the Covid-19 pandemic. The risk of the influence of the international environment on companies cannot be diversified and affects all players, but on the other hand, it can become an engine for the development and implementation of innovations and digitalization, which can drastically change and increase the efficiency of business on a global scale.

The macroeconomic situation and economic growth on a global scale are of fundamental importance for the development of "Eurohold Bulgaria" AD and its subsidiaries, including the state policies of the respective countries in which it operates and, in particular, the regulations and decisions taken by the respective Central Banks, which affect monetary and interest policy, exchange rates, taxes, GDP, inflation, budget deficit and external debt, unemployment rate and income structure.

Macroeconomic trends such as: the global economic crisis; the impact of the force majeure event that occurred at the beginning of 2020 due to the worldwide Covid-19 pandemic and the measures taken by the governments of the affected countries; slowing down of economic growth; the risk of systematic global financial fluctuations; periodic fiscal imbalances; changes in exchange rates for certain currencies; volatility in the prices of energy products; economic and political uncertainty in some regions of the world; the

reduction of economic and consumer activity, may have an adverse effect on the business results, financial condition, profit and profitability or expected growth of the Group.

The development of Bulgaria's economy faces the risk of external influences and depends directly on international market conditions. The presence of unfavorable macroeconomic conditions in Bulgaria, including an increase in unemployment and inflation, as well as fiscal instability may have a material adverse effect on the Company's business, its financial condition and/or its results of operations.

The Eurohold Group carries out operations in addition to Bulgaria and in a number of other European countries, respectively its overall financial position and the results of its operations are affected by the economic, legal and political conditions in these countries. Any deterioration in macroeconomic conditions in such countries or in the wider CEE / SEE region could adversely affect certain products and services offered by the group and result in lower revenues than originally planned. In addition, general changes in government policy and regulatory systems in any such jurisdiction may increase the Group's operating costs and capital requirements. Any future periods of economic slowdown or slow economic growth in any of the markets in which the Group operates could have an adverse effect on the Group's business, financial condition, cash flows, results of operations or prospects.

Manifested macroeconomic risks in 2022 and at the date of preparation of this Report.

↳ The Covid-19 pandemic

We are currently witnessing macroeconomic risk arising in early 2020 from the scale and spread of the coronavirus (Covid-19) pandemic, which has affected the entire world and dramatically affected global macroeconomics and economic growth. The Covid-19 pandemic significantly slowed down much of the growth in the global economy at the end of the first and throughout the second quarter of 2020, and activity in some sectors was almost completely suspended. As a result of the measures imposed by governments to deal with the pandemic, a significant amount of international trade was impeded. This has greatly hampered the production process as a result of disrupted supply chains and reduced domestic and foreign demand. Tightening of restrictive measures in response to the significant increase in the number of people infected with the coronavirus (Covid-19) in various countries has led to a decline in economic activity. Globally, the subsequent business results from the economic disruptions caused by the pandemic were: a worsening economic outlook, a significant increase in expected credit losses and other impairments, and a decrease in revenue due to lower volumes and reduced customer activity.

In 2021 and early 2022, the Covid-19 pandemic continued to impact the health system, the social environment and the economy. Deviations in the prices of energy resources had a strong impact, as did the displacement of trade relations, leading to a worldwide wave of intense inflationary pressure. After the start of mass vaccination, a gradual recovery of the global and local economy and the expected recovery of global activity also began. The labor market also developed favorably, and unemployment continued to decline. The banking system remained stable, well capitalized, with high levels of liquidity meeting regulatory requirements.

At the moment, uncertainties and risks to the economy still exist. The latest wave of the coronavirus actively developed in early 2022 led to a new slowdown in economic recovery in Europe, accompanied by high inflation, absences from work and work in an online environment, increasing shortages of materials, equipment and labor. Record energy prices have further increased the cost of living and reduced the purchasing power of Europeans, especially in low-income households. In general, the impact of the pandemic on economic activity has generally weakened over time, including that the slowdown in the recovery did not last long, given the abatement of the last wave and the lifting of restrictive measures.

In the future, possible new waves of infection, correspondingly imposed anti-epidemic measures and prolonged staff shortages could prevent recovery / or lead to a further deterioration of economic activity. They could also delay the functioning of critical supply chains for a longer period of time. On the other hand, weaker demand growth in the near term may help overcome supply constraints a little sooner than expected.

Apart from the general effects of the pandemic on all economic entities, it does not directly affect the currently existing businesses of the companies of the Eurohold group. In the period of its manifestation, it had an impact only on the automotive and leasing businesses, which were sold in the middle of 2022. In this sense,

possible new waves of the spread of COVID-19 would not have significant segmental effects on the energy, insurance and financial - the investment business in the group. At this stage, management's assessment of the peak periods of the pandemic is that, with timely and flexible measures, the Eurohold group has managed to cope with the consequences of the situation and reduce the impact on it as much as possible. Management continues to monitor new manifestations and effects of the pandemic to take preventive measures and solutions in order to preserve the health of workers and minimize the impact of the crisis caused by COVID-19.

Military actions on the territory of Ukraine

The hostilities between Russia and Ukraine have received widespread international condemnation, and numerous countries have imposed sanctions on assets and operations owned by the Russian state and certain individuals. This conflict began at a time when the world economy, including Bulgaria's, was gaining momentum after the peak of the Covid-19 crisis and calls into question the previous forecasts for the economic growth of Europe and Bulgaria in particular. The IMF notes that the sanctions imposed by a number of countries against Russia are having an impact on the global economy and financial markets, and will have significant side effects in other countries as well. In many countries, the crisis generated adverse shocks to both inflation and activity amid already heightened price pressures. Central banks closely monitor the impact of rising international prices on domestic inflation, with a view to monitoring and, where necessary, taking appropriate, carefully considered responses. Fiscal policy will need to support the most vulnerable households to offset rising living costs.

The economic consequences of the military conflict in Ukraine cannot be fully assessed at this stage of development, but indicate extremely serious price effects on the overall global economy, substantial growth in inflation, and difficulty in supplying energy resources. Other manifested effects of the beginning of hostilities are: a decline in economic growth, the risk of a humanitarian crisis in connection with a refugee wave of Ukrainian citizens, an uncertain international environment, problems with gas supplies and a significant increase in gas prices, a surge in prices when trading with electricity, fuels and other petroleum products, supply chain constraints due to restrictive and logistical problems, high volatility in stock markets under the pressure of fluctuations in fuel and other basic resource markets, increased interest rates, a shaky banking system, etc.

If the conflict continues to develop, the economic damage will be significant for all sectors of the economy, both of Bulgaria and the EU, including the sectors and regions in which the Eurohold group operates. Eurohold's management follows with concern the development of the military conflict between Russia and Ukraine, and evaluates its impact on the Group's business, analyzing the impact on both sides of the conflict in order to take measures, decisions and concrete actions to mitigate the effects on the group. Eurohold Bulgaria AD, through its subsidiary Euroins Insurance Group AD, owns investments in two insurance companies in Ukraine, and until the end of 2022, one in Belarus and one with a minority stake in Russia.

The management of Eurohold provided assistance and support to the staff in Ukraine and their relatives. In the first half of March, "Euroins Insurance Group" AD successfully evacuated 80 of its employees, their relatives and friends from Ukraine to Bulgaria. The Ukrainian citizens are accommodated in a holiday village on the Bulgarian Black Sea coast, where they are provided with shelter, food and medical assistance. Some of the evacuated employees continue to perform their duties remotely in a specially equipped room with the necessary equipment.

At the end of 2022, the management of Eurohold Bulgaria and the subsidiary Euroins Insurance Group decided to release the insurance group from its participation in the companies in Belarus and Russia (associated participation). On December 30, 2022, Euroins Insurance Group (EIG) signed an agreement for the sale of the two companies, as from the date of the agreement, EIG and Eurohold will not consolidate the results of these companies in their report. Until the date of the transaction, EIG owned 100% of the company's capital in Belarus and 48.61% of that in Russia. These participations added insignificant values to the consolidated results against the background of the assets of the insurance subholding and the assets of Eurohold Bulgaria AD. EIG's business in the two countries accounted for less than 1% of the insurance group's 2022 revenue.

Macroeconomic forecast

According to the latest Economic Bulletin of the ECB, no. 8/2022 - The global economy is slowing amid ongoing geopolitical uncertainty, particularly as a result of Russia's unjustified war against Ukraine, and a widespread tightening of financing conditions. As the economic fallout from the war in Ukraine continues to play out and fuel strong inflationary pressures, indicators of consumer and business confidence remain weak, with real disposable incomes falling and rising cost pressures constraining output. The negative economic consequences are expected to be partially mitigated by fiscal policy measures. In the medium term, as the energy market rebalances, uncertainty is expected to decrease and real incomes to improve. As a result, economic growth is expected to pick up, supported by strengthening external demand and the removal of remaining supply constraints, despite less favorable financing conditions. The labor market is expected to remain relatively resilient in the coming moderate recession. Overall, average annual real GDP growth is expected to slow significantly, from 3.4% in 2022 to 0.5% in 2023, before accelerating to 1.9% in 2024 and to 1.8% in 2025

In the Macroeconomic Forecast of the BNB from December 2022, the expectations for the growth of the real GDP in 2023 is to slow down significantly to 0.4%, which will be determined mostly by the transition from a positive to a negative contribution of the change in stocks in the economy. The growth of economic activity is expected to accelerate to 3.2% in 2024, which will be mainly due to the formation of a low positive contribution of net exports due to the recovery of growth in exports of goods. Annual inflation, measured by the Harmonized Index of Consumer Prices (HICP), is forecast to slow to 4.2% at the end of 2023, with inflation expected to average 7.0% for the year, with short-term pressure on production prices resulting from factors such as realized commodity price increases and supply and labor shortages will continue to weigh on consumer prices. The forecast for inflation at the end of 2024 is for it to slow down to 3.3%, following the downward dynamics of the prices of food and energy raw materials on the international markets.

Source: www.bnb.bg

"Eurohold Bulgaria" AD strives to monitor the probability of the manifestation of the macroeconomic risk and develops group measures to mitigate as much as possible the impact of the effects that the presence of this risk may have. However, the Holding cannot completely exclude and limit its influence on the business, financial position, profits and cash flows at the group level. There is also the possibility that the occurrence of this risk may exacerbate other risks or a combination of risks.

Political risk

Political risk reflects the impact of political processes in the country on the economic and investment process and, more specifically, on the return on investment. The degree of political risk is determined by the probability of changes in an unfavorable direction of the government's long-term economic policy, which may have a negative impact on investment decisions. Other factors related to this risk are possible legislative changes and changes in the tax system regarding the economic and investment climate in the country.

The Republic of Bulgaria is a country with political and institutional stability, based on modern constitutional principles such as a multi-party parliamentary system, free elections, ethnic tolerance and a clearly defined system of separation of powers.

Among the political risks are the successful continuation of Bulgaria's integration into the European Union (EU). After the admission of our country to the EU at the beginning of 2007, economic reforms were imposed in the name of the integration of our country into the European Union. In the future, economic growth will depend on the political will to continue economic reforms, with the aim of introducing the best market practices of the EU in economic, political, social, legal, financial terms.

Despite the stable policy pursued so far, there is no certainty that factors will not appear in the country that would cause social and political tension, lead to a significant and abrupt change in the political and economic conditions, which could have a significant adverse effect on business. Currently, the political situation in Bulgaria is not particularly stable. This instability manifested itself in April 2021 since the country faced the inability to form a regular and stable government. Domestic political uncertainty continues with a caretaker government currently in place. This also contributed to a lag in Bulgaria's preparations for joining the Eurozone, which is why the same is being postponed at this stage. At the present time, parliamentary elections are again coming up in the country.

Given the current political situation, it is possible that political and public disagreements may arise in the country regarding possible legislative changes, and in particular those concerning the economic and investment climate in the country. Also, at this moment, there is no political consensus in the country regarding the complicated geopolitical situation in the region due to the development of the Russian-Ukrainian crisis.

A potential political instability in the country and in Europe could have a significant adverse effect on the Company and its group's business, operating results and financial condition. The company through its subsidiaries operates in the regions affected by the military conflict and in this sense is also vulnerable to foreign policy risks and their effects on the economy of the country, the regions affected by the conflict and Europe as a whole.

Given the uncertainty of the outcome of the emerging dynamic political and economic environment, users of this Report should consider the presence of political risk according to their own understanding and expectations.

Country credit risk

Credit risk is the likelihood of a country's international credit ratings deteriorating. Low credit ratings of the country can lead to higher interest rates, more difficult financing conditions for economic entities, including Eurohold.

Credit ratings serve as a basis for measuring and determining a country's credit risk. The latest credit ratings awarded to Bulgaria are as follows:

On 04.02.2023, the international rating agency Moody's confirmed the long-term rating of Bulgaria in foreign and local currency Baa1 with a stable outlook.

The confirmation of Bulgaria's Baa1 rating balances the following key factors: 1) Moody's expectations that an energy crisis in Europe will not significantly weaken the country's economic and fiscal position. 2) The support for Bulgaria's credit profile arising from the prospect of adopting the euro, despite the risk of delaying adoption beyond 2024. 3) The risks to the effectiveness and progress of the government on key priorities arising from the prolonged domestic political stalemate in the country.

The stable outlook reflects Moody's expectations for relatively little fluctuation in the country's main economic and fiscal indicators over the next 12 to 18 months. It also reflects the balance of risks between the potential negative effects on the credit profile arising from the political situation in the country and the potential positive effects of the eventual adoption of the euro.

Source: www.minfin.bg

On 26.11.2022, the international rating agency S&P Global Ratings confirmed the long-term and short-term credit rating of Bulgaria in foreign and local currency 'BBB/A-2'. The outlook for the rating remains stable.

According to the agency, the stable outlook balances, on the one hand, weaker expectations for Bulgaria's economic growth in the short term and increased domestic political uncertainty, and on the other hand, the country's low net public debt and low interest costs. According to S&P Global Ratings, this development gives Bulgaria policy space and makes its public finances less sensitive to rapidly rising interest rates globally. Bulgaria is currently experiencing high inflation, which according to S&P Global Ratings could pose a challenge to its membership of the Eurozone from 2024.

S&P Global Ratings expect Bulgaria's GDP growth to weaken significantly in the coming months. Although the economy remained more resilient in 2022 from the fallout from the Russia-Ukraine conflict than the rating agency initially expected, several challenges lie ahead. External demand from Bulgaria's main trading partners in the EU is expected to decline and consumption to weaken as continued high inflation, estimated at nearly 10% on average in 2023, will weigh on real wages. Projects financed with EU funds, which will provide some support for the economy, are assessed as a positive influence. S&P Global Ratings forecast real growth in 2023 of less than 1%, a significant slowdown from their expectations of 3% in 2022.

Source: www.minfin.bg

The adoption of a consistent and long-term economic policy in Bulgaria would be a valid reason for the potential increase in the country's credit rating, which in turn would have a favorable impact on the economic group of Eurohold expressed in the Group's financing opportunities. In the event of a downgrading of Bulgaria's credit rating, as a result of the unstable governance of the country, there may be a negative impact on the Group and on the cost of financing, except in the case that its loan agreements are with fixed interest rates.

Inflation risk

Inflation risk is associated with the likelihood that inflation will affect real investment returns. The main risks related to the inflation forecast relate to the dynamics of international prices and the rate of economic growth in Bulgaria. International prices of raw materials and food products may rise more significantly as a result of political crises such as are currently available or an increase in demand. The limited supply of some agricultural goods and especially cereals internationally in connection with adverse climatic events or force majeure circumstances may additionally cause higher inflation in the country.

According to NSI data, according to the consumer price index (CPI), the monthly inflation in March 2023 was 0.5% compared to the previous month, and the annual inflation for March 2023 compared to March 2022 was 14.0%. Year-to-date inflation (March 2023 vs. December 2022) is 2.6%, and average annual inflation for the period April 2022 - March 2023 vs. April 2021 - March 2022 is 16.5%.

According to the Harmonized Index of Consumer Prices (HICP), in March 2023, monthly inflation was 0.6% compared to the previous month, and annual inflation for March 2023 compared to March 2022 was 12.1%. Year-to-date inflation (March 2023 vs. December 2022) is 2.5%, and average annual inflation for the period April 2022 - March 2023 vs. April 2021 - March 2022 is 14.1%.

According to the price index for the small basket in March 2023, an increase of 0.3% on a monthly basis and by 3.0% since the beginning of the year (March 2023 compared to December 2022) was registered.

Source: www.nsi.bg

According to the Macroeconomic Forecast of the BNB from December 2022, annual inflation is expected to slow to 4.2% at the end of 2023 and to 3.3% at the end of 2024. Despite the expected slowdown of inflation at the end of 2023, on average for 2023 it is expected to remain high (7.0%) as, in the near term, pressures on producer prices, including from past increases in commodity prices, tight supply and labor shortages, will continue to weigh on consumer prices.

Source: www.bnb.bg

In general, inflation can affect the amount of the Company's expenses, since part of the company's liabilities are interest-bearing. Their service is linked to the current interest rates, which also reflect the inflation rates in the country. Therefore, the maintenance of low inflation levels in the country is considered a significant factor for the activity of the Eurohold group.

At the present moment and in general, the currency board mechanism provides guarantees that the inflation in the country will remain under control and will not have an adverse impact on the economy of the country, and in particular on the activities of the Company and its group, and from there on its possibility to service its debt positions.

However, the current geopolitical situation in Europe makes the outlook for inflation in the Eurozone very uncertain and depends crucially on the development of the military conflict, the impact of current sanctions and possible further measures.

Given this, users of this Report should carefully consider and account for both current levels of inflation risk and future opportunities for its manifestation.

Currency risk

This risk is related to the possibility of depreciation of the local currency. For Bulgaria specifically, this is a risk of premature rejection of the conditions of the Currency Board at a fixed exchange rate of the national currency, which would lead either to a devaluation of the leva or to an appreciation of the leva compared to foreign currencies. Any significant depreciation of the BGN may have a significant adverse effect on business entities in the country, including the Company. Risk also exists when the income and expenses of a business entity are formed in different currencies.

Given the policy adopted by the government and the BNB, expectations are for the currency board to be retained until the country's admission to the Eurozone. Bulgaria is expected to join the currency mechanism with its existing currency board regime, where the Bulgarian lev is fixed at 1 euro = 1.95583 leva. The National Plan for the introduction of the euro in Bulgaria describes the principles, the institutional and legal-normative framework for the adoption of the euro, as well as the main activities for the successful introduction of the euro from January 1, 2024. The document examines all the important operational activities and measures that participants in the preparation for the introduction of the euro - the private, public sector and citizens - should carry out as part of the process of introducing the euro.

The activity of the Company does not presuppose exposure to significant currency risk, because almost all its operations and transactions are denominated in Bulgarian levs and euros, and the latter has a fixed exchange rate against the lev.

Significant changes in the various exchange rates of subsidiaries outside Bulgaria - operating in Romania, North Macedonia, Ukraine, Georgia and Belarus, Macedonian Denar (MKD), Ukrainian Hryvnia (UAH), Georgian Lari (GEL) and Belarusian Ruble (BYR), whose exchange rate is determined almost freely in the local currency market would have a corresponding reflection in Eurohold's group results. The consolidated revenues of "Eurohold Bulgaria" AD will be exposed to currency risk depending on the movement of these currencies against the euro.

Interest rate risk

Interest rate risk is related to the possibility of a change in the prevailing interest rates in the country. Its impact is expressed by the possibility that the net income of companies may decrease due to an increase in the interest rates at which the Issuer finances its operations. Interest rate risk is included in the category of macroeconomic risks due to the fact that the main prerequisite for a change in interest rates is the occurrence of instability in the financial system as a whole. This risk can be managed through the balanced use of different sources of financial resources.

An increase in interest rates would, all other things being equal, affect the cost of the financial resources used by the Company in implementing various business projects. It may also affect the Company's cost base as a significant portion of the Company's liabilities are interest bearing and their servicing is linked to current interest rates. The current trend is towards gradual increase in interest rates by the Central Banks.

Risk of high levels of unemployment

Unemployment risk is characterised by a fall in labour demand, influenced by real aggregate demand in the economy, resulting in a decline in the real purchasing activity of some economic agents.

High levels of unemployment may seriously threaten economic growth in the country, which in turn may lead to a contraction in consumption and a reduction in the revenues generated by economic entities in the country, including revenues generated by the Company and its subsidiaries.

According to the latest NSI data, the unemployment rate for 2022 is 4.3%, respectively 4.5% for men and 4.0% for women. Compared to 2021, the ratio decreases by 1.0 percentage points. There are 140.4 thousand unemployed persons, of which 78.2 thousand (55.7%) are men and 62.2 thousand (44.3%) are women. The relative share of the long-term unemployed among all the unemployed is 53.8%, and the long-term unemployment rate is 2.3% - respectively 2.3% for men and 2.1% for women.

Source: www.nsi.bg

Risks associated with regulatory changes. Regulatory risk

The Company's results may be impacted by regulatory changes. The Eurohold Group operates in a highly regulated environment in various European countries. The possibility of more radical changes in the regulatory framework, in the interpretation or practice of implementing legislation, and in the divergence of legislation and regulations in Bulgaria and in the countries in which the Company operates and his Group, could have an adverse effect on its business as a whole, its operating results, and its financial condition.

Financial risk

Financial risk represents the additional uncertainty to the investor of receiving revenue in cases where the company uses borrowed or leveraged funds. This additional financial uncertainty adds to the business risk. Where part of the funds with which the company finances its activities are in the form of loans or debt securities, the payments for these funds represent a fixed obligation.

Risk of increased competition

All sectors in which the Eurohold Group subsidiaries operate are characterised by a highly competitive environment. The future success of the Group will depend on the ability of Eurohold and its subsidiaries to remain competitive compared to other companies operating in a given market segment.

c) RISK MANAGEMENT AND MINIMISATION MECHANISMS

The elements outlining the framework for the management of individual risks are directly related to specific procedures for the timely prevention and resolution of potential difficulties in the operations of Eurohold Bulgaria AD. They include ongoing analysis in the following areas:

- market share, pricing policy, market research and market development and market share studies;
- active investment management in different sectors and industries;
- a comprehensive asset and liability management policy for the Company and the Group to optimise the structure, quality and return on assets;
- optimising the structure of funds raised with a view to ensuring liquidity and reducing financial costs across the Group;
- effective cash flow management at group level;
- optimising administration, management and external service costs;
- human resources management

Overall risk management is focused on minimising potential negative effects that could impact the Group's financial performance. Financial risks are identified, measured and monitored on an ongoing basis using various controls to determine appropriate pricing for the services and products offered by Eurohold Group companies and for the borrowed capital raised by them. An adequate assessment of the market circumstances, the borrowed capital, the investments and the forms of maintenance of the free liquid funds is carried out, without allowing unjustified concentration of a given risk.

The occurrence of unforeseen events, incorrect assessment of current trends, as well as a host of other micro- and macroeconomic factors, may affect the judgement of the Company's management team.

INFORMATION ON LARGE RELATED PARTY DEALS IN THE FIRST QUARTER OF 2023.

All transactions concluded with related parties, including material ones, are disclosed in this report and in the Appendices to the interim condensed individual financial statement for the first quarter of 2023

25 April 2023

Kiril Boshov,

***Chairman of the Board and Executive Director of
Eurohold Bulgaria AD***

Assen Minchev,

Executive Director of Eurohold Bulgaria AD

Interim condensed separate statement of profit or loss and other comprehensive income for the first quarter of 2023

	Notes	31.03.2023 BGN '000	31.03.2022 BGN '000
Revenue from operating activities			
Dividend income	3	-	-
Gains from the sale of investments in subsidiaries, transactions with financial instruments and subsequent valuations	4	63	241
Interest income	5	243	78
Other financial revenue	6	1	5
		307	324
Expenses on operating activities			
Interest expenses	7	(6 330)	(5 070)
Losses on sale of investments in subsidiaries, transactions with financial instruments and subsequent valuations	8	(8)	(859)
Other finance expenses	9	(65)	(12)
Hired services expenses	10	(1 060)	(317)
Employee benefits expense		(230)	(205)
Depreciation (Expenses) / Reversal of expenses from impairment of financial assets, net	14.1, 14.2 11	(56) (80)	(132) (306)
		(7 829)	(6 901)
Loss from operating activities		(7 522)	(6 577)
Other revenue/(expenses), net	12	(71)	146
Net Loss		(7 593)	(6 431)
Total comprehensive loss for the year		(7 593)	(6 431)

This interim condensed separate financial statement was approved by the Management Board of Eurohold Bulgaria AD on 25 April 2023.

Prepared by:

Signed on behalf
of BoD:

/Salih Trampov/

/Kiril Boshov/

/Asen Minchev/

The notes from page 37 to page 65 are an integral part of the interim condensed separate financial statements for the first quarter of 2023.

**Interim condensed separate statement of financial position
as of 31 March 2023**

	<i>Notes</i>	31.03.2023 BGN `000	31.12.2022 BGN `000
ASSETS			
Non-current assets			
Investments in subsidiaries	<i>13</i>	651 950	651 950
Property, plant and equipment	<i>14.1</i>	1 156	1 204
Intangible assets	<i>14.2</i>	1	1
		653 107	653 155
Current assets			
Related parties' receivables	<i>15</i>	23 604	23 759
Other receivables	<i>16</i>	16 403	16 460
Cash and cash equivalents	<i>17</i>	108	2 238
		40 115	42 457
TOTAL ASSETS		693 222	695 612

This interim condensed separate financial statement was approved by the Management Board of Eurohold Bulgaria AD on 25 April 2023.

Prepared by:

Signed on behalf
of BoD:

/Salih Trampov/

/Kiril Boshov/

/Asen Minchev/

The notes from page 37 to page 65 are an integral part of the interim condensed separate financial statements for the first quarter of 2023.

**Interim condensed separate statement of financial position
as of 31 March 2023 (continued)**

	<i>Notes</i>	31.03.2023 BGN '000	31.12.2022 BGN '000
EQUITY AND LIABILITIES			
Equity			
Share capital	<i>18.1</i>	260 500	260 500
Share premium	<i>18.2</i>	144 030	144 030
General reserves	<i>18.2</i>	7 641	7 641
(Retained loss) / Retained earnings		(169 569)	(67 422)
Loss for the year		(7 593)	(102 147)
Total equity		235 009	242 602
Subordinated debts	<i>19</i>	8 585	8 580
Non-current liabilities			
Bond liabilities	<i>21</i>	240 909	234 111
Loans and borrowings	<i>20</i>	14 523	16 555
Related parties' liabilities	<i>22</i>	24 097	13 797
Other non-current liabilities	<i>23</i>	1 082	1 141
		280 611	265 604
Current liabilities			
Loans and borrowings	<i>22</i>	153 675	165 124
Bond liabilities	<i>21</i>	3 986	1 571
Related parties' liabilities	<i>25</i>	9 588	9 275
Trade payables	<i>24</i>	518	1 374
Other current liabilities	<i>26</i>	1 250	1 482
		169 017	178 826
Total liabilities and subordinated debts		458 213	453 010
TOTAL EQUITY AND LIABILITIES		693 222	695 612

This interim condensed separate financial statement was approved by the Management Board of Eurohold Bulgaria AD on 25 April 2023.

Prepared by:

Signed on behalf
of BoD:

/Salih Trampov/

/Kiril Boshov/

/Asen Minchev/

The notes from page 37 to page 65 are an integral part of the interim condensed separate financial statements for the first quarter of 2023.

**Interim condensed separate statement of cash flows
for the first quarter of 2023**

	<i>Notes</i>	31.03.2023 BGN '000	31.03.2022 BGN '000
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		(7 593)	(6 431)
Adjusted for:			
Depreciation		56	132
Interest income	5	(243)	(78)
Interest expenses	7	6 330	5 070
(Gains)/ Losses from sale of investments, net		8	641
(Gains)/ Losses from revaluation of investments, net		(63)	(23)
Foreign exchange differences		6	2
(Expenses for)/reintegration of impairment of financial assets, net		80	306
Adjustments in working capital:			
Increase/Decrease in trade and other receivables		454	(2 701)
Increase in trade and other liabilities, other adjustments		(1 068)	(300)
Net cash flows from operating activities		(2 033)	(3 382)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of investments		-	(15 652)
Loans granted		-	(110)
Net cash used by investing activities		-	(15 762)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loans		18 604	183 554
Repayments of loans		(14 139)	(159 321)
Interest and commissions paid		(4 348)	(2 552)
Lease payments		(64)	(128)
Other payments from financing activities		(149)	(1 911)
Net cash generated/(used) by financing activities		(96)	19 642
Net increase/(decrease) in cash and cash equivalents		(2 129)	498
<i>Effect of expected credit losses</i>		<i>(1)</i>	<i>(2)</i>
Cash and cash equivalents at the beginning of the year	17	2 238	115
Cash and cash equivalents at the end of the year	17	108	611

This interim condensed separate financial statement was approved by the Management Board of Eurohold Bulgaria AD on 25 April 2023.

Prepared by: Signed on behalf
of BoD:

/Salih Trampov/

/Kiril Boshov/

/Asen Minchev/

The notes from page 37 to page 65 are an integral part of the interim condensed separate financial statements for the first quarter of 2023.

**Interim condensed separate statement of changes in equity
as of 31 March 2023**

	Share capital	Share premium	General reserves	Retained earnings	Total Equity
	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
Balance as of 1 January 2022	260 500	7 641	144 030	(67 422)	344 749
Loss for the period	-	-	-	(6 431)	(6 431)
Total comprehensive loss for the period	260 500	7 641	144 030	(73 853)	338 318
Balance as of 31 March 2022	260 500	7 641	144 030	(73 853)	338 318
Balance as of 1 January 2023	260 500	144 030	7 641	(169 569)	242 602
Loss for the period	-	-	-	(7 593)	(7 593)
Total comprehensive loss for the period	260 500	144 030	7 641	(177 162)	235 009
Balance as of 31 March 2023	260 500	144 030	7 641	(177 162)	235 009

This interim condensed separate financial statement was approved by the Management Board of Eurohold Bulgaria AD on 25 April 2023.

Prepared by:

Signed on behalf
of BoD:

/Salih Trampov/

/Kiril Boshov/

/Asen Minchev/

The notes from page 37 to page 65 are an integral part of the interim condensed separate financial statements for the first quarter of 2023.

Notes to the annual separate financial statements for the first quarter of 2023

1. Information about the company

Eurohold Bulgaria AD (the Company) is a public joint stock company established pursuant to the provisions of article 122 of the Law for Public Offering of Securities and article 261 of the Commerce Act.

Founded in 1996, Eurohold Bulgaria AD operates in Bulgaria, Northern Macedonia, Ukraine, Georgia and Greece through a large number of subsidiaries in the sectors of insurance, financial services, energy, car sales (until 30.06.2022) and car leasing (until 30.06.2022).

The company is registered in the Sofia City Court under corporate file 14436/2006 and is formed through the merger of Eurohold AD registered under corporate file № 13770/1996 as per the registry of Sofia City Court, and Starcom Holding AD, registered under corporate file № 6333/1995 as per the registry of Sofia City Court.

Eurohold Bulgaria has its seat and registered address in the city of Sofia, P.B. 1592, Iskar Region, 43 Hristofor Kolumb Blvd., UIC 175187337.

The governing bodies of the company are the General Meeting of Shareholders, the Supervisory Board and the Management Board /two-tier system/ comprising the following members as at 31.03.2023:

Supervisory board:

Asen Milkov Christov, Bulgaria – Chairman;
Dimitar Stoyanov Dimitrov, Bulgaria – Deputy Chairman;
Radi Georgiev Georgiev, Bulgaria – Member;
Kustaa Lauri Ayma, Finland – Independent Member;
Ivaylo Krasimirov Angarski, Country: Bulgaria - Independent member;
Louis Gabriel Roman, USA – Independent Member.

Management board:

Kiril Ivanov Boshov, Bulgaria - Chairman, Executive Member;
Asen Mintchev Mintchev, Bulgaria – Executive Member;
Velislav Milkov Hristov, Bulgaria – Member;
Razvan Stefan Lefter, Romania – Member.

As of 31.03.2023 the Company is represented and managed by Kiril Ivanov Boshov and Asen Minchev Minchev, Executive Directors, and Milena Milchova Guentcheva - Procurator, only jointly by the two executive directors or by one executive director and procurator.

The Audit Committee supports the work of the Management Board, monitors and supervises the Company's internal control system, risk management and financial reporting system.

As of 31.03.2023, the Audit Committee of the Company comprises the following members:

Ivan Georgiev Mankov, Bulgaria– Chairman;
Dimitar Stoyanov Dimitrov, Bulgaria – Member;
Rositsa Mihaylova Pencheva, Bulgaria – Member.

The number of employees in the Company as of 31.03.2023 is 26 (31.12.2022: 24 employees).

1.1. Scope of Activities

The scope of activities of Eurohold Bulgaria AD is acquisition, management, assessment and sales of participations in Bulgarian and foreign companies, acquisition, management and sales of bonds, acquisition, assessment and sales of patents, granting patent use licenses to companies in which the company participates, funding companies, in which the Company participates.

1.2. Types of Activities

As a holding company with a main activity of acquisition and management of subsidiaries, Eurohold Bulgaria AD performs mainly financial activities. As a holding company, Eurohold Bulgaria AD does not carry out regular business activities.

The companies in the portfolio of Eurohold Bulgaria operate in the following markets: insurance, energy, automotive, leasing and finance. Investments in the automotive and leasing segment were sold on 30.06.2022.

Insurance and Health Insurance line:

- Insurance services
- Health insurance services
- Life insurance services

Energy line:

- Public supply of electricity according to the Energy Act
- Access and transmission of electricity through the electricity distribution network and connection of new consumers to the electricity distribution network
- Management, maintenance, repair and development of the electricity distribution network, as well as auxiliary facilities and networks and transport of electricity through the network
- Trade in electricity, heat, gaseous fuels and all kinds of other energy sources
- Production, construction and operation of energy systems and sites / parks related to renewable energy sources
- Research, consulting, design, financing and construction of energy sites, supply of energy efficient services, implementation of services under contracts with guaranteed results
- Trade in integrated systems in the field of information and communication technologies, provision of information and technological services, as well as other technical and consulting services.

Financial line:

- Investment intermediation

Automobile line (until 30.06.2022):

- Sales of new cars
- Car repairs

Leasing line (until 30.06.2022):

- Leasing services
- Car rentals

2. Basis for Preparation of the Separate Financial Statements

The interim condensed separate financial statements of Eurohold Bulgaria AD have been prepared in accordance with IAS 34 Interim Financial Reporting, developed and published by the International Accounting Standards Board and adopted by the European Union. It does not contain all the information required to prepare an annual financial statement in accordance with International Financial Reporting Standards (IFRS) and should be read in conjunction with the company's annual financial statements as of 31 December 2022.

This interim condensed financial statement is individual, where investments in subsidiaries are presented at cost.

The Company also prepares consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), developed and published by the International Accounting Standards Board (IAS) and adopted by the European Union (EU), in which investments in subsidiaries are reported and disclosed in accordance with IFRS 10 "Consolidated Financial Statements".

The interim condensed separate financial statements are prepared in Bulgarian levs, which is the functional and reporting currency of the Company. All amounts are presented in thousands of BGN (thousands of BGN) (including comparative information for 2022), unless otherwise stated. As of 1 January 1999, the Bulgarian lev has a fixed exchange rate against the euro: BGN 1.95583 per 1 euro.

These interim condensed separate financial statements have been prepared on a historical cost basis, modified in certain cases by revaluation of certain assets and / or liabilities at their fair value at the date of preparation of the interim separate financial statements, as set out in the relevant notes.

The interim condensed separate financial statements have been prepared in accordance with the going concern principle.

As at the date of preparation of these interim condensed separate financial statements, the management has assessed the ability of the Company to continue its activities as an operating enterprise based on the available information and the foreseeable future. Following the review of the Company's activities, the management expects that the Company will have sufficient financial resources to continue its operational activities in the near future and continues to apply the going concern principle in preparing the interim condensed separate financial statements.

Management believes that the Company is operational and will remain so for the foreseeable future. It has no intention or need to eliminate or make changes beyond its normal course of business.

Eurohold Bulgaria AD as a holding company does not perform regular commercial activity and does not provide financial services.

2.1. Accounting policy

The Company has not made any changes in its accounting policy in connection with the application of new and / or revised IFRS that are effective for the current reporting period, starting on 1 January 2023, because during the period there were no objects or operations that are affected by the changes and amendments to IFRS.

2.1.1. New standards, interpretations and amendments effective 1 January 2022, which are approved for implementation by the EU

The Company applies the following new standards, amendments and interpretations, which came into force this period and are as follows:

- *IFRS 17 "Insurance Contracts" and its amendments effective from 1 January 2023, adopted by the EU.*
- *Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information effective from 1 January 2023 adopted by the EU.*

2.1.2. Documents issued by IASB / IFRIC, which are not endorsed in the EU

At the date of authorisation of these interim condensed separate financial statements, certain new standards, amendments and interpretations to existing standards have been issued, but are not effective or adopted by the EU for the financial year beginning on 1 January 2023 and have not been applied early by the Company. They are not expected to have a material impact on the Company's financial statements. Management anticipates that all relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. A list of the changes in the standards is provided below:

- *Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies effective from 1 January 2023, adopted by the EU.*
- *Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates effective from 1 January 2023, adopted by the EU.*
- *Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction effective from 1 January 2023 adopted by the EU;*
- *Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current effective from not earlier than 1 January 2024 not yet adopted by the EU.*

- *Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback effective not earlier than 1 January 2024 not yet adopted by the EU.*
- *IFRS 14 "Regulatory deferral accounts" effective from 1 January 2016, not adopted by the EU.*

2.1.3. Changes to the approximate estimates

In the course of preparation of the interim condensed separate financial statement the management makes a number of assumptions, estimates and presumptions regarding the recognition and measurement of assets, liabilities, income and expenses.

Actual results may differ from the management's assumptions, estimates and presumptions and, in rare cases, entirely correspond to the previously assessed results.

In the preparation of the current interim condensed separate financial statement presented, the significant judgments of the management in the application of the Company's accounting policies and the main sources of uncertainty of the accounting estimates do not differ from those disclosed in the annual financial statements of the Company as at 31 December 2022.

For the purposes of presenting these interim condensed separate financial statements, reviews for impairment of trade and other receivables have been determined.

2.1.4. Risk management

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

The interim condensed separate financial statement does not include the entire information on risk management and disclosures required in the preparation of annual financial statements and should be read together with the Company's annual financial statements as at 31 December 2022. There were no changes in the risk management policy related to financial instruments during the period.

2.1.5. Other risks – macroeconomic risks

The economic consequences of the military conflict in Ukraine and the unprecedented increase in the price of energy resources in 2022 have had serious price effects on the overall global economy, a substantial rise in inflation and a difficulty in the supply of energy resources. Other manifested effects of the beginning of the hostilities are: a decline in economic growth, an uncertain international environment, problems with gas supplies and a significant increase in gas prices, a surge in prices for trading in electricity, fuels and other petroleum products, difficulties in the supply chain, due to restrictive and logistical problems, strong volatility in stock markets under the pressure of fluctuations in fuel and other basic resource markets, increased interest rates, a shaky banking system, etc.

The company has analyzed, on the basis of the currently available data, the potential effect on its financial position and, in particular, on the models used, according to IFRS 9.

This disclosure complies with the requirements of IFRS 7 and IFRS 9, as well as the recommendations of the European Securities and Markets Authority (ESMA).

Macroeconomic forecast

According to the latest Economic Bulletin of the ECB, no. 8/2022 - The global economy is slowing amid ongoing geopolitical uncertainty, particularly as a result of Russia's unjustified war against Ukraine, and a widespread tightening of financing conditions. As the economic fallout from the war in Ukraine continues to play out and fuel strong inflationary pressures, indicators of consumer and business confidence remain weak, with real disposable incomes falling and rising cost pressures constraining output. The negative economic consequences are expected to be partially mitigated by fiscal policy measures. In the medium term, as the energy market rebalances, uncertainty is expected to decrease and real incomes to improve. As a result, economic growth is expected to pick up, supported by strengthening external demand and the removal of

remaining supply constraints, despite less favorable financing conditions. The labor market is expected to remain relatively resilient in the coming moderate recession. Overall, average annual real GDP growth is expected to slow significantly, from 3.4% in 2022 to 0.5% in 2023, before accelerating to 1.9% in 2024 and to 1.8% in 2025

In the Macroeconomic Forecast of the BNB from December 2022, the expectations for the growth of the real GDP in 2023 is to slow down significantly to 0.4%, which will be determined mostly by the transition from a positive to a negative contribution of the change in stocks in the economy. The growth of economic activity is expected to accelerate to 3.2% in 2024, which will be mainly due to the formation of a low positive contribution of net exports due to the recovery of growth in exports of goods. Annual inflation, measured by the Harmonized Index of Consumer Prices (HICP), is forecast to slow to 4.2% at the end of 2023, with inflation expected to average 7.0% for the year, with short-term pressure on production prices resulting from factors such as realized commodity price increases and supply and labor shortages will continue to weigh on consumer prices. The forecast for inflation at the end of 2024 is for it to slow down to 3.3%, following the downward dynamics of the prices of food and energy raw materials on the international markets.

Source: www.bnb.bg

Eurohold Bulgaria AD strives to monitor the probability of the manifestation of the macroeconomic risk and develops group measures to mitigate as much as possible the impact of the effects that the presence of this risk may have. However, the Holding cannot completely exclude and limit its influence on the business, financial position, profits and cash flows at the group level. There is also the possibility that the occurrence of this risk may exacerbate other risks or a combination of risks.

Effect on economic growth

The table below presents information on the expectations for economic growth of the Republic of Bulgaria, according to the data of the International Monetary Fund (April 2023: <https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>).

	Historical data						Forecast	
	2017	2018	2019	2020	2021	2022	2023	2024
Economic GDP growth	2.8%	2.7%	4.0%	(4.4)%	4.2 %	3.4%	1.4%	3.5%

The table below presents information on the economic growth expectations of the countries of the Eurozone (representing the main external market of the Republic of Bulgaria) according to the data of the International Monetary Fund:

	Historical data						Forecast	
	2017	2018	2019	2020	2021	2022	2023	2024
Economic GDP growth	2.6%	1.9%	1.5%	(6.3)%	5.2%	3.5%	0.7%	1.4%

The Company's management has also analysed the expected economic development of the countries where it operates, as the historical and forecast data from the International Monetary Fund are presented in the table below:

Forecast April 2023	Historical data						Forecast	
	2017	2018	2019	2020	2021	2022	2023	2024
Republic of North Macedonia	1.1%	2.9%	3.9%	(6.1)%	4.0%	2.2%	1.4%	3.6%
Republic of Ukraine	2.4%	3.5%	3.2%	(3.8)%	3.4%	(30.3)%	(3.0)%	...
Republic of Georgia	4.8%	4.8%	5.0%	(6.8)%	10.4%	10.1%	4.0%	5.0%
Hellenic Republic	1.3%	1.6%	1.9%	(8.2)%	8.3%	5.9%	2.6%	1.5%
Republic of Poland	4.8%	5.4%	4.7%	(2.2)%	5.9%	4.9%	0.3%	2.4%
Italy Republic	1.7%	0.9%	0.3%	(8.9)%	6.7%	3.7%	0.7%	0.8%
Kingdom of Spain	3.0%	2.3%	2.1%	(10.8)%	5.1%	5.5%	1.5%	2.0%
United Kingdom	1.7%	1.3%	1.4%	(9.8)%	7.4%	4.0%	(0.3)%	1.0%

As can be seen from the above data, the management takes into account the possible short-term risks on the general development of the economy of the main countries, as in some of the markets the expected reduction of the Gross Domestic Product would be significant, but also takes into account the general expectations for a rapid recovery in the period 2022-2023 with expectations for a return to average projected growth levels prior to the Covid-19 coronavirus pandemic.

Effect on credit ratings

As a result of the expected economic effects of the slowdown in general activity, some rating agencies have downgraded their outlook on long-term debt positions, both in terms of sovereign debt and corporate debt positions. The table below presents information on the credit rating awarded by Fitch to the Republic of Bulgaria and the Company.

	Rating	Outlook
Republic of Bulgaria	BBB+	Positive
Eurohold Bulgaria AD (October 2022)	B+	Stable

The following is information on the change in the credit rating (including the outlook) awarded by **Fitch** with respect to the countries in which the Company has operations:

	Before Covid-19		After Covid-19		After the military actions in Ukraine	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
Republic of North Macedonia	BB+	Stable	BB+	Negative	BB+	Stable
Republic of Ukraine	B	Positive	B	Positive	CC	-
Republic of Georgia	BB	Stable	BB	Stable	BB	Positive
Hellenic Republic	BB	Stable	BB	Stable	BB+	Stable
Republic of Poland	A-	Stable	A-	Stable	A-	Stable
Republic of Italy	BBB	Negative	BBB-	Stable	BBB	Stable
Kingdom of Spain	A-	Stable	A-	Stable	A-	Stable
United Kingdom	AA	Negative	AA-	Stable	AA-	Negative

Management continues to monitor the development of the credit risk for the countries where the Company operates, as well as the main investments (subject to both markets and credit risk).

Analysis of the expected effect on the model of IFRS 9

The Company's management has analysed the expected effect on the overall model of IFRS 9, the results of which are presented in detail below. The focus of the analysis includes:

- The assessment of the deterioration of the credit quality of the counterparties.
- The assessment of the potential effect on the expected credit losses from the exposures to the counterparties.

The general conclusion of the Company's management is that, at the time of issuing this report, no significant deterioration in the credit quality of counterparties due to the war in Russia and Ukraine or the dynamic macroeconomic environment is expected in the short term. Management continues to closely monitor for long-term indications of deterioration.

With respect to the model (including the full and simplified model) for calculating expected credit losses, management believes that no change to the overall model is necessary. The management takes into account the possible short-term risks on the general development of the economy of the main countries in which the Company operates, and in some of the markets the expected reduction of the Gross Domestic Product would be significant, but also takes into account the general expectations for business normalization in 2023, as it is already happening in 2023 with the prices of energy resources.

Since as of 31 March 2023, neither sufficiently reliable macroeconomic statistics nor information on medium-term default probability levels are available, Management has not recalculated/changed the model regarding Expected Credit Losses compared to those as of 31 December 2022.

Military conflict between Ukraine and Russia

There are force majeure circumstances that can affect business activities in all spheres worldwide. This was caused by the military actions taken by Russia and its invasion of the territory of Ukraine.

As a result of the war that started, a number of countries from around the world, including countries from the European Union, took drastic sanctions against Russia, and partially against Belarus, which supports it.

Eurohold Bulgaria owns, through its subsidiary Euroins Insurance Group AD, investments in insurance companies in Ukraine (*Note 13*).

The Company has obligations under bank loans to the International Economic Bank, Russia and the International Bank for Economic Cooperation, Russia (*Note 20*).

Management will continue to monitor the potential impact and will take all possible steps to mitigate the potential effects.

Climate - related matters

Climate change may affect the entity's assets and liabilities in the reporting period or in the future. Changes in legislation resulting from climate issues may be known (e.g. regulations or negotiated commitments to mitigate the effects of pollution) or only anticipated (e.g. potential changes in business models as well as consumer behaviour, commercial counterparties, creditors and investors). They affect the fair value of assets/liabilities regardless of whether the risks or opportunities associated with them are real or perceived.

Consistent with the previous year, as of 31 December 2022, the Company has not identified significant risks caused by climate change that could have a negative and material impact on the Company's financial statements. Management continually assesses the impact of climate-related issues.

Assumptions could change in the future in response to upcoming environmental regulations, new commitments made and changing consumer demand. These changes, if not foreseen, could have an impact on the future cash flows, financial results and financial condition of the Company.

2.1.6. Cash Flows

The interim condensed separate statement of cash flows shows the cash flows for the year in relation to operating, investment and financial activity during the year, the change in cash and cash equivalents for the year, cash and cash equivalents at the beginning and at the end of the year.

The operating cash flows are calculated as a result of the year adjusted with the non-cash operating positions, changes in net turnover capital and corporate tax.

Investment activity cash flows include payments about purchase and sale of fixed assets and cash flows related to the purchase and sale of entities and operations. Purchase and sale of other securities which are not a cash and cash equivalents are also included in the investment activity.

Financial activity cash flows include changes in the amount or composition of share capital and the related costs, the borrowings and the repayment of interest-bearing loans, purchase, and sale of own shares and payment of dividends.

Cash and cash equivalents include bank overdraft, liquidity cash and securities for term less than three months.

3. Dividend income

	31.03.2023	31.03.2022
	<i>BGN'000</i>	<i>BGN'000</i>
Euro-Finance AD	-	-
	-	-

4. Gains from the sale of investments in subsidiaries, transactions with financial instruments and subsequent valuations

	31.03.2023	31.03.2022
	<i>BGN'000</i>	<i>BGN'000</i>
Gains from sale of investments and financial instruments	-	4
Income from revaluation of debt instruments measured at fair value	63	237
	63	241

In the first quarter of 2023

Income from revaluation of debt instruments measured at fair value include:

- BGN 63 thousand gains from the sale of purchased own bonds from the EMTN Program in EUR with ISIN XS1731768302 (*Note 21*).

In the first quarter of 2022

Gains from operations with investments and financial instruments include:

- BGN 4 thousand gains from the sale of other financial instruments.

Income from revaluation of debt instruments measured at fair value include:

- BGN 144 thousand from the revaluation of purchased own bonds from the EMTN Program in EUR with ISIN XS1731768302 (*Note 21*).
- BGN 62 thousand from revaluation of purchased own bonds with ISIN BG2100002224 (*Note 21*).
- BGN 31 thousand from revaluation of other financial instruments.

5. Interest income

	31.03.2023 BGN'000	31.03.2022 BGN'000
Interest income - related party loans	243	78
	243	78

5.1. Interest income on loans to related parties

	31.03.2023 BGN'000	31.03.2022 BGN'000
Euroins Insurance Group AD	243	63
Auto Union AD (related party until 30.06.2022)	-	11
Motobul EAD (related party until 30.06.2022)	-	3
Eurolease Group AD (related party until 30.06.2022)	-	1
	243	78

6. Other financial income

	31.03.2023 BGN'000	31.03.2022 BGN'000
Foreign exchange gains	1	5
	1	5

7. Interest expense

	31.03.2023 BGN'000	31.03.2022 BGN'000
Interest expense – loans and borrowings	3 131	803
Interest expense – bonds EMTN program	1 508	2 940
Interest expense – Bulgarian corporate bonds	1 097	630
Interest expense – related parties' loans and leasing	593	697
Interest expense – third-party loans and leasing	1	-
<i>incl. Leasing</i>	<i>1</i>	<i>-</i>
	6 330	5 070

7.1. Interest expense on borrowings and related parties leasing

	31.03.2023 BGN'000	31.03.2022 BGN'000
Starcom Holding AD - on loans (<i>Note 19, 22, 25</i>)	465	515
IC Euroins AD - on loan agreement of financial instruments (<i>Note 21</i>)	70	62
Euroins Romania Asiguarare – Reasigurare S.A., Romania - on loan agreement of financial instruments (<i>Note 22</i>)	56	48
IC EIG-Re EAD - under an agreement for the transfer of receivables under a loan of financial instruments (<i>Note 21</i>)	2	-
Money Lease EAD (previous name Eurolease Auto EAD, related party until 30.06.2022)	-	55
<i>incl. Leasing</i>	<i>-</i>	<i>1</i>
Euroins Insurance Group AD	-	10
Auto Union AD (related party until 30.06.2022)	-	5
Auto Union Service EOOD (related party until 30.06.2022)	-	2
	593	697

8. Losses on sale of investments in subsidiaries, transactions with financial instruments and subsequent valuations

	31.03.2023	31.03.2022
	<i>BGN'000</i>	<i>BGN'000</i>
Losses on transactions of investments	8	645
<i>inc. Losses on transactions of investments with Euro-Finance AD, a subsidiary</i>	8	75
Losses from revaluation of financial investments	-	214
	8	859

In the first quarter of 2023

Losses from operations with investments and financial instruments include:

- BGN 8 thousand loss from operations with purchased own bonds from EMTN Program in EUR with ISIN XS1731768302 (*Note 21*).

In the first quarter of 2022

Losses from operations with investments and financial instruments include:

- BGN 485 thousand loss from operations with purchased own bonds with ISIN BG2100002224 (*Note 21*);
- BGN 85 thousand loss from operations with other financial instruments;
- BGN 75 thousand in fees and commissions for services of an investment intermediary intermediary Euro-Finance AD, subsidiary.

Losses from revaluations of financial instruments include:

- BGN 201 thousand from the revaluation of purchased own bonds from the EMTN Program in EUR with ISIN XS1731768302 (*Note 21*).
- BGN 10 thousand from revaluation of repurchased own European Commercial Papers (ECP) with ISIN: XS2430057443 (*Note 20*).
- BGN 3 thousand from revaluation of other financial instruments.

9. Other financial expenses

	31.03.2023	31.03.2022
	<i>BGN'000</i>	<i>BGN'000</i>
Bank fees related to loans	55	-
Loss from changes in exchange rates	7	7
Other finance expenses	3	5
<i>including Other finance expenses with Euro-Finance AD, a subsidiary</i>	-	1
	65	12

10. Hired services expenses

		31.03.2023	31.03.2022
	<i>Note</i>	<i>BGN'000</i>	<i>BGN'000</i>
Hired services expenses		848	298
Hired services expenses – related parties	<i>10.1</i>	212	19
		1 060	317

10.1. Hired services expenses - related parties

	31.03.2023 <i>BGN'000</i>	31.03.2022 <i>BGN'000</i>
IC Euroins AD – insurance services	212	18
Auto Italia EAD (related party until 30.06.2022) – other services	-	1
	212	19

11. (Accrued) / Recoverable impairment loss on financial assets, net

	31.03.2023 <i>BGN'000</i>	31.03.2022 <i>BGN'000</i>
Recoverable loss from impairment of financial assets	13	15
Accrued loss from impairment of financial assets	(93)	(321)
	(80)	(306)

12. Other revenue/(expenses), net

	31.03.2023 <i>BGN'000</i>	31.03.2022 <i>BGN'000</i>
Other (expenses)	(76)	(46)
Other (expenses) – related parties	-	(2)
(Interest expenses) on right-of-use assets	(12)	(14)
Other revenue, incl.	2	134
<i>Rent income (sublease of right-of-use assets)</i>	-	8
<i>Revenues from discounts (on right-of-use assets)</i>	-	13
<i>Other</i>	2	-
Other revenue – related parties, incl.	15	74
<i>Rent income (sublease of right-of-use assets)</i>	-	60
	(71)	146

12.1. Other expenses – related parties

	31.03.2023 <i>BGN'000</i>	31.03.2022 <i>BGN'000</i>
IC Euroins AD	-	-
Motobul EAD (related party until 30.06.2022)	-	2
	-	2

12.2. Other revenue – related parties

	31.03.2023 <i>BGN'000</i>	31.03.2022 <i>BGN'000</i>
IC Euroins AD	3	3
Euroins Romania Asiguarare – Reasigurare S.A., Romania	12	11
Hanson Asset Management Ltd, UK - office rental	-	60
	15	74

13. Investments in subsidiaries

	Net value as of 01.01.2023	Increase	Decrease	Net value as of 31.03.2023	Share capital of the subsidiary	% interests in subsidiaries
	<i>BGN'000</i>	<i>BGN'000</i>	<i>BGN'000</i>	<i>BGN'000</i>	<i>BGN'000</i>	<i>%</i>
Euroins Insurance Group AD	471 100	-	-	471 100	576 243	90.10%
Eastern European Electric Company II B.V.	156 185	-	-	156 185	4	100.00%
Euro-Finance AD	24 645	-	-	24 645	14 100	99.99%
Electrohold Green EOOD	20	-	-	20	20	100.00%
	651 950	-	-	651 950		

The subject of activity of the subsidiaries is as follows:

- o Euroins Insurance Group AD - acquisition, management, evaluation and sale of participations in Bulgarian and foreign companies. The company is active in Bulgaria, Northern Macedonia, Ukraine and Georgia. Euroins Insurance AD, part of Euroins Insurance Group AD, operates on the principle of Freedom of Services in the following Member States of the European Union: Republic of Poland; Republic of Italy; Kingdom of Spain; Germany; Kingdom of the Netherlands. Business area - insurance market.
- o Eastern European Electric Company II BV, the Netherlands - acquisition and management of energy market companies;
- o Euro-Finance AD - Providing and performing investment services and activities in the country and abroad. Business direction - Investment intermediation and asset management - Bulgaria;
- o Electrohold Green EOOD - consulting and investment activities, construction and maintenance of photovoltaic power plants, trade in solar panels and accessories, real estate transactions. As of 31.03.2023, the company did not performed any activity.

In the first quarter of 2023

Euroins Insurance Group AD

On 10 February 2023, Eurohold Bulgaria informed the public about illegal actions of employees of the Romanian insurance supervision against the Romanian insurance company "Euroins Romania Asigurare-Reasigurare" S.A. (Euroins Romania) part of the group. Eurohold has informed the FSC and a number of competent state and international bodies and institutions about these actions. On the website of Eurohold Bulgaria AD, in the news section (www.eurohold.bg), the information published by the company can be followed, as well as the subsequent actions and measures taken.

On 17 February 2023, the management of Eurohold Bulgaria AD informed the public (news section of www.eurohold.bg) that despite its disagreement with the actions of insurance supervision officials in Romania against the local division of Euroins in order to protect the company from more further regulatory overpressure, Euroins Romania concluded a new reinsurance contract with the group's reinsurer - ZD EIG Re EAD (EIG Re). This contract guarantees the payment of all claims of the Romanian insurer and ensures the transfer of a significant part (87%) of the risk in its portfolio outside the company, thereby retroceded to leading European reinsurers.

On 17 March 2023, the Romanian financial regulator (Autoritatea de Supraveghere Financiară) revokes the insurance activity license of Euroins Romania Insurance - Reinsurance S.A., a subsidiary of Euroins Insurance Group AD. The regulator's decision also includes the opening of bankruptcy proceedings and the appointment of the Insurance Guarantee Fund (Fondul de Garantare a Uzumedilor) as a temporary administrator of the company.

The management of Eurohold Bulgaria AD, a majority shareholder in Euroins Insurance Group AD, made a statement that, apart from Euroins Romania, all other subsidiaries and businesses of the Eurohold Group, including insurance, are operating and will continue to operate as usual and without any problems, serving their customers and duties and executing their business plans for the year.

On 21 March 2023, Eurohold requested the return of the license to Euroins Romania. At a press conference in Bucharest, the holding warned that the ASF's decision to revoke the license and request for bankruptcy leads to the termination of all reinsurance contracts of the Romanian company, as a result of which all damages and claims will have to be paid by the Guarantee Fund (this condition is basic and standard for each reinsurance contract).

	Net value as of 01.01.2022	Increase	Decrease	Net value as of 31.12.2022	Share capital of the subsidiary	% interests in subsidiaries
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	%
Euroins Insurance Group AD	523 815	-	(52 715)	471 100	576 243	90.10%
Eastern European Electric Company II B.V.	141 995	14 190	-	156 185	4	100.00%
Euro-Finance AD	24 645	-	-	24 645	14 100	99.99%
Electrohold Green EOOD	-	20	-	20	20	100.00%
Avto Union AD	2 003	-	(2 003)	-	40 004	-
Eurolease Group AD	24 635	-	(24 635)	-	27 241	-
Daru Invest EAD	-	11 740	(11 740)	-	11 740	-
	717 093	25 950	(91 093)	651 950		

2022

Euroins Insurance Group AD

In connection with the termination of the license of the Romanian subsidiary of Euroins Insurance Group AD on 17 March 2023 and based on the review of the report of the independent licensed appraisers (as of 31 December 2022, the recoverable amount determined by the appraisers is BGN 478 661 thousand), the management of Eurohold Bulgaria AD has reviewed the appraisers' report and has noted the possibility of hidden effects in relation to the revocation of the license of Euroins Romania Insurance - Reinsurance S.A. and the potential violations of the synergy in the EIG group, maintaining its conservative approach in the assessment of assets, considered that the investment in Romania should be depreciated to the value of the company's reputation in the amount of BGN 52 715 thousand. As a result, in 2022, a depreciation expense of investments in subsidiaries was reported in the amount of BGN 52 715 thousand, and the net value of the investment as of 31.12.2022 was in the amount of BGN 471 100 thousand.

At the end of 2022, Euroins Insurance Group AD sold its investments in Belarus (subsidiary) and Russia (associate).

Eastern European Electric Company II B.V.

In 2022, Eurohold Bulgaria AD increased the capital "Eastern European Electric Company II" B.V. according to the applicable provisions of the Dutch legislation - by means of cash contributions with a total amount of EUR 7 255 thousand without the issue of units, the contributions being transferred to a premium reserve.

Electrohold Green Ltd

On 23.05.2022, the Board of Directors of Eurohold Bulgaria AD decided to establish a subsidiary Electrohold Green EOOD with a capital of BGN 20 thousand, divided into 20 equal shares of BGN 1 000 each. As of 31.12.2022, the company has not performed any activity.

Auto Union AD

With the Share Sale and Purchase Agreement dated 30.06.2022, the ownership of the 80 001 shares owned by Eurohold Bulgaria AD was transferred to a third party. The shares are available, registered, non-privileged and represented 99.99% of the capital of Auto Union AD. As a result of the transaction, Eurohold Bulgaria AD reports a profit from the sale of investments in subsidiaries in the amount of BGN 97 thousand.

Eurolease Group AD

With the Share Purchase Agreement dated 30.06.2022, the ownership of 510 861 shares owned by Eurohold Bulgaria AD was transferred to a third party. The shares are available, registered, non-privileged shares and represented 90.01% of the capital of Eurolease Group AD. As a result of the transaction, Eurohold Bulgaria AD reports a loss from the sale of investments in subsidiaries in the amount of BGN 13 465 thousand.

Daru Invest EAD

On 24.02.2022, the Board of directors of Eurohold Bulgaria AD decides to establish a company Daru Invest EAD with a capital of BGN 11 740 000 distributed in 11 740 000 available, registered, non-privileged voting shares, with nominal and issue value from BGN 1 each.

On 22.03.2022, a contract was concluded for the sale of shares of Daru Invest EAD, which finalized the sale of 100% of the capital of Daru Invest EAD.

Impairment of investments in subsidiaries

As of 31.03.2023, the Company has performed an analysis and assessment for existing indications of impairment of investments in subsidiaries.

The analysis and assessment are on an individual and/or consolidated basis of the subsidiaries. The changes in the financial position and the results compared to the comparative reporting period of the subsidiaries are examined. The main indicators of impairment are: a significant reduction in the volume or suspension of the activity of the subsidiary company/group; loss of markets, customers or technological problems, trends in the deterioration of fundamental financial indicators, as well as a decrease in market capitalization.

The performed analysis and assessment did not find any indications of impairment of investments in subsidiaries as of 31.03.2023.

14. Fixed assets

14.1. Property, machinery and equipment, right-of-use

	Right-of-use assets – Properties BGN'000	Vehicles BGN'000	Equipment BGN'000	Total BGN'000
Cost:				
As of 1 January 2022	3 137	244	82	3 463
Additions	-	43	-	43
Disposals	(1 378)	-	-	(1 378)
As of 31 December 2022	1 759	287	82	2 128
Additions	-	-	8	8
Disposals	-	-	(2)	(2)
As of 31 March 2023	1 759	287	88	2 134
Depreciation:				
As of 1 January 2022	1 761	171	79	2 011
Accrued depreciation	249	40	2	291
Other changes	(1 378)	-	-	(1 378)
As of 31 December 2022	632	211	81	924
Accrued depreciation	44	11	1	56
Disposals	-	-	(2)	(2)
As of 31 March 2023	676	222	80	978
Net book value:				
As of 1 January 2022	1 376	73	3	1 452
As of 31 December 2022	1 127	76	1	1 204
As of 31 March 2023	1 083	65	8	1 156

There are no pledged tangible fixed assets as collateral for existing liabilities as of 31 March 2023 and 31 December 2022.

14.2. Intangible assets

	Software BGN'000
Cost:	
As of 1 January 2022	21
Additions	2
As of 31 December 2022	23
Additions	-
As of 31 March 2023	23
Depreciation:	
As of 1 January 2022	18
Accrued depreciation	4
As of 31 December 2022	22
Accrued depreciation	-
As of 31 March 2023	22
Net book value:	
As of 1 January 2022	3
As of 31 December 2022	1
As of 31 March 2023	1

15. Receivables from related parties – current part

	Note	31.03.2023 BGN'000	31.12.2022 BGN'000
Principals on loans granted	15.1	8 010	8 010
Interests on loans granted	15.2	560	318
Other receivables	15.3	15 034	15 431
		23 604	23 759

15.1. Principals on loans granted

	31.03.2023 BGN'000	31.12.2022 BGN'000
Euroins Insurance Group AD	8 010	8 010

15.2. Interest on loans granted

	31.03.2023 BGN'000	31.12.2022 BGN'000
Euroins Insurance Group AD	563	321
Impairment	(3)	(3)
	560	318

15.3. Other receivables

	31.03.2023	31.12.2022
	<i>BGN'000</i>	<i>BGN'000</i>
Euroins Insurance Group AD	13 200	13 300
Eastern European Electric Company B.V.	1 224	1 224
Eastern European Electric Company II B.V.	850	850
Euroins Romania Asiguarare – Reasigurare S.A., Romania	68	193
IC Euroins AD	4	83
Eastern European Electric Company III B.V.	3	3
Euroins Insurance AD, North Macedonia	2	1
Electrohold Trade EAD	1	1
IC EIG-Re EAD	1	-
Euro-Finance AD	-	1
	15 353	15 656
Impairment	(319)	(225)
	15 034	15 431

The receivable from Euroins Insurance Group AD with a book value of BGN 13 200 thousand as of 31 December 2023 (as of 31.12.2022: BGN 13 300 thousand) includes BGN 13 171 thousand (as of 31.12.2022: BGN 13 271 thousand) receivable under a debt replacement agreement, according to which Eurohold Bulgaria AD received a receivable from Euroins Insurance Group AD against transfer of ownership of 7 375 pcs. repurchased own bonds with ISIN BG2100002224, with a nominal value of EUR 1000 each (*Note 21 and 27*).

Parameters under the contracts for granted loans/cessions to related parties

Creditor	Obliged party	Currency	Contract limit	Principal due 31.03.2023	Principal due 31.12.2022	Interest rate	Maturity date
<i>Borrowing under a loan agreement with related parties:</i>							
Eurohold Bulgaria AD	Euroins Insurance Group AD	BGN	8 010 000	8 010 000	8 010 000	8.00%	08.11.2023
<i>Receipt under a cession agreement with related parties:</i>							
Eurohold Bulgaria AD	Euroins Insurance Group AD	BGN	14 425 523	13 171 064	13 271 064	2.50%	01.01.2024
Total claims on loans/cessions from related parties:				21 281 064	21 281 064		

16. Other receivables

	31.03.2023	31.12.2022
	<i>BGN'000</i>	<i>BGN'000</i>
Receivable under a contract of substitution in debt	18 000	18 000
Tax receivables - VAT	218	217
Debt securities at fair value through profit and loss	7	7
Receivables from customers	42	43
Prepaid expenses, incl:	839	903
<i>Prepaid expenses to related parties – IC Euroins AD</i>	<i>668</i>	<i>781</i>
Other receivables	5	5
	19 111	19 175
Impairment	(2 708)	(2 715)
	16 403	16 460

The receivable under a debt substitution agreement with a balance sheet value of BGN 18 000 thousand (as of 31.12.2022: BGN 18 000 thousand) arose as a result of settling the financial relationship with the assignor by transferring the ownership of 10 681 pcs. repurchased own bonds with ISIN BG2100002224, with a nominal value of EUR 1 000 each. (*Note 21 and 27*).

Parameters under a third-party debt substitution contract:

Creditor	Obligor party	Currency	Contract limit	Principal due 31.03.2023	Principal due 31.12.2022	Maturity date
Eurohold Bulgaria AD	An unrelated third party	BGN	21 000 000	18 000 000	18 000 000	unlimited

17. Cash and cash equivalents

	31.03.2023	31.12.2022
	<i>BGN'000</i>	<i>BGN'000</i>
Cash at banks	92	126
Cash in hand	17	22
Blocked funds in a special purpose account in connection with a contract with a credit institution	-	2 098
	109	2 246
Impairment	(1)	(8)
	108	2 238

18. Share capital and reserves

18.1. Share capital

The registered share capital of the Company consists of 260,500,000 ordinary shares with a nominal value of BGN 1 per share. All shares have the right to receive a dividend and a liquidation share and represent one vote at the general meeting of the Company's shareholders.

	31.03.2023	31.12.2022
	<i>Number of shares</i>	<i>Number of shares</i>
Registered capital at the beginning of the year	260 500 000	260 500 000
Issue of shares during the year	-	-
Registered capital at the end of the year	260 500 000	260 500 000

As of 31.12.2022 the share capital is distributed as follows:

Shareholders	% Participation in the share capital	Number of shares /voting rights/	Par value BGN
Starcom Holding AD	50.08%	130 454 157	130 454 157
KJK Fund II Sicav-Sif Balkan Discovery	10.79%	28 116 873	28 116 873
Boston Management and Research, through the following funds managed by him: Global Opportunities Portfolio, Global Macro Portfolio, Global Macro Absolute Return Advantage Portfolio, Global Macro Capital Opportunities Portfolio.	8.80%	22 926 240	22 926 240
SLS Holding AD	7.13%	18 568 928	18 568 928
Other legal entities	21.54%	56 113 741	56 113 741
Other individuals	1.66%	4 320 061	4 320 061
Total	100.00%	260 500 000	260 500 000

18.2. Reserves

	31.03.2023	31.12.2022
	<i>BGN'000</i>	<i>BGN'000</i>
Share premium	144 030	144 030
General reserves	7 641	7 641
	151 671	151 671

19. Subordinated debts

	31.03.2023	31.12.2022
	<i>BGN'000</i>	<i>BGN'000</i>
Subordinated debt instruments, not issued, tier 1 capital	8 585	8 580
	8 585	8 580

The subordinated debt has no fixed maturity and the lender - Starcom Holding AD cannot demand its repayment, regardless of whether there is a case of default under the agreement. Eurohold Bulgaria AD has the right (but is not obligated) to pay amounts from the principal of the loan corresponding to each consecutively received tranche after the expiration of 5 years from the date of receipt of the corresponding tranche. Premature demandability of the principal amount of the subordinated debt is not allowed, except in cases of liquidation or bankruptcy, after payment of the amounts due to all privileged creditors, as well as to all other unsecured creditors.

The interest payable under the contract dated 12.08.2021 is in the amount of 5% on an annual basis on the borrowed sums of money for the period of their actual use. The interest due under the contract from 29.11.2022 is in the amount of 6% + 3M EURIBOR on an annual basis on the borrowed sums of money for the period of their actual use.

20. Loans and borrowings

Non-current loans and borrowings

	31.03.2023	31.12.2022
	<i>BGN'000</i>	<i>BGN'000</i>
International Investment Bank	14 523	16 555
	14 523	16 555

Current loans and borrowings

	31.03.2023	31.12.2022
	<i>BGN'000</i>	<i>BGN'000</i>
JP Morgan SE	70 799	78 632
European Commercial Papers (ECP)	57 736	57 385
International Bank for Economic Co-operation	19 769	23 728
International Investment Bank	5 371	5 379
	153 675	165 124

Raised funds from financial institutions

Bank	Type	Currency	Contract limit	Principal as of 31.12.2022	Principal as of 31.12.2021	Interest rate	Maturity date	Security
International Investment Bank	Loan - Principal	EUR	10 000 000 €	3 850 000 €	4 620 000 €	6.0% + 3m EURIBOR	03.2025	Pledge on subsidiary shares
International Investment Bank	Loan - Principal	EUR	7 000 000 €	6 192 308 €	6 461 538 €	5.0% + 3m EURIBOR	01.2029	Pledge on subsidiary shares. Insurance.
International Bank for Economic Co-operation	Loan - Principal	EUR	20 000 000 €	10 000 000 €	12 000 000 €	6.5%	07.2023	Pledge on subsidiary shares
JP Morgan SE	Loan - Principal	EUR	40 000 000 €	35 999 990 €	40 000 000 €	8.75% + 3m EURIBOR	06.2023	Pledge on subsidiary shares. Insurance.

The unutilized amount of the loan from the International Bank for Economic Co-operation as of 31.03.2023 amounts to EUR 5 million (31.12.2022 – EUR 5 million).

European Commercial Papers (ECP)

As of 31.03.2023, European Commercial Papers (ECP) consists of:

- ISIN XS2430057443, with a maturity 12.2023, an annual interest rate – 2.5% and a par value of EUR 27 500 thousand.
- ISIN XS2491929290, with a maturity 06.2023, an annual interest rate – 1.5% and a par value of EUR 2 500 thousand.

As of 31.12.2022, European Commercial Papers (ECP) consists of:

- ISIN XS2565406654, with a maturity 12.2023, an annual interest rate - 2.5% and a par value of EUR 27 500 thousand.
- ISIN XS2491929290, with a maturity 06.2023, an annual interest rate – 1.5% and a par value of EUR 2 500 thousand.

In the first quarter of 2022

- The company performed transactions on the sale of the European Commercial Papers (ECP) from an issue with ISIN XS2430057443 worth EUR 27 500 thousand, as a result of which losses from operations with investments and financial instruments in the amount of BGN 10 thousand (*Note 8*) were reported.
- The company performed a transaction on the repurchase of the European Commercial Papers (ECP) from an issue with ISIN XS2430057443 in the amount of EUR 1 660 thousand.

21. Bond liabilities

Non - current bond liabilities

	31.03.2023 BGN'000	31.12.2022 BGN'000
EMTN Programme in EUR with ISIN: XS1731768302 - principal	84 470	77 673
EMTN Programme in EUR with ISIN: XS1542984288 – principal	19 558	19 558
Corporate bond with ISIN: BG2100013205 – principal	58 675	58 675
Corporate bond with ISIN: BG2100002224 - principal	78 206	78 205
	240 909	234 111

Current bond liabilities

	31.12.2022 BGN'000	31.12.2021 BGN'000
EMTN Programme in EUR with ISIN: XS1731768302 - interest	2 779	585
EMTN Programme in PLN/EUR with ISIN: XS1542984288 - interest	394	9
Corporate bond with ISIN: BG2100013205 - interest	653	183
Corporate bond with ISIN: BG2100002224 - interest	160	794
	3 986	1 571

Bond liabilities are presented at amortized cost, net of the repurchased own bonds, which are subsequently measured at fair value based on information from Bloomberg / Eurobank and other sources, reflecting the effect on profit or loss for the period.

Information on the terms of the EMTN programs is publicly available on the Irish Stock Exchange website, Bonds section.

As of 31.12.2022, the EMTN program with ISIN XS1731768302 is an extended EMTN program with a maturity date of 07.06.2026, a fixed interest rate of 6.5% (six and a half percent) per annum and an interest payment frequency of once a year in arrears. At the end of 2022, the Company received consent to extend by 42 months the final repayment period of European medium-term notes issued under the European Medium-Term Notes Program (EMTN Programme) and admitted to trading on the Irish Stock Exchange. As of 31.12.2022, the company owns repurchased own securities with a nominal value of EUR 31 000 thousand.

The EMTN program with ISIN: XS1542984288 matures on 29.12.2026, has a fixed interest rate of 8.0% (eight percent) on an annual basis and a frequency of interest payments once a year in arrears. As of 31.12.2021 the EMTN program issue with ISIN: XS1542984288 is a restructured EMTN program with extended maturity date until 29.12.2026, changed currency from PLN to EUR and changed frequency of interest payments from six-month to once a year. As a result of the restructuring in 2021, losses from operations with investments in the amount of BGN 440 thousand were reported (*Note 8*).

Bond loan with ISIN: BG2100013205 in the amount of EUR 30 000 000 was registered by Central Depository AD on 26 November 2020. The issue is the second in a row of ordinary, registered, dematerialized, interest-bearing, secured, non-convertible, freely transferable bonds under the terms of primary private (non-public) placement within the meaning of Art. 205, para. 2 of the CA. The nominal and issue value of each bond is EUR 1 000 (thousand). The maturity date of the issue is 26 November 2027, and the principal is repaid once at maturity date. Interest payments are made every six months, as of the date of registration of the issue (26 November 2020), at a fixed nominal interest rate - 3.25% on an annual basis.

Bond loan with ISIN: BG2100002224 in the amount of EUR 40 000 000 was registered by Central Depository AD on 08 March 2022. The issue is a third corporate, ordinary, registered, dematerialized, interest-bearing, secured, non-convertible, unprivileged and freely transferable bonds under the conditions of initial private (non-public) offering to less than 150 participants - a predetermined circle of investors according to a decision of the Management Board of the public company dated 23 February 2022 - TBI Bank EAD. The nominal and issue value of each bond is EUR 1 000 (thousand). The maturity date of the issue is 8 March 2029, and the principal is repaid once at maturity. The interest payments are every six months, as of the date of registration of the issue (8 March 2022), at a fixed nominal interest rate - 3.25% on an annual basis.

In the first quarter of 2023 the following bond transactions were concluded:

- 4 000 pcs. repurchased own notes with ISIN XS1731768302 were sold.
- Pursuant to an Agreement, a subsidiary of Eurohold Bulgaria AD replace another subsidiary of Eurohold Bulgaria AD in its capacity as a lender under a loan agreement for financial instruments with 2 126 pcs. due from Eurohold Bulgaria AD notes from the EMTN Program in EUR with ISIN XS1731768302 with a total nominal value of EUR 2 126 thousand and unpaid interest in the amount of BGN 91 thousand (*Note 7.1 and 25.1*).

In the first quarter of 2022 the following bond transactions were concluded:

- Under the financial instruments loan agreement were acquired 2 126 pcs. securities under the EMTN Programme in EUR with ISIN XS1731768302, as a result of which the company has reported interest expenses in the amount of BGN 282 thousand (*Note 7.1 and 25.1*).
- Under the financial instruments loan agreement were acquired 1 650 pcs. securities under the EMTN Programme in EUR with ISIN XS1731768302, as a result of which the company has reported interest expenses in the amount of BGN 218 thousand (*Note 7.1 and 25.1*).
- 35 000 pcs. own bonds with ISIN BG2100002224 have bought back and a loss from operations with investments and financial instruments in the amount of BGN 479 thousand was reported (*Note 8*).
-

- Pursuant to the agreement to purchase and sale of financial instruments has transferred the ownership of 20 500 pcs. repurchased own bonds with ISIN BG2100002224, whereby the financial relations with the Assignor under three contracts for transfer of the receivable and the annexation to them are settled (*Note 15.2, 16 and 27*).
- Pursuant to the agreement to purchase and sale of financial instruments has transferred ownership of 5 000 pcs. (acquired) repurchased own bonds with ISIN BG2100002224, which partly settled the financial relationships under the concluded contract for the purchase and sale of Daru Invest EAD (related party until 22.3.2022).
- 10 648 pcs. repurchased own bonds with ISIN BG2100002224 have sold and losses from operations with investments and financial instruments in the amount of BGN 57 thousand (*Note 8*).

22. Non-current liabilities to related parties

	31.03.2023	31.12.2022
	<i>BGN'000</i>	<i>BGN'000</i>
Loans principal		
Starcom Holding AD - loan	24 097	13 797
	24 097	13 797

As of 31.03.2023

- The liability under a loan agreement from Starcom Holding AD is with an annual interest rate of 5.5%, a maturity date 05.05.2025 and a contractual limit of BGN 30 million.

As of 31.12.2022

- The liability under a loan agreement from Starcom Holding AD is with an annual interest rate of 5.5%, a maturity date 05.05.2025 and a contractual limit of BGN 22 million.

23. Other non-current liabilities

	31.03.2023	31.12.2022
	<i>BGN'000</i>	<i>BGN'000</i>
Retirement benefit obligations	35	35
Lease liabilities	1 047	1 106
	1 082	1 141

24. Trade liabilities

	31.03.2023	31.12.2022
	<i>BGN'000</i>	<i>BGN'000</i>
Payables to suppliers	518	1 374
	518	1 374

25. Current liabilities to related parties

25.1. Current borrowings – principal

	31.03.2023	31.12.2022
	<i>BGN'000</i>	<i>BGN'000</i>
IC EIG-Re EAD	4 158	-
Euroins Romania Asiguarare – Reasigurare S.A., Romania	3 227	3 227
IC Euroins AD	-	4 158
	7 385	7 385

As of 31.03.2023

- The liability under an agreement with IC EIG-Re EAD for the transfer of receivables under a financial instruments loan agreement is with an annual interest rate of 7.0% and maturity date 05.12.2023 (*Note 7.1, 21*).
- The liability under loan agreement with Euroins Romania Asiguarare – Reasigurare S.A. for financial instruments is with an annual interest rate of 7.0% and maturity date 05.12.2023 (*Note 7.1, 21*).

As of 31.12.2022

- The liability under loan agreement with Euroins Romania Asiguarare – Reasigurare S.A. for financial instruments is with an annual interest rate of 7.0% and maturity date 05.12.2023 (*Note 7.1, 21*).
- The liability under loan agreement with IC Euroins AD for financial instruments is with an annual interest rate of 7.0% and maturity date 05.12.2023 (*Note 7.1, 21*).

25.2. Interest payables

	31.03.2023 BGN'000	31.12.2022 BGN'000
Starcom Holding AD (<i>Notes 7.1, 19 and 22</i>)	750	290
IC EIG-Re EAD - interest under agreement for the transfer of receivables under financial instruments loan agreement (<i>Notes 7.1, 21 and 25.1</i>)	93	-
Euroins Romania Asiguarare – Reasigurare S.A., Romania - interest under financial instruments loan agreement (<i>Notes 7.1, 21 and 25.1</i>).	274	218
IC Euroins AD - interest under financial instruments loan agreement (<i>Notes 7.1, 21 and 25.1</i>).	-	282
	1 117	790

25.3. Other payables

	31.03.2023 BGN'000	31.12.2022 BGN'000
Euroins Romania Asiguarare – Reasigurare S.A., Romania	899	910
IC Euroins AD	152	155
IC Euroins Life AD	30	30
IC EIG-Re EAD	5	5
	1 086	1 100

As of 31.03.2023

The company has other obligations to the following related parties:

- BGN 910 thousand liabilities to Euroins Romania Asiguarare – Reasigurare S.A., Romania under swap agreement for BGN 895 thousand and trade payables – BGN 4 thousand.
- BGN 152 thousand liabilities to IC Euroins AD under swap agreement BGN 151 thousand and trade payables – BGN 1 thousand.
- BGN 30 thousand liabilities to IC Euroins Life AD under swap agreement.
- BGN 5 thousand liabilities to IC EIG RE EAD under swap agreement.

As of 31.12.2022

The main liabilities of the Company to related parties are:

- BGN 910 thousand liabilities to Euroins Romania Asiguarare – Reasigurare S.A., Romania under swap agreement for BGN 895 thousand and trade payables – BGN 15 thousand.
- BGN 155 thousand liabilities to IC Euroins AD under swap agreement BGN 151 thousand and trade payables – BGN 4 thousand.
- BGN 30 thousand liabilities to IC Euroins Life AD under swap agreement.
- BGN 5 thousand liabilities to IC EIG RE EAD under swap agreement.

26. Other current liabilities

	31.03.2023	31.12.2022
	<i>BGN'000</i>	<i>BGN'000</i>
Interest payables	22	22
Tax payables	107	212
Payables to employees and social security institutions	109	204
Dividends payables	249	249
Dividends payables – related parties – Starcom Holding AD	101	101
Lease liabilities	202	202
Liabilities under contracts for the assignment of receivables	14	14
Other liabilities	446	478
	1 250	1 482

27. Non-cash transactions

During the reporting periods, the Company has concluded the following investment and financial transactions that do not use cash or cash equivalents and are not reflected in the cash flow statement:

In the first quarter of 2023

- Pursuant to an Agreement, a subsidiary of Eurohold Bulgaria AD replace another subsidiary of Eurohold Bulgaria AD in its capacity as a lender under a loan agreement for financial instruments with 2 126 pcs. due from Eurohold Bulgaria AD notes from the EMTN Program in EUR with ISIN XS1731768302 with a total nominal value of EUR 2 126 thousand and unpaid interest in the amount of BGN 91 thousand (*Note 7.1 and 25.1*).

In the first quarter of 2022

- Pursuant to loan agreement for financial instruments with a related party Eurohold Bulgaria AD acquired 2 126 pcs. own securities from the EMTN Program in EUR with ISIN XS1731768302, under which the company has suffered interest amounting to BGN 282 thousand (*Notes 7.1 and 25.1*).
- Pursuant to loan agreement for financial instruments with a related party Eurohold Bulgaria AD acquired 1 650 pcs. own securities from the EMTN Program in EUR with ISIN XS1731768302, under which the company has suffered interest amounting to BGN 218 thousand (*Notes 7.1 and 25.1*).
- Under a Debt replacement agreement, Eurohold Bulgaria AD as a Borrower has assumed a liability in the amount of BGN 14 426 thousand to a subsidiary (related party until 30.06.2022) - Lender and has replaced in debt another subsidiary - Initial Debtor.
- Under a Debt replacement agreement, Eurohold Bulgaria AD as a Borrower has assumed a liability in the amount of BGN 4 782 thousand to a subsidiary (related party until 30.06.2022) - Lender and has replaced in debt another subsidiary (related party until 30.06.2022) - Initial Debtor.
- Under an Assignment notification, Eurohold Bulgaria AD has transferred a liability to a subsidiary (related party until 30.06.2022) in the amount of BGN 4 782 thousand to a third party.

- Under an Assignment notification, Eurohold Bulgaria AD has transferred a liability to a subsidiary (related party until 30.06.2022) in the amount of BGN 14 426 thousand to a third party.
- Under a Set-off agreement with a subsidiary, Eurohold Bulgaria AD has set off a liability in the amount of EUR 2 500 thousand with a receivable in the amount of EUR 96 thousand up to the amount of the receivable.
- Under a Set-off agreement with a third party, Eurohold Bulgaria AD has set off a receivable in the amount of GBP 69 thousand with a liability of GBP 54 thousand up to the amount of the liability
- Under a Receivables transfer agreement, a third party - Assignor has transferred to Eurohold Bulgaria AD - Assignee its receivable from a third company outside the group in the amount of BGN 21 000 thousand (*Note 16*). The financial relations are settled with the transfer to the patrimony of the Assignor a total of 10 681 pcs. repurchased own bonds with ISIN BG2100002224, with a par value of EUR 1 000 each (*Note 21*).
- Under a Receivables transfer agreement, a third party - Assignor has transferred to Eurohold Bulgaria AD - Assignee its receivable from a subsidiary of Eurohold Bulgaria AD in the amount of BGN 14 429 thousand. The financial relations are settled with the transfer to the patrimony of the Assignor a total of 7 375 pcs. repurchased own bonds with ISIN BG2100002224, with a par value of EUR 1 000 each (*Note 21*).
- Under a Receivables transfer agreement, a third party - Assignor has transferred to Eurohold Bulgaria AD - Assignee its receivable from a subsidiary of Eurohold Bulgaria AD in the amount of BGN 4 782 thousand. The financial relations are settled with the transfer to the patrimony of the Assignor a total of 2 444 pcs. repurchased own bonds with ISIN BG2100002224, with a par value of EUR 1 000 each (*Note 21*).
- Under a Set-off agreement with a subsidiary, Eurohold Bulgaria AD has set off a liability in the amount of BGN 55 thousand with a receivable of BGN 42 thousand up to the amount of the receivable.
- Under a Debt replacement agreement, a subsidiary (related party until 30.06.2022) of Eurohold Bulgaria AD as a Borrower has assumed liabilities in the amount of BGN 4 370 thousand to a subsidiary (related party until 30.06.2022) - Lender and has replaced in debt Eurohold Bulgaria AD - Initial Debtor.
- Under a Settlement agreement with a subsidiary (related party until 30.06.2022), Eurohold Bulgaria AD has set off a liability in the amount of BGN 4 370 thousand with a receivable in the amount of BGN 148 thousand up to the amount of the receivable.

28. Contingent, liabilities and commitments

Litigations

As of 31.03.2023, there are no significant lawsuits filed against the Company.

Warranties and provided guarantees

The company is a co-debtor/guarantor for loans received from related parties as follows:

Business area	Third / Related parties	Amount in EUR'000 as of 31.03.2023	Amount in BGN'000 as of 31.03.2023	Amount in EUR'000 as of 31.12.2022	Amount in BGN'000 as of 31.12.2022	MATURITY (EUR'000)					
						2023	2024	2025	2026	2027	after 2027
Energy sub-holding											
Corporate payment guarantee	Related parties	3 500	6 845	3 500	6 845		3 500	-	-	-	-
Working capital loans	Related parties	20 847	40 773	19 238	37 626	20 847	-	-	-	-	-
Corporate guarantee in connection with an acquisition	Related parties	220 000	430 283	220 000	430 283	-	-	-	-	220 000	-
Insurance sub-holding											
Bond loan	Related parties	-	-	10 000	34 622	-	-	-	-	-	-
Parent company											
Bank loans for investment purposes	Related parties	5 000	9 779	5 000	9 779	-	5 000	-	-	-	-
Group of leasing companies*											
For financing leasing activity	Related parties until 30.06.2022	20 549	40 190	21 891	42 815	5 628	6 177	4 445	3 184	1 015	100
Group of automotive companies*											
Working capital loans	Related parties until 30.06.2022	5 487	10 732	4 788	9 365	2 757	523	523	523	418	743
TOTAL:		275 383	538 602	284 417	571 335	29 232	15 200	4 968	3 707	221 433	843

* Eurohold Bulgaria AD is selling the companies from the automotive and leasing segment in 2022. It is expected that the new owners will act as a guarantor for the mentioned loans from banking/financial institutions.

In connection with financing as part of a package deal, a pledge of 35% shares of a subsidiary was established.

In connection with a concluded contract for financing by a financial institution, a pledge of shares of a subsidiary company was established (*Note 20*).

In connection with a loan contract by a credit institution, a pledge of shares of a subsidiary company and a pledge of bonds was established in 12.2022 (*Note 20*).

The company is a guarantor under issued bank guarantees **, as follows:

Company of:	Amount in EUR'000 as of 31.03.2023	Amount in BGN'000 as of 31.103.2023	Amount in EUR'000 as of 31.12.2022	Amount in BGN'000 as of 31.12.2022	MATURITY OF EXPOSURE AS OF 31.03.2023 (EUR'000)
Automotive subholding (related party until 30.6.2022)	2 050	4 009	2 050	4 009	2.2024
Automotive subholding (related party until 30.6.2022)	1 800	3 520	1 800	3 520	4.2023
TOTAL:	3 850	7 529	3 850	7 529	

** Eurohold Bulgaria AD is selling the companies from the automotive and leasing segment in 2022. It is expected that the new owners will act as a guarantor for the mentioned loans from banking/financial institutions.

The liabilities of the Company have guaranteed by related parties are as follows:

Company/ Guarantor	Currency	Guaranteed liability	Guaranteed amount as of 31.12.2022 in original currency	Maturity date
Euroins Insurance Group AD	EUR	Issue of bonds (EMTN programme)	70 000 000	07.2026
Euroins Insurance Group AD	EUR	Issue of bonds (EMTN programme)	10 000 000	12.2026
Euroins Insurance Group AD * Pledge of shares of "Euroins Insurance Group" AD in a subsidiary.	EUR	Bank loan	12 000 000	07.2023
Euroins Insurance Group AD * Pledge of shares of a subsidiary - EEEC II BV.	EUR	Loan from financial institution	36 000 000	06.2023

Established guarantees in favor of the Company:

Company/ Guarantor	Currency	Guaranteed liability	Guaranteed amount as of 31.12.2022 in original currency	Maturity date
Milena Milchova Cuentcheva, Procurator	BGN	Management guarantee	3 330	03.2024 *

*Automatic renewal with 1 year.

29. Transactions and balances with related parties

The conditions under which the transactions were made do not deviate from the market for such transactions.

The related parties of the Company are as follows:

- **Starcom Holding AD, Bulgaria – major shareholder in Eurohold Bulgaria AD.**
- Starcom Finance EAD, Bulgaria - subsidiary of Starcom Holding AD, Bulgaria.
- Quintar Capital Limited, Hong Kong, China - subsidiary of Starcom Holding AD, Bulgaria.
- Hanson Asset Management Ltd, United Kingdom - subsidiary of Starcom Holding AD, Bulgaria.
- Swiss Global Asset Management AG, Switzerland - subsidiary of Starcom Holding AD, Bulgaria since 03.05.2022.
- Solars Energy AD – associate of Starcom Holding AD since October, 2022.
- S Solar EOOD – subsidiary of Solars Energy AD.
- Solaris Holding EAD – subsidiary of Solars Energy AD.
- Solar MS EOOD – subsidiary of Solars Energy AD.

Subsidiaries of Eurohold Bulgaria AD:

- **Euroins Insurance Group AD (EIG) – subsidiary of Eurohold Bulgaria AD;**
- IC Euroins AD, Bulgaria – subsidiary of EIG;
- Euroins Romania Asiguarare – Reasigurare S.A., Romania – subsidiary of EIG– with an appointed temporary manager;
- Euroins Osigurovanje AD, North Macedonia – subsidiary of EIG;
- IC Euroins Life EAD, Bulgaria – subsidiary of EIG;
- IC EIG Re AD, Bulgaria– subsidiary of EIG;
- IC Euroins Ukraine PrAT, Ukraine – subsidiary of EIG;
- Euroins Claims I.K.E., Greece - subsidiary of EIG;
- IC Euroins Georgia JSC, Georgia - subsidiary of EIG;
- European Travel Insurance PrAT, Ukraine - subsidiary of EIG;
- CJSC Insurance company Euroins, Belarus - subsidiary of EIG (former CJSC Insurance company ERGO) until 30.12.2022;
- IC Euroins, Russian Federation - associated of EIG until 30.12.2022;
- **Daru Invest EAD, Bulgaria – subsidiary of Eurohold Bulgaria AD until 22.03.2022;**

- **Avto Union AD (AU), Bulgaria – subsidiary of Eurohold Bulgaria AD until 30.06.2022;**
 - Avto Union Service EOOD, Bulgaria – subsidiary of AU – related party until 30.06.2022;
 - Auto Italia EAD, Bulgaria – subsidiary of AU – related party until 30.06.2022;
 - Bulvaria EOOD, Bulgaria – subsidiary of AU – (previous name Bulvaria Varna EOOD) – related party until 30.06.2022;
 - Bulvaria Sofia EAD, Bulgaria - subsidiary of AU – related party until 30.06.2022;
 - Daru Car AD, Bulgaria – subsidiary of AU – related party until 30.06.2022;
 - Star Motors EOOD, Bulgaria – subsidiary of AU – related party until 11.05.2022;
 - Star Motors DOOEL, North Macedonia through Star Motors EOOD - subsidiary of AU – related party until 11.05.2022;
 - Star Motors SH.P.K., Kosovo through Star Motors EOOD - subsidiary of AU – related party until 11.05.2022;
 - Motohub OOD, Bulgaria - subsidiary of AU – related party until 30.06.2022;
 - Motobul EAD, Bulgaria – subsidiary of AU – related party until 30.06.2022;
 - Benzin Finance EAD, Bulgaria - subsidiary of AU – related party until 30.06.2022;
 - Bopar Pro S.R.L, Romania through Motobul EAD - subsidiary of AU – related party until 30.06.2022;
 - China Motor Company AD, Bulgaria - a subsidiary of AU AD – related party until 30.06.2022;
 - N Auto Sofia EAD, Bulgaria - a subsidiary of AU AD until 02.08.2021.
 - Espas Auto OOD, Bulgaria through N Auto Sofia EAD - a subsidiary of AU AD until 02.08.2021.
 - EA Properties EOOD, Bulgaria through N Auto Sofia EAD - a subsidiary of AU AD until 02.08.2021.

- **Eurolease Group AD (ELG) – subsidiary of Eurohold Bulgaria AD until 30.06.2022;**
 - Money Lease EAD (previous name Eurolease Auto EAD), Bulgaria – subsidiary of ELG – related party until 30.06.2022;
 - Eurolease Auto Romania AD, Romania – subsidiary of ELG – related party until 30.06.2022;
 - Eurolease Auto DOOEL, North Macedonia – subsidiary of ELG – related party until 30.06.2022;
 - Eurolease Rent-a-Car EOOD, Bulgaria – subsidiary of ELG – related party until 30.06.2022;
 - Finacity AD, Bulgaria (previous name Amigo Leasing EAD) – subsidiary of ELG – related party until 30.06.2022;
 - Kazam Bulgaria EAD, Bulgaria (previous name Autoplaza EAD) – subsidiary of ELG – related party until 30.06.2022;
 - Sofia Motors EOOD, Bulgaria – subsidiary of ELG – related party until 30.06.2022;
 - Amigo Finance EOOD, Bulgaria (previous name Mogo Bulgaria EOOD) – subsidiary of ELG from 01.12.2021 – related party until 30.06.2022;

- **Euro-Finance AD – subsidiary of Eurohold Bulgaria AD;**

- **Eastern European Electric Company II B.V, Netherlands - subsidiary of Eurohold Bulgaria AD;**
 - Eastern European Electric Company III BV, Netherlands - a subsidiary of Eastern European Electric Company BV. II, Netherlands.
 - Eastern European Electric Company BV, Netherlands - a subsidiary of Eastern European Electric Company BV. III, Netherlands.
 - Electrodistribution Grid West AD, Bulgaria - a subsidiary of Eastern European Electric Company BV, Netherlands from 27.07.2021.
 - Electrohold Information and Communication Technologies AD, Bulgaria through CEZ Distribution Bulgaria AD – a subsidiary of Eastern European Electric Company BV, Netherlands from 27.07.2021.
 - Electrohold Sales Bulgaria AD, Bulgaria - a subsidiary of Eastern European Electric Company BV, Netherlands from 27.07.2021.
 - Electrohold Bulgaria EAD, Bulgaria - a subsidiary of Eastern European Electric Company BV, Netherlands from 27.07.2021.
 - Electrohold EPS EAD, Bulgaria - through Electrohold Bulgaria EAD, Bulgaria – a subsidiary of Eastern European Electric Company BV, Netherlands. Established in 2022.

- Electrohold Sales Bulgaria AD, Bulgaria - a subsidiary of Eastern European Electric Company BV, Netherlands
- Electrohold Trade EAD - a subsidiary of Eastern European Electric Company BV, Netherlands from 27.07.2021.
- Free Energy Project Oreshets EOOD, Bulgaria - a subsidiary of Eastern European Electric Company BV, Netherlands from 27.07.2021.
- Bara Group EOOD, Bulgaria - a subsidiary of Eastern European Electric Company BV, Netherlands from 27 July 2021.

- **Electrohold Green EOOD, Bulgaria - subsidiary of Eurohold Bulgaria AD – established in 2022.**

29.1. The related parties' transactions

29.1.1. Transactions with subsidiaries and other related parties under common control

In the first quarter of 2023

- o Pursuant to an Agreement, IC EIG-RE EAD replace IC Euroins AD in its capacity as a lender under a loan agreement for financial instruments with 2 126 pcs. due from Eurohold Bulgaria AD securities from the EMTN Program in EUR with ISIN XS1731768302 with a total nominal value of EUR 2 126 thousand and unpaid interest in the amount of BGN 91 thousand (*Note 7.1 and 25.1*).

In the first quarter of 2022

- o Pursuant to the contract for the loan of financial instruments with ZD Euroins AD, 2 126 pcs. securities from the EMTN Program in EUR with ISIN XS1731768302 were acquired from Eurohold Bulgaria AD, as a result of which the company reported interest expenses in the amount of BGN 282 thousand (*Notes 7.1 and 25.1*).
- o Pursuant to the contract for the loan of financial instruments with Euroins Romania Insurance - Reinsurance S.A., 1 650 pcs. securities from the EMTN Program in EUR with ISIN XS1731768302 were acquired from Eurohold Bulgaria AD, as a result of which the company has reported interest expenses in the amount of BGN 218 thousand (*Notes 7.1 and 25.1*).
- o By virtue of a Debt replacement agreement, the Company as a Borrower has assumed a liability in the amount of BGN 14 426 thousand to Avto Union AD (related party until 30.06.2022) - Lender and has replaced Euroins Insurance Group AD - Initial Debtor in debt.
- o In accordance with a Debt replacement agreement, the Company as a Borrower has assumed a liability in the amount of BGN 4 782 thousand to Daru Car EAD (related party until 30.06.2022) - Lender and has replaced in debt Auto Union AD - Initial Debtor.
- o Pursuant to an Assignment Notification, the Company has transferred a liability to Daru Car EAD (related party until 30.06.2022) in the amount of BGN 4 782 thousand to a company outside the group.
- o By virtue of an Assignment Notification, the Company has transferred a liability to Avto Union AD (related party until 30.06.2022) in the amount of BGN 14 426 thousand to a company outside the group.
- o In accordance with a Set-off agreement with the Eastern European Electric Company B.V. Eurohold Bulgaria AD has set off a liability in the amount of EUR 2 500 thousand with a receivable of EUR 96 thousand up to the amount of the receivable.
- o Pursuant to a Set-off agreement with IC EIG-Re AD, Eurohold Bulgaria AD has set off a liability in the amount of BGN 55 thousand with a receivable of BGN 42 thousand up to the amount of the receivable.

- By virtue of a Debt replacement agreement, Eurolease Group AD (related party until 30.06.2022) as a Borrower has assumed liabilities amounting to BGN 4 370 thousand to Eurolease Auto EAD (related party until 30.06.2022) - Lender and has replaced Eurohold Bulgaria AD - Initial Debtor in debt.
- Pursuant to a Set-off agreement with Eurolease Group AD (related party until 30.06.2022), Eurohold Bulgaria AD has set off a liability in the amount of BGN 4 370 thousand with a receivable of BGN 148 thousand up to the amount of the receivable.

The other related parties' transactions for 2022 and 2021 are disclosed in *Notes 3, 5.1, 7.1, 8.1, 9.1, 10.1, 12.1 and 12.2.*

29.1.2. Transactions with key management personnel

The key management personnel of the Company include the members of the Management Board and the Supervisory Board. Remuneration of key management personnel includes the following costs:

	31.03.2023 BGN	31.03.2022 BGN
Short-term remunerations:		
Salaries	88 022	75 828
Social security costs	1 930	1 703
Total short - term remuneration	89 952	77 531

29.1.3. Related party balances at the end of the year

Related party balances are disclosed in *Notes 15, 19, 23, 25 and 26.*

30. Events after the end of the reporting period

There are no other significant events after the date of the reporting period that require additional disclosure or adjustments to the separate financial statements of Eurohold Bulgaria AD as of 31 December 2022.

4

Internal information
31 March 2023

INTERNAL INFORMATION

under Article 7 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse

Eurohold Bulgaria AD publicly discloses inside information pursuant to Article 7 of Regulation (EU) No 596/2014 of the European Parliament and of the Council to the Financial Supervision Authority, the Bulgarian Stock Exchange and the public through the financial media Extra News at the following internet address: www.x3news.com, where the inside information is available at the following link: <http://www.x3news.com/?page=News&uniqid=63d7b765a69b1>

Publicly disclosed internal information can also be found on the website of "Eurohold Bulgaria" AD www.eurohold.bg, where it is available in the "Internal Information" section at the following link: <https://www.eurohold.bg/internal-information-645.html>

The management of Eurohold Bulgaria AD believes that there is no other information that has not been publicly disclosed by it and that would be important to shareholders and investors in making an investment decision.

Kiril Boshov,

Chairman of the Board and Executive Director of Eurohold Bulgaria AD

Assen Minchev,

Executive Director of Eurohold Bulgaria AD

5

Additional information as at 31 March 2023

ADDITIONAL INFORMATION

to the interim condensed individual activity report
for the period 1 January – 31 March 2023

pursuant to REGULATION No. 2 of 9 November 2021 on initial and subsequent disclosure of information in public offerings of securities and admission of securities to trading on a regulated market

1. Information about changes in accounting policies during the reporting period, the reasons for them and how they affect the issuer's financial result and equity

There were no changes in the accounting policies of Eurohold Bulgaria AD during the reporting period.

2. Information about changes in the issuer's group of companies within the meaning of the Accounting Act, if it participates in such a group

For the period of the first quarter of 2023, there were no changes in the group of enterprises of Eurohold Bulgaria AD

3. Information on the results of organizational changes within the issuer, such as reorganization, sale of a group of companies within the meaning of the Accounting Act, in-kind contributions by the company, lease of property, long-term investments, discontinuation of operations

There are no organizational changes within the Eurohold group.

4. An opinion of the governing body on the feasibility of the published forecasts for the current financial year, taking into account the results of the current quarter, as well as information on the factors and circumstances that will affect the achievement of the forecast results at least until the end of the current year

There are no published projections for 2023.

5. Data on the persons directly and indirectly holding at least 5 per cent of the votes in the general meeting at the end of the relevant quarter and the changes in the votes held by the persons for the period from the beginning of the current financial year to the end of the reporting period

	Name	Shares	% of equity
1.	Starcom Holding AD	130 454 157	50.08%
2.	KJK Fund II Sicav-Sif Balkan Discovery	28 116 873	10.79%
3.	Boston Management and Research, through the following funds managed by it: - Global Opportunities Portfolio, - Global Macro Portfolio, - Global Macro Absolute Return Advantage Portfolio, - Global Macro Capital Opportunities Portfolio.	22 926 240	8.80%
4	SLS Holding AD	18 568 928	7.13%

6. Data on the shares held by the issuer's management and control bodies as of the end of the relevant quarter, as well as the changes that occurred for the period from

the beginning of the current financial year to the end of the reporting period for each person separately

	Name	Shares	% of equity
1.	Dimitar Stoyanov Dimitrov	200	-
2.	Assen Emanuilov Asenov	33 930	0,01%
3.	Veleslav Hristov	200	-

7. Information on pending judicial, administrative or arbitration proceedings concerning debts or claims amounting to at least 10 per cent of the issuer's equity capital; if the total value of the issuer's debts or claims in all proceedings exceeds 10 per cent of its equity capital, information shall be provided for each proceeding separately

There is no pending litigation or arbitration relating to the Company or any of its subsidiaries, with a value of the claim of at least 10 per cent of the equity of the Company.

8. Information on loans, guarantees or commitments granted by the issuer or its subsidiary to a person or its subsidiary, including related persons, indicating the nature of the relationship between the issuer and the person, the amount of principal outstanding, the interest rate, the final repayment date, the amount of the commitment, the terms and period of

Transactions with related parties for the reporting period are disclosed in the Appendices to the Interim condensed individual financial report for first quarter of 2023, as well as in the Interim condensed individual report on the activity as of 31 March 2023.

The conditions under which the transactions were carried out do not deviate from the market conditions for such type of transactions.

25 April 2023

Kiril Boshov,

Chairman of the Board and Executive Director of Eurohold Bulgaria AD

Assen Minchev,

Executive Director of Eurohold Bulgaria AD

6

Appendix 4
31 March 2023

APPENDIX 4

to Art. 12, para. 1, point 1, Article 14 and Article 21, point 3, letter "a" and point 4, letter "a" of the REGULATION No. 2 of 9.11.2021 on initial and subsequent disclosure of information in the case of public offer of securities and admission of securities to trading on a regulated market

for the period 1 January - 31 March 2023

- 1. No change in the persons exercising control over the company**
- 2. Opening of insolvency proceedings for the company or its subsidiary and all material stages related to the proceedings**

No insolvency proceedings have been opened for the company or its subsidiary

- 3. Conclusion or execution of material transactions**

All concluded transactions, including material ones, are disclosed in the Appendices to the interim abbreviated individual financial report for first quarter of 2023 and in the Interim Condensed Individual Financial Statement as of 31 March 2023.

- 4. No decision to enter into, terminate or cancel a joint venture agreement**
- 5. No change in the company's auditors and reasons for the change**
- 6. There has been no commencement or termination of any legal or arbitration proceedings relating to the debts or claims of the company or its subsidiary, with a cost of the claim of at least 10 per cent of the equity of the company**
- 7. Purchase, sale or pledge of shares in commercial companies by the issuer or its subsidiary**

» there is no

- 8. Other circumstances that the company believes may be relevant to investors in deciding whether to acquire, sell or continue to hold the publicly offered securities**

All important events for Eurohold Bulgaria AD that occurred during the period of the first quarter of 2023, as well as up to the date of preparation of this document, are disclosed in detail in the Interim Condensed Individual Financial Statement as of March 31, 2023.

25.04.2023

Kiril Boshov,
Chairman of the Board and Executive Director of Eurohold Bulgaria AD

Assen Minchev,
Executive Director of Eurohold Bulgaria AD

7

Declaration of responsible persons

DECLARATION

Article 100n, paragraph 4, item 4 of POSA

The undersigned,

1. Kiril Boshov – Chairman of the Board and Executive Director of Eurohold Bulgaria AD
2. Assen Minchev - Executive Director of Eurohold Bulgaria AD
3. Salih Trampov - Chief Accountant of Eurohold Bulgaria AD (compiler of the financial statements)

WE DECLARE that to the best of our knowledge:

1. The Interim condensed separate financial statements as at 31.03.2023, prepared in accordance with applicable accounting standards, give a true and fair view of the assets and liabilities, financial position and profit or loss of Eurohold Bulgaria AD.;
2. The Interim condensed individual management report as at 31.03.2023 contains a reliable overview of the development and performance of Eurohold Bulgaria AD, as well as a description of the main risks and uncertainties facing the company.

Declarators:

1. Kiril Boshov
2. Assen Minchev
3. Salih Trampov