

Translation from Bulgarian

**ANNUAL SUMMARY
REPORT ON
STATE-OWNED
PUBLIC
ENTERPRISES
FOR 2020**

Sofia, 2021

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ABBREVIATIONS

OECD	Organization for Economic Co-operation and Development
PECA	Public Enterprises and Control Agency
PEA	Public Enterprises Act
IRPEA	Implementing Rules of the Public Enterprises Act
CA	Commerce Act
MH	Ministry of Health
MRDPW	Ministry of Regional Development and Public Works
MoEconomy	Ministry of economy
MTITC	Ministry of Transport, Information Technology and Communications
MAFF	Ministry of Agriculture, Food and Forestry
MD	Ministry of Defence
ME	Ministry of Energy
MC	Ministry of Culture
MYS	Ministry of Youth and Sports
MF	Ministry of Finance
MES	Ministry of Education and Science
MLSP	Ministry of labour and Social Policy
MT	Ministry of Tourism
MJ	Ministry of Justice
MFA	Ministry of Foreign Affairs
MI	Ministry of Interior
MEW	Ministry of Environment and Water

1. INTRODUCTION

The annual summary report on state-owned public enterprises for 2020 has been prepared in accordance with the requirements of Art. 30 of the Public Enterprises Act (PEA) (Promulgated in SG, issue 79/2019) and Art. 22 of the Implementing Rules of the Public Enterprises Act (IRPEA) (Promulgated in SG, issue 40/20).

The adoption and implementation of the PEA and the Implementing Rules of the Public Enterprises Act is an element of the Action Plan adopted by the Government in 2018, including measures in response to the intentions of the Republic of Bulgaria to join the Monetary Mechanism II (ERM II) and the Banking Union. Since the middle of 2020, the Public Enterprises and Control Agency (PECA) together with the Organization for Economic Cooperation and Development (OECD) is implementing the project "Support to the implementation of the reform of state-owned enterprises in Bulgaria" under the Program for Support of Structural Reforms of the European Union. The project aims to support the implementation of the key provisions of the new Public Enterprises Act in accordance with good practices in the management of state-owned enterprises, as well as to contribute to the institutional, administrative, and growth-supporting structural reforms in the country.

As a body designated as a coordination unit in the process of bringing public enterprise management practices in line with the standards of the OECD Guidelines on Corporate Governance of State-Owned Enterprises, APCA prepares an Annual Summary Report on State-Owned Public Enterprises.

The Annual Summary Report on State Public Enterprises for 2020 describes the characteristics of the state portfolio, reviews the results of the activities of state-owned public enterprises during the reporting year and the extent to which corporate governance and disclosure standards are applied. Information on implemented reforms is included. Separately are presented the public enterprises categorized as "large" with achieved results, market share, customer satisfaction surveys, significant events.

The annual report was prepared based on data from the annual reports of public enterprises and with the assistance of public enterprises and bodies exercising state rights, which provided the Public Enterprises and Control Agency with the necessary additional information.

2. STATE PORTFOLIO IN PUBLIC ENTERPRISES

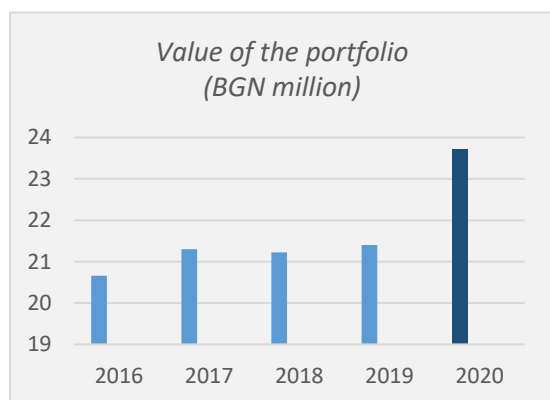
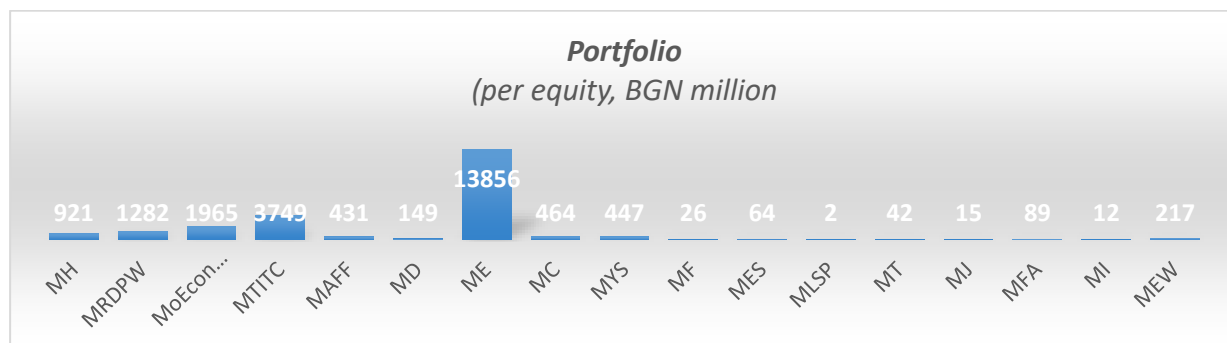
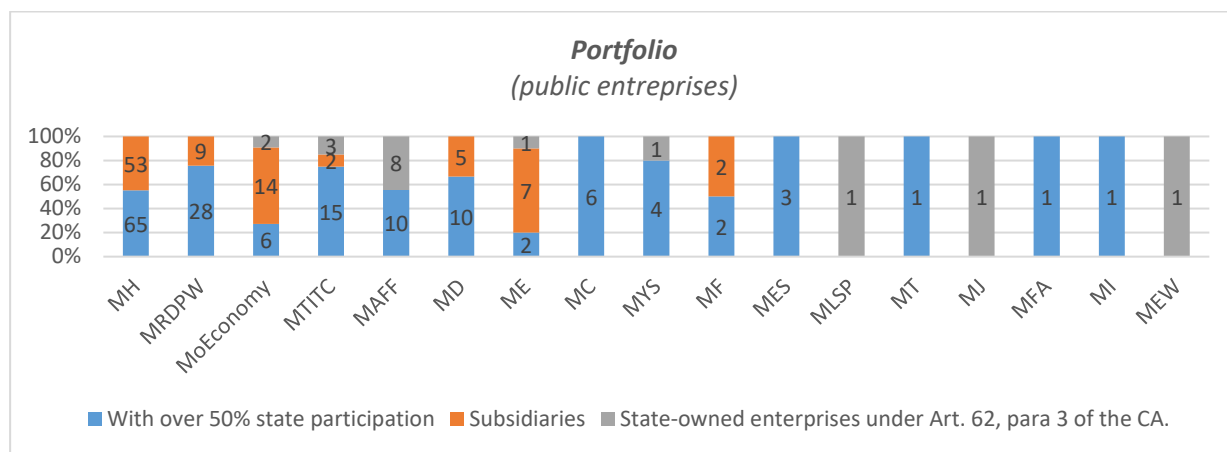
2.1 Overview of the state's portfolio

At the end of 2020, the state exercises a dominant influence in **264** public enterprises, representing commercial companies with over 50 percent state participation in the capital, including their subsidiaries and state enterprises established by special laws pursuant to Art. 62,

para. 3 of the CA. The number of employees in public enterprises is about 127 500 according to the annual financial statements of public enterprises for 2020.

According to the classification of economic activities of the National Statistical Institute by sector the state public enterprises operate in 18 sectors of the economy. The predominant part of them operates as commercial companies - 246 in number. State-owned enterprises within the meaning of Art. 62, para. 3 of the Commercial Law are 18 public enterprises.

According to the criteria in the Accounting Act, 48 public enterprises are categorized as “large”. Of these, according to the legal form, 38 are commercial companies and 10 are state-owned enterprises.



In this report for public enterprises’ valuation, the book value of equity method is used.

The total value of the equity of public enterprises as of 31.12.2020 is BGN 23,730 million and is BGN 2,606 thousand more than the value for 2019. The increase in the value of the equity of the entire portfolio to a large extent is due to the capital of the newly registered company “Bulgarian W&S Holding” EAD (BGN 1 billion).

In the beginning of 2020, the National Assembly has decided to take the necessary measures for the proper functioning of TPP Maritza East 2 EAD, considering that the capital increase is one of the priority measures, the implementation of which will significantly improve the company's financial performance. The Board of Directors of Bulgarian Energy Holding

EAD decided to increase the share capital of the company by BGN 598 million. The amount is received after contribution of liabilities of TPP Maritza East 2 EAD with the same amount to Bulgarian Energy Holding EAD.

By a decision of the Council of Ministers, the debt of “Holding BDZ” EAD to the Ministry of Transport, Information Technology and Communications amounting to BGN 219 million has been transformed into an increase in equity

By a decision of the Minister of Economy has increased the capital of the “State Consolidation Company” EAD by BGN 567 240 - from BGN 891 005 745 to BGN 891 572 985 through a non-monetary contribution, as 567 240 new registered shares have been issued - each entitled by one vote and with a nominal value of BGN 1, which were acquired by the state. The non-monetary contribution paid into the capital is real estate.

2.2 Changes in the government portfolio structure

By order No.1/22.01.2020 of the Council of Ministers *was established the company “Bulgarian W&S Holding” EAD*, Sofia, with a capital of BGN 1 billion and with subject of activity: Acquisition and management of participations of companies from the sector “Water Supply and sewerage”(Water and Sewerage) and companies related to the construction, repair and reconstruction of water and sewerage infrastructure; financing of companies in which the holding company participates; coordination and management of investment activities and infrastructure maintenance activities.

In 2020, permits were issued by the Minister of Regional Development and Public Works (respectively the General Meeting of Partners / Shareholders) for transfer / contribution of the state ownership of the shares / stocks of the capital of 8 W&S companies, through a non-monetary contribution to the capital of “Bulgarian W&S Holding” EAD. Of these, 7 companies have become 100% owned by the holding (Water supply - Danube" Ltd., Razgrad, “Kyustendilska Voda EOOD, Kyustendil, “Water supply and sewerage” Ltd., Haskovo, “Water supply and sewerage – Vidin” Ltd., Vidin, „Water Supply and Sewerage EAD, Burgas, “Water supply and sewerage” Ltd., Plovdiv and “Water supply and sewerage” Ltd., Yambol), and “Water supply and sewerage – Sliven” OOD is with 51% participation of the holding.

By order of the Council of Ministers from 21.07.2020 was established *“Health Investment Company for Children's Hospital” EAD* with the aim to carry out all activities related to the organization and control of the construction and commissioning of a facility of national importance “National Multidisciplinary Children's Hospital”. The company will coordinate and monitor the future construction of the medical institution, with the aim of creating a modern children's medical institution.

The rights of the state will be exercised by the Minister of Health. The company has a capital of BGN 100,000,000, formed by a cash contribution of the state, paid as follows: BGN 30,000,000 - at the time of the company’s registration; BGN 50,000,000 - up to 1 year after the company’s registration; and BGN 20,000,000 - up to 2 years after the company’s registration. The funds needed for the building of a national pediatric hospital are provided in the budget of the Ministry of Health for 2020 and in the Updated Medium-Term Budget Forecast for the period 2020-2022.

By a decision of the Council of Ministers of December 2019 (promulgated on January 10, 2020), Lozenets Hospital was transformed into “**MULTIPROFILE HOSPITAL FOR ACTIVE TREATMENT LOZENETS**” EAD, with a capital amounting to BGN 163,217,354, divided into 163,217,354 registered shares of BGN 1 (one) each. The Minister of Health shall exercise the property rights of the state in the enterprise.

On July 21, 2020, the Law for amendment and Supplement of the State Contingency Reserves and Wartime Stocks Act has been promulgated, with which has been formed the *State-owned enterprise “State Oil Company”, Sofia*, who has the status of a state-owned enterprise within the meaning of Article 62, paragraph 3 of the CA. The Minister of Economy shall exercise the state's property rights in the enterprise. The necessary expenses for starting the activity of the state-owned enterprise have been determined to be at the expense of restructuring the expenses under the budget of the State Reserve and Wartime Stocks State Agency and the Ministry of Economy.

On 01.12.2020, after a decision of the Board of Directors of the “State Consolidation Company” EAD, the merger of “Certification” EOOD was registered in the National Wine and Spirits Research Institute, with which its name is changed to “National Research and Certification Institute”.

There are two companies in the MAFF system – “Agrouslugi” OOD with 99.95% state participation in the capital and Hop Pellet Workshop EOOD with 100% state participation in the capital. According to the information received, the companies are not operating, and the Ministry of Agriculture, Food and Forestry is in the process of planning specific measures to initiate a procedure for declaring them in liquidation.

3. FINANCIAL RESULTS FROM THE ACTIVITY OF PUBLIC ENTERPRISES

3.1 Reporting data

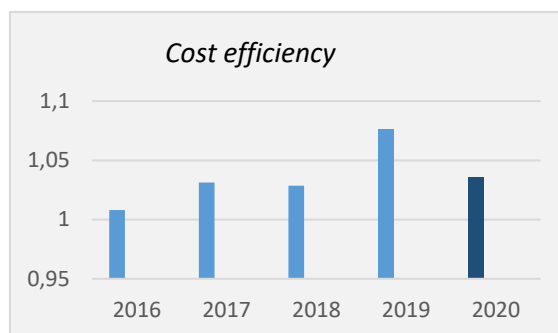
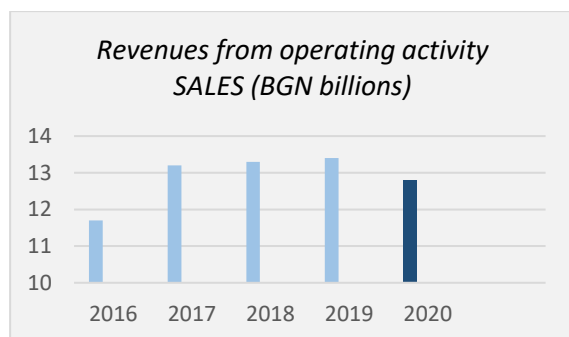
In 2020, public enterprises performed their activities within the existing legal and regulatory framework until the adoption of the Public Enterprises Act. It is forthcoming to be adopted a state policy, which will determine the general strategic goals and planned results for the enterprises, respectively to determine the key indicators for their performance. For these reasons, this report does not monitor the implementation of key financial objectives and the achievement of planned results but aims to review the performance of state-owned public enterprises and disclose to the competent authorities and the public the results of their activities during the reporting period.

This report has been prepared based on information on the activities of enterprises disclosed through an electronic information system for public enterprises and additional data provided by public authorities.

An analysis of 48 public enterprises, categorized as “large”, was made separately for each of them, using the reporting data on the companies’ activities. For the purposes of the report, income and expenses have been taken, not recognizing those components that are

extraordinary, not typical for the implementation of the activity or do not have a real nature of outgoing or incoming cash flow.

To compare the performance of state-owned public enterprises in 2020, the same indicators were used as the indicators in the report for 2019: net debt / equity ratio - from the group among indicators characterizing the capital structure and the return on revenue ratio (ROR) - among the group of indicators characterizing the enterprise's efficiency. For state-owned enterprises, it is the current ratio of the group among indicators characterizing the solvency of the enterprise that is used, and the return on expenses (ROEX) ratio among the group of indicators characterizing the efficiency of the enterprise's activity. The comparison horizon is 5 years - 2016-2020.



Consolidated sales revenues resulting from the operating activities of state-owned public enterprises in the entire state portfolio during 2020 have decreased by 5.6% compared to the previous year. The largest decrease was in the revenues of “Bulgargaz” EAD - from BGN 1 404 million in 2019 to BGN 699 million in 2020. The decrease is due to the lower supply price of natural gas, as well as to a decrease in the quantities sold.

The largest increase in operating income for 2020 compared to 2019 is reported:

✓ “Kintex” EAD from sales of special purpose goods;

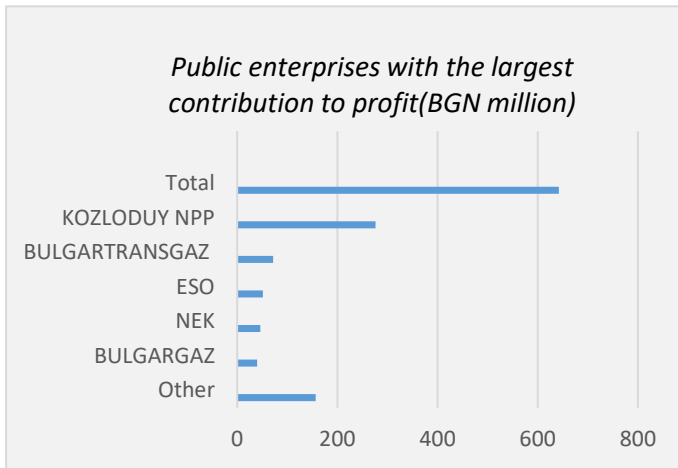
✓ State Enterprise “Bulgarian Sports Totalizer” with 43%, as the income from lottery games have a major contribution;

✓ “Transport Construction and Recovery” EAD from construction and installation works in the field of railway construction;

✓ “Bulgarian Posts” EAD reports revenue from the new service of general economic interest “distribution of printed products”, which is offered from 01.03.2020. Revenues from operating activities for 2020 report an increase of nearly 2 times compared to 2019;

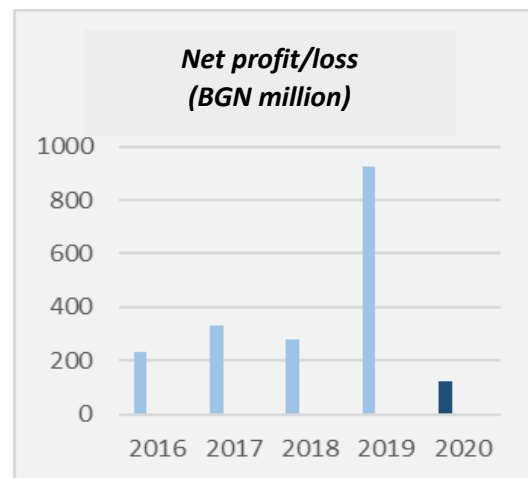
✓ “Avtomagistrali” EAD mainly from the construction of a new Hemus Motorway and from the repair and construction activities of the Trakia, Hemus, Lyulin and Struma Motorways.

Revenues from operating activity	2019	2020
	BGN mill.	BGN mill.
Kintex” EAD	120	227
State Enterprise “Bulgarian Sports Totalizer”	176	252
“Transport Construction and Recovery” EAD	22	174
“Bulgarian Posts” EAD	110	213
“Avtomagistrali” EAD	101	277



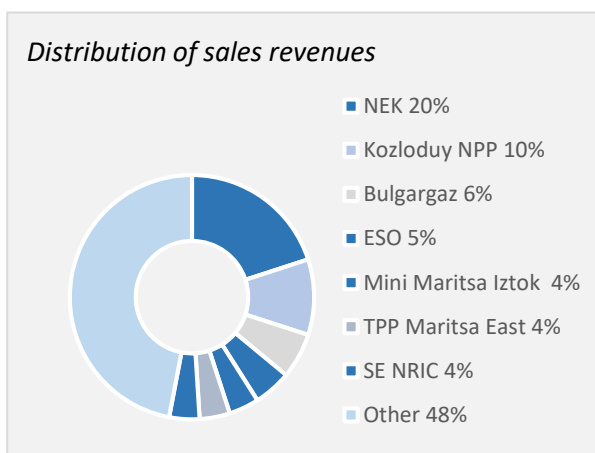
The profit realized by public enterprises in 2020 amounts to a total of BGN 642 million (only from public enterprises reporting profit at the end of the year), with the most significant contribution being made by enterprises in the energy sector - 76%, economy - 11.7%, construction - 6.6%, transport - 1.8% and others - 3.9%.

The decrease in net profit in 2020 compared to 2019 amounts to BGN 768 million. In the energy sector the decrease is from BGN 1,072 million to BGN 488 million, which is due to a sharp decrease in revenues from BGN 8,570 million for 2019 to BGN 6,825 million for 2020 and the expenses of BGN 7 717 million for 2019 to BGN 6,780 million. The economic and financial position of the Group of Bulgarian Energy Holding EAD has a significant impact on the total net profit of public enterprises in 2020.



According to the submitted data as of 31.12.2020 on the individual annual financial statements of the enterprises, including those of the subsidiaries:

- 119 commercial enterprises report a positive financial result for 2020 in the total amount of BGN 1,125 million, including BGN 520 million profit reported by “Kozloduy NPP” EAD;



- 145 enterprises generated a loss during the period, in the total amount of BGN 4,426 million, including “National Electric Company” EAD (- BGN 1 242 million), “TPP Maritsa Iztok 2” EAD (- BGN 1,150 million) and “National Railway Infrastructure Company” EAD (- BGN 635 million).

The consolidated sales revenues of enterprises decreased by 5.6% and the total revenues - by 7.8% compared to the previous year 2019. More than half of the sales

revenues (53%) were realized by the Energy sector. Total expenses decreased by 1.6% and operating expenses of enterprises decreased by 2.5%.

Statement of profit and loss

BGN million	2020	2019	2018
Statement of profit and loss			
Total revenues	12 808	13 892	13 666
Sales revenues	12 568	13 320	13 280
Other revenues	240	571	386
Expenses			
Total expenses	12 777	13 002	13 427
Operating expenses	12 136	12 443	12 973
Other expenses	641	559	454
Net profit/loss	122	890	238

Balance sheet

BGN million	2020	2019	2018
Assets			
Total assets, of which:	45 332	40 285	37 471
Long-term assets	32 340	29 403	28 574
Short-term assets	12 909	10 211	8 272
Cash and cash equivalents	4 054	3 068	3 471
Liabilities			
Total liabilities	21 819	19 161	17 150
Non-current liabilities	12 631	11 787	11 528
Current liabilities	9 387	6 836	5 107
Equity	23 730	21 124	20 320
Total liabilities and equity	45 873	40 285	37 470

3.2 Dividend policy

For each financial year, the Council of Ministers, by its order, determines the dividend policy related to public enterprises in Bulgaria. The consistent and predictable policy regarding dividend contributions implies maintaining the rate over the years, thus aiming at stabilizing the financial position of public enterprises.

In 2020, by Order No. 2/16.06.2020 the Council of Ministers, set the amount of deductions from the profit / dividend for the state of state-owned enterprises and companies with state participation in the capital for the financial year 2019 to be 50% of the profit for all public enterprises. Excluded from the scope of the order are the medical establishments for hospital care, the companies from the sector “Water Supply and Sewerage”, as well as the “State Consolidation Company” EAD and the “National Company Industrial Zones” EAD, about which have been taken into consideration the motives exposed by the Minister of Economy.

The due and paid in 2020 deductions from the profit/dividends from the activity of public enterprises for the financial year 2019 amount to BGN 208 million. The amount includes the set by Order No.2 deductions from the profit / dividends of the public enterprises with state

participation in the capital, of state-owned enterprises, established by special laws under the order of article 62, paragraph 3 of the CA, as well as deductions from the profit / dividends from the activity of the subsidiaries of public enterprises with holding structures. 81% of this amount is formed by the enterprises in “Bulgarian Energy Holding” EAD. In its annual individual activity report as of December 31, 2020, “Bulgarian Energy Holding” EAD reported that the main reason for the decrease in dividend income compared to the previous year is that in 2020 no additional dividend income was reported from part of companies in favor of the holding.

By Order No.1/28.04.2021, amended by Order No. 3/2021 and supplemented by Order No.4/2021, the Council of Ministers determined the amount of deductions from the profit/dividend for the state for the financial year 2020 to be 50% of the profit for all state-owned public enterprises, except for the medical establishments for hospital care and the companies from the “Water supply and sewerage” sector.

The amendment made by Order No.4 allows joint stock companies with state participation in the capital, which are public companies and pay a 6-month dividend under the terms of Article 115c of the Public Offering of Securities Act, to distribute an interim dividend of not less than 50 percent of the profit, according to the 6-month financial statement for the first half of 2021.

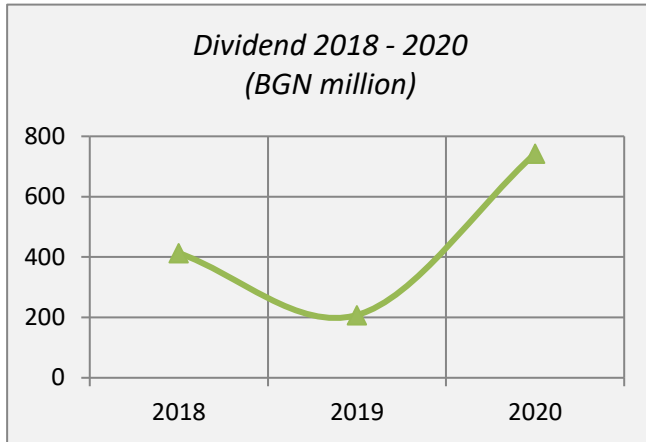
The due deductions from the profit/dividends from the activity of public enterprises for the financial year 2020 amount to BGN 743 million. The amount includes the set by Order No.1 and No.3 from 2021 deductions from the profit / dividends of the public enterprises with state participation in the capital, of state-owned enterprises, established by special laws under the order of article 62, paragraph 3 of the CA, as well as deductions from the profit / dividends from the activity of the subsidiaries of public enterprises with holding structures.

In this amount are included BGN 505 million, which, by decisions of the Board of Directors of “Bulgarian Energy Holding” EAD, have been determined as an additional dividend from “Kozloduy NPP” EAD and “Electricity System Operator” EAD. The dividends due from “Electricity System Operator” EAD and from “Bulgartransgaz” EAD for 2020 have not been paid and have been rescheduled.

Apart from these amounts, according to Order No. 4 of 2021, “Bulgarian Stock Exchange”AD has paid an interim dividend in the amount of not less than 50 percent of the profit, the part for the state amounting to BGN 1.8 million according to the 6-month financial statements for the first half of 2021.

Enterprises in the “Water Supply and Sewerage” sector have been excluded from the scope of the Order of the Council of Ministers for determining and depositing in favor of the state deductions from the profits of state-owned enterprises and companies with state participation in the capital since year 2016.

The reason is that there is a mechanism for re-investment of the dividend of the water supply and sewerage operators for construction and rehabilitation of the water supply and sewerage infrastructure, as a condition for absorption of the European Structural and Investment Funds (ESIF) for water supply and sewerage for the 2014 - 2020 programming period.



Medical Establishments Act).

Healthcare facilities for hospital care form the “Healthcare” sector have also been exempted from paying dividends since 2016. The reason is their extreme dependence on a limited number of funding sources (mainly the National Health Insurance Fund and the Ministry of Health, with a small relative share of own revenues), as well as the existence of a legal ban on commercial transactions, except for medical activities and for patient care (Article 3[4] of the

4. COMPLIANCE OF THE PUBLIC ENTERPRISES’ ACTIVITY WITH THE APPLICABLE STANDARDS FOR CORPORATE GOVERNANCE AND DISCLOSURE

Modern corporate governance contributes to the competitiveness of business and national economies, as well as to sustainable development nationally and internationally. Good corporate governance means loyal and responsible corporate leadership, transparency, and independence, as well as the company's responsibility to stakeholders and society. For many years, Bulgarian companies have complied with the principles and norms of corporate governance established by the CA, the Public Offering of Securities Act, and since 2020 - the Public Enterprises Act and its Implementing Rules.

Public enterprises are subject to mandatory independent financial audit and comply with the requirements of the Accounting Act and the Commercial Act for publishing information that contains:

PRINCIPLES OF EXERCISE OF STATE OWNERSHIP IN PUBLIC ENTERPRISES

- all partners and shareholders shall be treated equally;
- the exercise of state rights in public enterprises shall be carried out in a transparent and accountable manner;
- the State acts as an informed and active owner;
- the State shall allow public enterprises to have operational autonomy to achieve the set objectives and shall refrain from interfering with the operational management of the enterprises;
- where public enterprises combine economic activities and activities in the pursuit of public policy objectives, high standards of transparency and disclosure of revenue and expenditure shall be maintained, relevant to the respective field of activity;
- the access of public enterprises to debt and equity financing of their economic activities shall be carried out at market conditions;
- the members of the management and control bodies in public enterprises shall be selected and appointed through a competitive procedure aimed at the formation of professional and independent management and control bodies.

acquisition of own shares, required by the order of art. 187e of the CA;

- the presence of branches of the enterprise;
- the financial instruments used by the enterprise and, where relevant, for measuring assets, liabilities, financial position and financial performance,
- The entity's exposure regarding price, credit, liquidity and cash flow risk.

They also shall publish information necessary to assess the development, results, the enterprise's position, and its activities' impact related on environmental and social issues and issues related to employees (social programs, working conditions). The information shall contain a brief description of the enterprise's business model, a description of the policies pursued by it and the results achieved, as well the specific risks associated with the main activities, products, or services likely to cause adverse effects in these areas, and the way the entity manages these risks.

Enterprises shall also disclose key non-financial performance indicators, as well as remuneration received in total during the year by board members, the participation of the boards' members in commercial companies as unlimited liability partners.

The management bodies of the public enterprises shall fulfill their obligation to submit quarterly and annual financial reports to the Public Enterprises and Control Agency (PECA), analyzes and reports on the enterprises' activity and other relevant documents and information.

Some of the standards under which the documents are prepared differ depending on the legal form, the enterprise's size or the accounting standards under which they are reported. During the monitoring of the submitted documents, it was established that the information was developed and presented in different volumes and formats. By the end of 2020, information from public enterprises was published on the PECA's website.

Transactions for disposition of enterprises' assets, such as renting or selling tangible fixed assets - movables, concluding insurance contracts and other are already carried out by the management bodies in compliance with the procedure set out in the Implementing Rules of the

- an objective overview of the enterprise's development and performance, as well as its position, together with a description of the main risks it faces;

- analysis of financial and non-financial key performance indicators relevant to the business, including information on environmental issues and staff;

- all significant events that occurred after the date on which the annual financial statements were prepared;

- planned future development of the enterprise;

- actions carried out by public enterprises in the field of research and development;

- information for

Public Enterprises Act and after publication on the PECA's website. The announcements of the public enterprises for conducting tenders or competitions for such transactions shall be published in a separate section of the PECA's website.

The existing gaps in the practices for transparency and disclosure of the public enterprises' reporting shall be eliminated with the disclosure of the developed by public enterprises policies, in compliance with the requirements of the current regulations, as well as with the relevant internal documents of public enterprises. Disclosure policies are publicly available to stakeholders on the public enterprises' websites.

The activity of public enterprises in the field of MTITC complies with the applicable standards for corporate governance and disclosure. All companies are subject to mandatory financial audit and publish information about their activities in accordance with the requirements of the Accounting Act and the Commercial Act.

Methodologies and rules for disclosure of information have been developed and applied by: "Port of Varna" EAD and "Communication Construction and Recovery" EAD, Sofia. Under process of developing such rules are: "Port Complex of Ruse" EAD and "Information Services" AD.

As of the end of the reporting period, all other public enterprises in the system of MTITC have not adopted explicit methodologies/rules for disclosure of information but comply with the requirements for public disclosure established by the Public Enterprises Act and its Implementing Rules, the Accounting Act, and the Commercial Act.

Public enterprises from the Ministry of Regional Development and Public Works comply with the applicable standards for corporate governance and disclosure. Out of a total of 36 public enterprises, 13 companies apply the standards for corporate governance and disclosure of information, and 26 companies have declared that they comply with the requirements and standards for corporate governance and have partially implemented policies on these issues. Given the forthcoming unification and introduction of a unified methodology for disclosure of information about the companies - Water and Sewerage operators from the group of "Bulgarian W&S Holding" EAD, the process is not yet finalized.

There are differences in the extent of implementation of the normative requirements defined in Article 63 and Article 64 of the Implementing Rules of the Public Enterprises Act. (IRPEA). Some companies apply the legislation to a high degree and scope, and there is a detailed public disclosure policy, written and approved by the management body - publicly available on the relevant company's website. The legislative requirements are introduced partially in most companies, and they are in the process of supplementation, including the forthcoming unification, which applies mainly to companies in which the body exercising the rights of the state is "Bulgarian W&S Holding" EAD.

The public enterprises from the Ministry of Defense – "Intendanstvo obsluživane" EAD and "TEREM Holding" EAD have developed a public disclosure policy, which also applies to the public enterprises from the holding group.

Regarding the public enterprises of the IMC: the State Enterprise "State Enterprise "Bulgarian Sports Totalizer" has prepared a "Policy for Public Disclosure of Information", and

the National Sports Base EAD applies in addition the requirements of the National Code for Corporate Governance.

From the system of the Ministry of Economy, the “Bulgarian Energy Holding” EAD (“BEH” EAD) has adopted a corporate governance policy, which also specifies the rules for disclosure of information. Following the adoption of an amended Articles of Association of BEH EAD, which will meet the requirements of the Public Enterprises Act, the current rules and policies will be amended to reflect the changes in the Company’s Articles of Association and its subsidiaries. The imperative rules of the PEA shall be applied directly and within the period before the statute is brought in line with the law.

Public enterprises of the Ministry of Economy that have published disclosure policies are “State Consolidation Company” EAD, “Kintex” EAD, “National Company Industrial Zones” EAD, “Bulgarian Export Insurance Agency” EAD and “Pazar za Plodowe, Zelentchuci i Cwetia”AD.

In 2020, sole proprietorships and state-owned enterprises in the system of MAFF have not prepared or respectively announced methodologies/rules for disclosure of the information (by the order of art. 63, para 1 of Implementing Rules of PEA). The six state-owned enterprises established under the Forestry Act maintain their own websites, through which they disclose various information about their activities, in accordance with the requirements of the various normative acts and the regulated deadlines in the special legislation for publication. All documents that are socially significant and affect the general public shall be published, thus aiming at transparency in the forest resources’ management and reaching information to a wider audience.

With the implementation of Ordinance № 5 of 17.06.2019 on the approval of standards for financial activities, applied by the state and municipal medical institutions for hospital care and complex oncology centers (promulgated in SG, edition 51 of 28.06.2019), the Ministry of Health has started collecting and publishing information on key indicators characterizing the financial position of hospitals, thus contributing to the efficiency increase of the management and the improvement of the control over the spending of the public funds for health care. That provided an opportunity for comparison and comparability between individual hospitals and ensured public access to medical, statistical, and financial information for all state and municipal medical establishments for hospital care.

The principle of public disclosure of information on the prices of provided medical and other services has been introduced. To reduce unregulated payments by the patient and ensure transparency in the payment of medical activities, starting in 2019, pursuant to Article 98 of the Medical Establishments Act, the Ministry of Health began to require from the medical institutions and to publish on its official website information on the prices of all provided medical and other services from the medical establishments, as well as the manner of their payment.

The announced information from the medical establishments is regularly monitored by the regional health inspectorates, both for the type and price of all provided medical and other services and for the details of the financial documents issued to the patients for all amounts paid by them according to approved price list.

Pursuant to the Public Offering of Securities Act and the Ordinance amending and supplementing Ordinance № 2 of 17 September 2003 on prospectuses for public offering and admission to trading on a regulated securities market and the disclosure of information by public companies and other issuers of securities, “BSE” AD, “BEH” EAD and “Slantchev Briag” AD disclosed to the Financial Supervision Commission and the public regulated and other information, with the nature and volume provided for in Chapter Six “a”. The current information is published on the website of Infostock Ltd. - www.infostock.bg, in its capacity of specialized financial media.

5. PROCEDURES FOR APPOINTING MEMBERS OF MANAGEMENT AND CONTROL BODIES

The Implementing Rules of the Public Enterprises Act shall provide for an open and transparent procedure, which allows a process of selection of members of the management and control bodies of public enterprises, based on merit.

Under Article 38, paragraph 1 of the Implementing Rules of the Public Enterprises Act, a Nomination Committee is appointed by Order № 186 / 09.10.2020 of the Executive Director of PECA. The Nomination Committee consists of nine members and is composed of permanent and replaceable members, the latter was determined according to the sectoral competence of the body exercising the rights of the state, in each selection under the proposal of the body exercising the rights of the state. The permanent members include three staff members of PECA and three independent habilitated professors from the academic circles.

The Nomination Committee conducted competition procedures for the selection of *independent members* of the management and control bodies of public enterprises, which *are categorized as “large”* based on the criteria described in Chapter Two, Section I and Section II of the Accounting Act.

The competition procedures are conducted in accordance with the terms and conditions of the Implementing Rules of the Public Enterprises Act and the Internal Rules for the work of the nomination committee and for conducting competition procedures.

The body exercising the rights of the state shall ensure the timely start of the process of selection and evaluation of the candidates for members of the management and control bodies, such as:

1. prepares a description of the necessary competencies and professional experience requirements for the respective position, as well as information about the current state of the enterprise, its strategy, goals and challenges;
2. submit for announcement on the PECA’s website a public invitation for recruitment of candidates together with all documents relevant to the procedure.

According to Article 31 of the Implementing Rules of the PEA, the selection criteria’ specification shall be carried out by the body exercising the rights of the state under article 21, paragraphs 2 and 3 of the Public Enterprises Act and considering the special laws’ requirements, as well they are provided to the Nomination Committee before the start of the competition procedure.

For the candidates' evaluation, the body exercising the rights of the state shall develop an evaluation methodology, which shall be submitted to the nomination committee before the start of the competition procedure.

The results of the competition and the nominated candidates shall be submitted to the competent body of the public enterprise for decision making. The decision not to select the first ranked candidate should be reasoned. If, according to the selection made or the final ranking of the candidates, the nomination committee considers that no candidate meets the requirements set for the post, it shall decide on the evaluation procedure's termination and inform the competent authority. In this case, the body exercising the rights of the state shall start a new nomination procedure.

The competent body has the right to reject all candidates nominated by the nomination committee, stating the relevant reasons, and to initiate a new nomination procedure.

In October 2020, the first competitive procedures for the selection of candidates for independent members of the management and control bodies in some of the "large" public enterprises were announced.

By the end of 2020, the Nomination Commission has published calls for candidates for independent members of the governing bodies of 10 public enterprises. The lists of candidates admitted to the competition are published on the PECA's website (in section "Public enterprises", subsection "Nomination Committee").

Bodies exercising the rights of the state have also adopted rules for nominating candidates and holding competitions for the selection of governing bodies for public enterprises.

As of 31.12.2020, after competitive procedures, the members of the management and control bodies of 32 public enterprises were appointed and independent members of the executive bodies of 10 public enterprises were nominated.

Competitions held by:	Elected members of the management and control bodies of:
Ministry of Economy and "State Consolidation company" EAD	"National Company Industrial Zones" EAD; "Montagi" EAD, "LB Bulgaricum" EAD, "Eko Antratsit" EAD; "NITI" EAD; "Avionams" EAD; "Kintex" EAD; "National Wine and Spirits Research Institute" EOOD; "Institute of Marketing" EOOD; "Bulgarian Export Insurance Agency" EAD, "Sofia Tech Park" AD
Ministry of Defense and "Terem Holding" EAD	„Terem- Holding" EAD, Sofia; "Terem – Ivailo" EOOD; "Terem–Letets" EOOD; ; "Terem–Khan Krum" EOOD; "Terem – Tzar Samuil" EOOD; "Terem-Shipyard Flotski Arsenal – Varna" EOOD; "Intendanstko obslujvane" EAD, "ARMSTROYINVEST" EOOD; "Supply and Trade - MD" EOOD; "MOBA"EOOD; "PRONO"EOOD, Sofia
Ministry of Education and Science	" UCHENICHESKI OTDIH I SPORT " EAD; "STUDENTSKI STOLOVE I OBSHTEZH TIYA" EAD; "EDUCATION AND SCIENCES" EAD
Ministry of Regional Development and Public	"Water supply and sewerage – Varna" OOD; "Regional Water Company Stara Zagora" EOOD; "Water supply and sewerage" EOOD, Blagoevgrad; "Water

Works	supply – Danube” EOOD and “Kyustendilska Voda” EOOD
Ministry of Culture	Film Studio “Vreme” EOOD
Ministry of Finance	“Bulgarian Stock Exchange” EAD
Competitive procedures for nomination of independent members conducted by:	Nominated independent members of the executive bodies of:
Nomination Committee	“Holding BDZ” EAD; SE “National Railway Infrastructure Company”; “Port Varna” EAD; State Enterprise “Port Infrastructure”; “Bulgarian Air Traffic Services Authority”; “Sofia Airport” EAD; “Bulgarian Posts” EAD; “Transport Construction and Recovery” EAD; “KINTEX” EAD; “TEREM HOLDING” EAD

Maintaining high standards of corporate governance includes a gender equality attitude in the management and control bodies of public enterprises. The analysis made as of 31.12.2020 showed the following distribution:

Gender distribution in management and control bodies in public enterprises	
<i>Managers and executive directors</i>	<i>Members of the management and control boards</i>
Women / Men 21% / 79%	Women / Men 29% / 71 %

Remuneration of members of the governing bodies

The levels of remuneration and the limitation on them are set out in Section V of Chapter Five of the Implementing Rules of the Public Enterprises Act and Annex 2. According to these provisions, the remuneration of the members of the executive and control bodies of public enterprises is determined depending on the value of the assets, the number of staff, profitability, financial result, change in value added per employee, dept service, as well as from specific obligations and responsibilities in the concluded contracts.

Remunerations are calculated according to indicators and criteria for determining the score, according to Appendix 2 to Article 56, paragraph 2 of the Implementing Rules of the Public Enterprises Act, they are not a constant value, but vary according to the implementation of the set indicators for each reporting quarter.

It should be noted that according to Article 56, paragraphs 9 - 11 of the Labour Code, the upper limits of remuneration are fixed up to a certain number of the amount of the minimum wage established for the country for the respective month.

In the information to the report on the performance of public enterprises in 2020, the paid remunerations to the management and control bodies of public enterprises are indicated, including paid salaries and other short-term income, including social security, social benefits, bonuses, etc.

6. RISK MANAGEMENT

Risk management is an integral part of the overall responsibility for the company's activities, so its management and control bodies are fully responsible for the organization and

administration of the company and its affairs, determining the levels and limits of financial risk in public companies, and manage risks in their business operations. During their normal business activities, companies may be exposed to various financial risks - market (currency, interest rate and price), credit and liquidity risk. Currently, financial risks are identified, measured, and monitored through various control mechanisms. That aims to set prices adequate for the products/services offered by the company and the funds raised by it.

The activities of the independent operators of the electricity and gas transmission networks, as well as the activities in the field of water supply and sewerage, which are regulated by the Energy and Water Regulatory Commission, determine **regulatory (price) risk**. If regulatory prices are set lower than delivery prices, sales revenues will not be enough to cover actual costs.

The risk management process is organized in companies with different specifics. Some have implemented a Risk Management Strategy, Risk Management Policy, Risk Management Rules and Procedures. Risk registers of the identified risks of the processes and activities are prepared.

From the audited reports of public enterprises for 2020 is established that there are written rules and procedures, which cover to a large degree ongoing processes. The enterprises prepare their risk management strategy, as required under Article 12 of the Financial Management and Control in the Public Sector Act, and it is updated every three years or in the event of significant changes in the risk environment.

In some enterprises there is assigned Risk management - Risk Committee/Risk Management Board / Risk Manager, which coordinates the risk management process.

7. SIGNIFICANT EVENTS IN 2020

Among the most significant events for 2020 that had impacted the overall functioning, including and on the public enterprises' financial position, was the complicated epidemic situation due to the spread of COVID-19. At the beginning of March 2020, following a decision of the Council of Ministers and a subsequent order of the Minister of Health, a state of emergency was declared. That necessitated the complete cessation of some major activities and significant difficulties in carrying out other activities and provision of various services.

The outbreak of the corona crisis and the subsequent restrictive measures had a direct and negative impact on the real economy. All aspects of the companies' activity have been affected - financial, economic, business, social and reputational. That imposed the timely adoption of crisis and unpopular strategic and operational measures by the companies' management bodies to preserve part of the activity, revenues, employees, revision of maintenance costs, and their minimizing.

Along with the various anti-crisis measures undertaken by the management, the socio-economic program "60/40" played a significant role in protecting most of the employed personnel.

All state-owned public enterprises report the immediate and negative impact of the global COVID-19 pandemic and the long-term consequences of its actions, which have led to

difficulties in the business and economic activities of public enterprises, a drastic decline in services and sales, as the effect of this on the financial statements for 2020 is a decrease in revenues, reported operating losses and a decrease in cash inflows.

Public enterprises - medical establishments (state hospitals) took on the brunt of the epidemic crisis. Urgent action was taken for reorganization of the hospital network and to mobilize hospital capacity in the country. For treatment and monitoring of patients with COVID-19, were designated hospitals with respective structures. Planned operations, children's and women's consultations, preventive examinations, and other medical services have been canceled to limit the spread of the virus, thus, in turn, making it impossible for public hospitals to realize the planned revenues from the activity.

In 2020, the ongoing monitoring of the crisis focused on the readiness of hospitals to limit the effects of the epidemic crisis by monitoring daily and weekly information on the capacity and occupancy of beds designated for the treatment and monitoring of patients with COVID-19, the received and distributed personal protective equipment (PPE), as well as the stocks of PPE and oxygen in the medical establishments, etc.

Public undertakings shall indicate in their reports events that they consider significant as follows:

- As a result of its activity in 2020, “Bulgarian W&S Holding” EAD has managed to purposefully rehabilitate subsidiaries operating so far in difficulty, achieving a significant reduction in their overdue liabilities, lowering interest costs on these debts, and opportunities for providing additional financing by banking institutions of the companies' contribution, a prerequisite for their effective participation in the construction of infrastructure facilities within the scope of the Operational Program “Environment 2014-2020” (OPE 2014-2020).

In the period 2019 - 2021, 14 - Water supply and Sewerage operators - companies from the system of the Ministry of Regional Development and Public Works and the Ministry of Environment and Water (through the managing body of OPE) have concluded administrative contracts for grants under Priority Axis No.1 “Waters” of OPE 2014-2020, co-financed by the European Regional Development Fund and the Cohesion Fund of the European Union.

Of these 14 companies, three are categorized as “large”: “ViK – Varna” OOD, Varna, “ViK – Burgas” EAD, Burgas and “ViK – Plovdiv” EOOD, Plovdiv. The total value of the concluded administrative contracts of these three companies amounts to BGN 735,533,805.01, of which the grant is BGN 517,932,382.35, and the beneficiary’s own financing (the respective Water supply and Sewerage operator) amounts to BGN 217,601,422.66.

In connection with the implementation of the investment projects under OPE 2014-2020, the three (3) Water supply and Sewerage Operators as beneficiaries under OPE 2014-2020 have conducted a total of 42 public procurements with a total value of BGN 393,362 thousand and (at the end of 2020) were concluded seven (7) contracts with contractors for the construction of public water supply and sewerage infrastructure.

- “Sofia Airport” EAD points out the challenges facing the company's management in 2020, considering the concluded concession agreement for the Sofia Civil Airport for Public Use. A contract between the Government of the Republic of Bulgaria and the selected concessionaire “Sof Connect” AD is concluded on July 22, 2020. The concessionaire had acquired the exclusive right to manage the site and be an airport operator at Sofia Airport. The commencement date of the concession is April 20, 2021. After this date, there is a change in the subject of activity of the company.

- Concerning the State Enterprise “Port Infrastructure”, the amendments to the Maritime Spaces, Inland Waterways and Ports of the Republic of Bulgaria Act (MSIWPRBA), promulgated on 8 December 2020 should be noted. The law aims to ensure the implementation of Regulation (EU) 2017/352 on ports, as the public enterprise assumes responsibility for the overall development of ports in our country, according to the modern and widely used global model.

An advanced digital infrastructure for monitoring and management of ship traffic was integrated, complementing the scope and functions of the Vessel Traffic Management Information System (UTM18) - Phase 4. In the Port of Burgas has been installed a mobile automatic real-time monitoring station measuring the parameters of seawater and air.

**8. INFORMATION ON PUBLIC
ENTERPRISES CATEGORIZED AS
"LARGE"**

STATE CONSOLIDATION COMPANY EAD

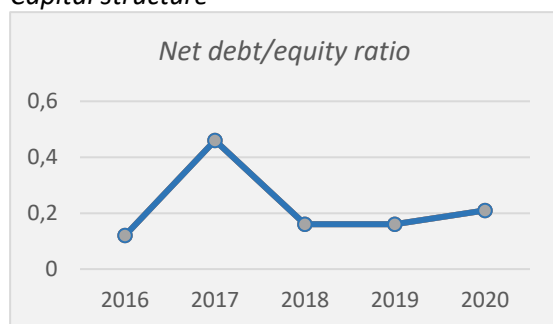
“State Consolidation Company” EAD (“SCC”EAD) is a commercial company with a holding structure, which carries out activities related to the acquisition, management, evaluation and sale of participations in Bulgarian and foreign companies, rental of real estate, activities assigned by a Decision of the Council of Ministers of 13.07.2018.

The “SCC” EAD Group includes companies from various sectors of the economy - production and trade in military products, construction and installation of energy and industrial sites, dairy industry, technical liquidation, and conceptual activities; technical and biological cultivation; water purification; elimination of the consequences of the extraction and processing of uranium raw material; scientific and applied research in the field of the wine industry, etc.

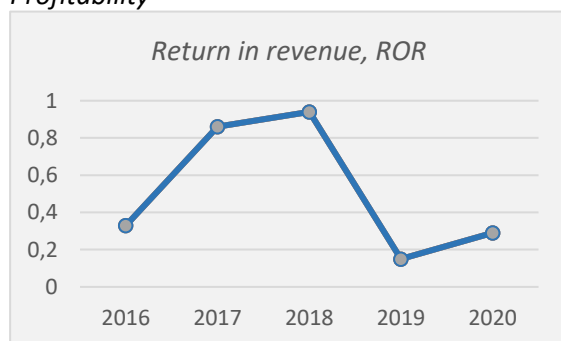
“SCC” EAD is a universal legal successor of transformed inefficient companies with state participation in the capital by merging or contributing them to “SCC” EAD with the aim of cost optimization.

The realized revenues from the activity for 2020 from “SCC” EAD amount to BGN 64 014 thousand, as the increase compared to the previous year is 83%. As of 31 December 2020, was reported a financial result from the activity net profit in the amount of BGN 18 440 thousand. The accrued operating expenses from “SCC” EAD are BGN 36 725 thousand for the current year.

Capital structure



Profitability



100% owned by State Minister of Economy

Board of Directors: Krasimir Tenev
Chairman of the Board of Directors
Lachezar Angelov Kalbuurov, Yasen Trifonov Spasov

Represented by: Yasen Trifonov Spasov
– CEO

Independent auditor: MGI Delta LLC,
Reg. No.177

Remuneration paid to the Board of Directors for 2020:
BGN 195 534.

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	64 014	34 943
Operating revenues	25 889	537
Net profit/loss	18 440	6 850
Balance sheet, BGN thsd.		
Total assets	1 255 777	1 184 750
Long-term assets	443 848	741 748
Short-term assets	811 929	741 650
Total liabilities	214 598	162 578
Long-term liabilities	162 565	73 269
Short-term liabilities	52 033	89 309
Equity	1 041 179	1 022 172
Financial ratios		
Return on revenue	0.29	0.15
Return on expenses	0.71	0.17
Liquidity ratio	15.60	8.31
Indebtedness ratio	0.21	0.16
Leverage ratio	1.21	1.16
Dividend, BGN thsd.	-	-
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

KINTEX EAD deals mainly with import, export and re-export of special equipment, engineering, technical assistance and training, technology transfer, industrial cooperation in the field of special production, marketing, services, advertising, brokerage, and representation activities in the country and abroad.

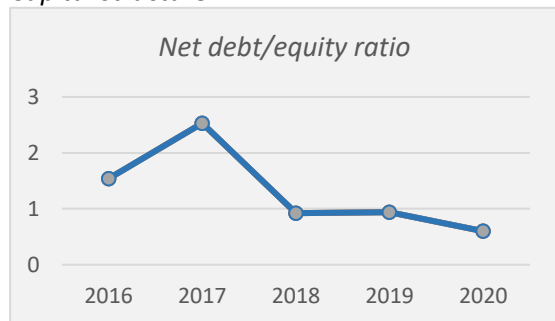
Exports of special equipment in 2020 can be defined as very successful, carried out in conditions of increased competition.

“KINTEX” EAD conducts surveys on customer satisfaction regarding the goods offered, performing control over the delivery of goods, and receiving feedback from customers. The results of the conducted surveys on the implementation of foreign trade contracts are reflected in the conclusion of new contracts.

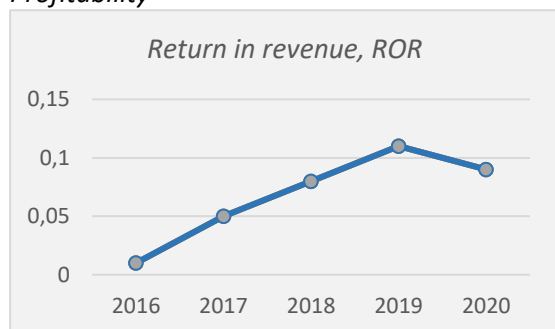
As of 31.12.2020, the company reports a net profit amounting to BGN 20 611 thousand, while in the previous 2019 the realized profit amounted to BGN 12,273 thousand, which is an increase by BGN 8,338 thousand.

Operating revenues amounted to BGN 226,795 thousand, while if compared to the previous year, they increased by BGN 106,995 thousand.

Capital structure



Profitability



100% owned by State Consolidation Company EAD
Minister of Economy

Board of Directors: Anita Petkova Velikova – Chairperson, Stefka Ivanova Gramatikova, Vasil Risov, Desislava Gospodinova -Hristova, Yavor Dimitrov Stoykov/Ivan Valeriev Penchev – CEO

Independent auditor: MGI Delta LLC, Reg. No.177

Remuneration paid to the Board of Directors for 2020: BGN 286,000

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	233 916	124 743
Operating revenues	226 795	119 800
Net profit/loss	20 611	12 273
Balance sheet, BGN thsd.		
Total assets	152 974	157 334
Long-term assets	6 275	6 158
Short-term assets	146 699	151 176
Total liabilities	57 396	76 231
Long-term liabilities	24 213	21 428
Short-term liabilities	33 183	54 803
Equity	95 578	81 103
Financial ratios		
Return on revenue	0.09	0.11
Return on expenses	1.16	1.12
Liquidity ratio	4.42	2.76
Indebtedness ratio	0.60	0.94
Leverage ratio	1.60	1.94
Dividend, BGN thsd.		2 000
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

VAZOVSKI MACHINOSTROITELNI ZAVODI EAD (VMZ)

In 2020 the investment of funds continued, thus leading to the expansion and modernization of the production process. A production workshop of artillery shells had been commissioned. The company's market share is about 30% of the market of the Military-Industrial Complex.

In 2020, VMZ EAD continued to invest funds in the evolution of the company's investment, innovation, research, and development program, thus leading to the expansion and modernization of the production process. A new site - "835 - Workshop for production of special products - explosives processing and ammunition production" was commissioned. The workshop has built on the production site "Ignatovo" - Assembly Plant of "VMZ" EAD, Sopot.

Modernization and optimization of existing products in the production has been carried out. The production of new products has been mastered.

Regarding the reporting of customer satisfaction for 2020, questionnaires have been sent to companies that are regular customers of VMZ EAD. With them, the contracting companies express opinions and assessments about the work of VMZ EAD in the implementation of specific contracts, the level of competence of the teams, and the quality of products.

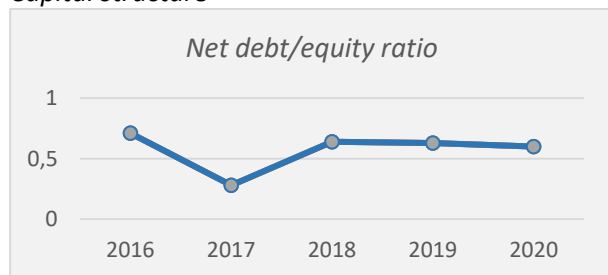
A thorough analysis of the questionnaires, completed by 72% of companies, found that the level of service, such as commercial correspondence, operational processing of information, and operating with contractors is high.

As of 31.12.2020, VMZ reports net profit of BGN 21,407 thousand, while in the previous 2019 year, the company realized a profit of BGN 10,294 thousand.

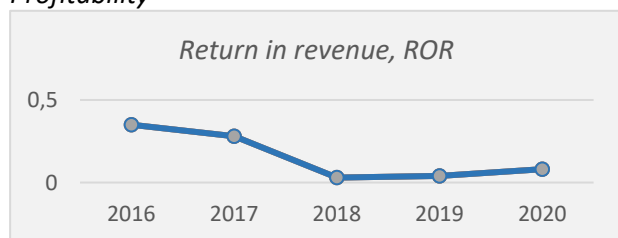
As of December 31, 2020, the company reports revenues from operating activities amounting to BGN 252,814 thousand, which compared to 2019 is a decrease of BGN 1,390 thousand.

For 2020 the amount of the asset has increased by BGN 17,239 thousand compared to 2019.

Capital structure



Profitability



**100% owned by State Consolidation
Company EAD
Minister of Economy**

Board of Directors: Ivan Yordanov Getsov, Atanas Trifonov Bogdanov, Trifon Vasilev Kumchev, Ivan Yordanov Getsov – CEO

Independent auditor: MGI Delta LLC, Reg. No.177
Remuneration paid to the Board of Directors for 2020: BGN 181,000

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	254 882	256 675
Operating revenues	252 814	254 204
Net profit/loss	21 407	11 113
Balance sheet, BGN thsd.		
Total assets	490 886	473 647
Long-term assets	130 655	134 985
Short-term assets	360 231	338 662
Total liabilities	184 976	183 588
Long-term liabilities	26 044	13 948
Short-term liabilities	158 932	169 640
Equity	305 910	290 059
Financial ratios		
Return on revenue	0.08	0.04
Return on expenses	1.12	1.05
Liquidity ratio	2.27	2.00
Indebtedness ratio	0.60	0.63
Leverage ratio	1.60	1.63
Dividend, BGN thsd.	-	-
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

STATE ENTERPRISE “RADIOACTIVE WASTE”

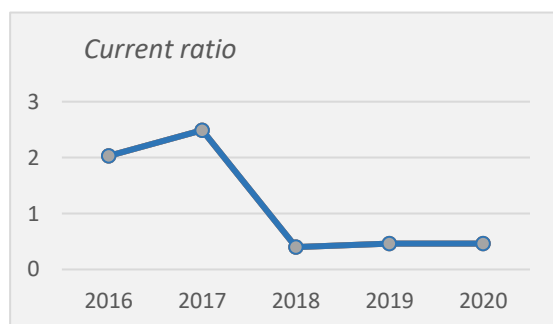
The company is engaged in radioactive waste management in the country, outside the sites where the waste generated. Regarding the company's specific activities, there were no financial goals set for the company's management. The company's revenues are secured by funding from the Radioactive Waste Fund (RAWF) and Nuclear Facilities Decommissioning Fund (NFDF). Another source of income is the Kozloduy International Fund through the European Bank for Reconstruction and Development (EBRD).

The total revenues of the company for 2020 are BGN 78,433 thousand compared to 2019, during which they are BGN 79,870 thousand, with a decrease of BGN 1,437 thousand.

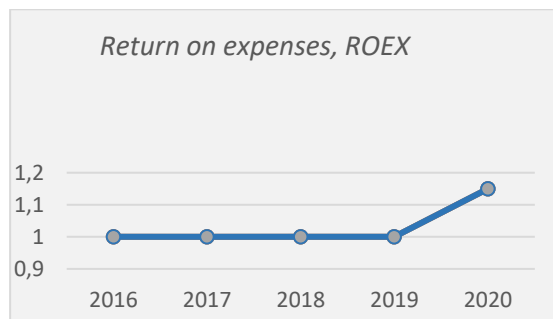
The company's net profit for 2020 amounts to BGN 68 thousand, which is an increase of BGN 47 thousand compared to 2019.

One of the priorities of human resources management in SERAW is raising the qualification under the requirements of the normative documents applicable to the activity of SE RAW. Over 70% of the company's staff had been trained in 2020, depending on the positions held and the requirements of applicable law.

Capital structure



Profitability



100% state-owned
Minister of Energy

Management Board: Ivan Todorov Andreev,
Sergey Kirilov Tsochev, Dilyan Milkov Petrov –
Executive Director

Independent auditor: Veles Audit Ltd., Reg.
No.170

Remuneration paid to the Board of Directors
for 2020: BGN 187,898

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	78 433	79 870
Operating revenues	78 433	79 868
Net profit/loss	68	21
Balance sheet, BGN thsd.		
Total assets	253 044	258 706
Long-term assets	235 943	240 434
Short-term assets	17 101	18 272
Total liabilities	256 970	262 491
Long-term liabilities	220 151	223 002
Short-term liabilities	36 819	39 489
Equity	-3 926	-3 785
Financial ratios		
Return on expenses	1.00	1.0003
Liquidity ratio	0.46	0.46
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

BULGARIAN ENERGY HOLDING EAD (BEH HEAD)

The company unites companies operating in the production and transmission of electricity as well as transmission, transit and storage of natural gas, lignite mining.

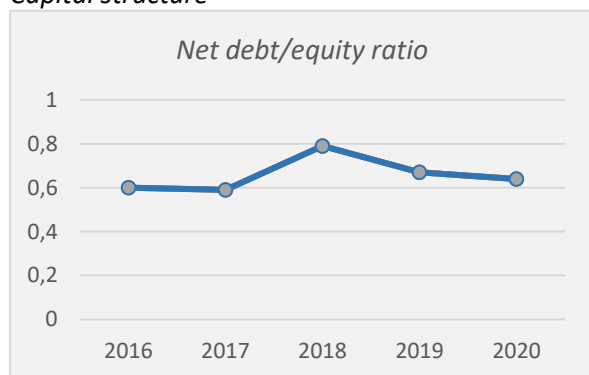
The companies from the “BEH” EAD Group are at the core of the energy sector in Bulgaria, generating a total of about 58% of the country’s electricity from a mix of nuclear, lignite, and hydropower sources, and are guaranteeing the supply of natural gas and coal. “BEH” Group strives to achieve operational efficiency and ensure sustainable energy in Bulgaria and the region.

In 2020, the company realized a positive operating financial result from its activities (EBIT) of BGN 3,007 thousand, which is a decrease compared to the reported in 2019 by BGN 581,218 thousand.

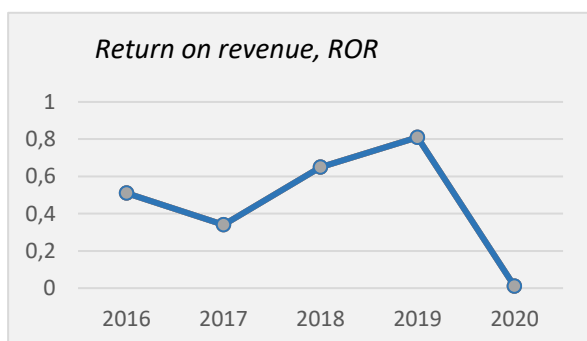
The company’s operating revenues for 2020 are BGN 169,909 thousand, which is a decrease of BGN 185,698 thousand compared to 2019.

As of 31 December 2020, the company reports receivables from loans to related parties for BGN 2,264,006 thousand, of which the non-current receivables are BGN 840,614 thousand and the current one’s amount to BGN 1,423,392 thousand.

Capital structure



Profitability



**100% state-owned
Minister of Energy**

Board of Directors: Andon Petrov Andonov - Chairman, Zhivko Dimitrov Dinchev, Jacklen Yosif Cohen – Executive Director

Audit Committee: Nadezhda Sandolova-Hristova - Chairman, Vanya Georgieva, Magdalena Lateva

Independent auditor: HLB Bulgaria Ltd., Reg. No. 017.

Remuneration paid to the Board of Directors: BGN 231,000

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	314 392	719 397
Operating revenues	169 909	355 607
Net profit/loss	3 007	584 225
Balance sheet, BGN thsd.		
Total assets	6 175 225	6 296 059
Long-term assets	4 431 007	4 705 193
Short-term assets	1 744 218	1 590 866
Total liabilities	2 403 427	2 527 072
Long-term liabilities	1 283 622	2 291 116
Short-term liabilities	1 119 805	235 956
Equity	3 771 798	3 768 987
Financial ratios		
Return on revenue	1.01	0.81
Return on expenses	14.42	6.57
Liquidity ratio	1.56	6.74
Indebtedness ratio	0.64	0.67
Leverage ratio	1.64	1.67
Dividend, BGN thsd.	-	-
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

KOZLODUY NPP EAD

The company is a nuclear power plant and is the largest producer of electricity in the country, providing more than a third of the national annual electricity production. The nuclear power plant is a key factor in the stability of the national electricity system and the country's energy security. An analysis of the safety was performed, as well as quantitative assessments of the residual life of the facilities related to the safe and reliable operation of the units.

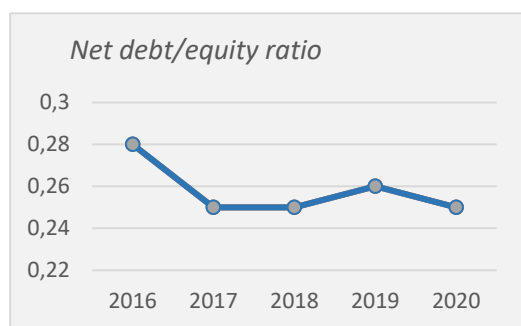
The results of the calculations confirm that there are no restrictions on the safe operation of the units in the next 30 years, respectively until 2047 for Unit 5 and until 2051 for Unit 6. The current licenses for operation of two nuclear power units have been renewed for a period of 10 years, respectively until 06.11.2027 for Unit 5 and until 03.10.2029 for Unit 6.

Over 80% of sales revenue comes from free electricity sales. For 2020, revenues from electricity on a regulated market are 13% of total revenues.

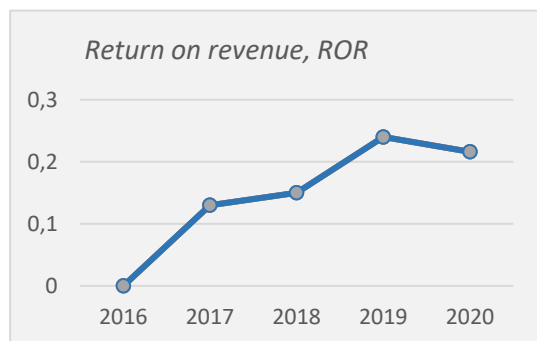
The net profit of the company for 2020 amounts to BGN 275, 810 thousand, which is a decrease by BGN 49,082 thousand compared from the previous 2019.

Operating revenues for 2020 are BGN 1,271,826 thousand, which is BGN 55,950 thousand less than in the previous year.

Capital structure



Profitability



100% owned by BEH EAD

Minister of Energy

Board of Directors: Jacklen Cohen - Chairman, Ivan Yonchev, Nasko Mihov - CEO

Independent auditor: HLB Bulgaria Ltd., Reg. No.017

Remuneration paid to the Board of Directors: BGN 385 000

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	1 273 996	1 331 782
Operating revenues	1 271 826	1 327 776
Net profit/loss	275 810	324 892
Balance sheet, BGN thsd.		
Total assets	3 481 607	3 387 144
Long-term assets	2 368 992	2 448 688
Short-term assets	1 112 615	938 456
Total liabilities	686 012	705 821
Long-term liabilities	340 009	364 462
Short-term liabilities	346 003	341 359
Equity	2 795 595	2 681 323
Financial ratios		
Return on revenue	0.22	0.24
Return on expenses	1.32	1.37
Liquidity ratio	3.22	2.75
Indebtedness ratio	0.25	0.26
Leverage ratio	1.25	1.26
Dividend, BGN thsd.	162 446	230 056
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

NATSIONALNA ELEKTRICHESKA KOMPANIA EAD (NEK EAD)

The activity of the enterprise is trade and production of electricity. NEK EAD occupies a considerable place in the regulated electricity market. With the license for electricity trade, it also carries out transactions on the free market.

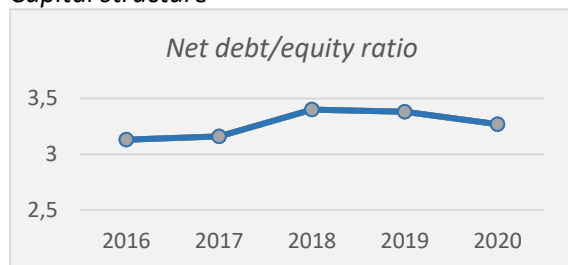
NEK is the largest energy producer of the country's renewable energy sources. In 2020 NEK EAD conducted its main activity under the current energy legislation and the pricing decisions of the Energy and Water Regulatory Commission concerning the market model and the obligations of the public supplier for the purchase and sale of electricity.

The net financial result of the company for 2020 is a profit of BGN 46 314 thousand, which is an increase by BGN 47,574 thousand compared to 2019.

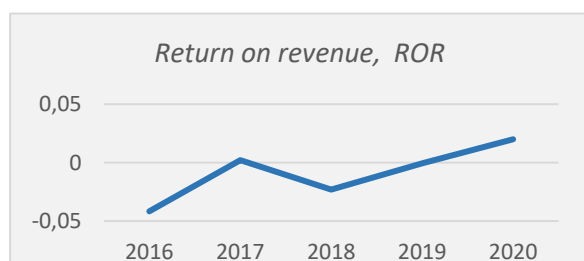
Revenues from company's operating activities for 2020 are mainly from sales of electricity on the domestic market and amount to BGN 2,518,934 thousand, which is a decrease by BGN 262,272 thousand compared to 2019.

As of 31 December 2020, the company reports an uncovered loss from previous periods in the amount of BGN 1,288,019 thousand. The value of short-term liabilities exceeds the value of short-term assets by BGN 2,121,130 thousand. Short-term liabilities include short-term liabilities to the sole owner of the capital and other related parties in the amount of BGN 2,356,167 thousand. The sole owner of the capital Bulgarian Energy Holding EAD undertakes to support the company under the requirements of the Energy Act and European legislation aiming to the achievement of a sustainable financial and business development model in a changing regulatory framework and rules for electricity trading, which regulate the relations of the balancing market.

Capital structure



Profitability



100% owned by BEH EAD
Minister of Energy

Board of Directors: Hristo Velichkov
Georgiev – Chairman, Momchil Vekilov
Vanov, Ivan Todorov Yonchev – CEO

Independent auditor: HLB Bulgaria Ltd.,
Reg. No. 017
Remuneration paid to the Board of
Directors: BGN 250,717

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	2 518 934	2 781 206
Operating revenues	2 518 934	2 781 206
Net profit/loss	46 314	-1 260
Balance sheet, BGN thsd.		
Total assets	5 288 093	5 218 170
Long-term assets	4 892 644	4 873 659
Short-term assets	395 449	344 511
Total liabilities	4 050 725	4 026 588
Long-term liabilities	1 534 146	2 692 839
Short-term liabilities	2 516 579	1 333 749
Equity	1 237 368	1 191 582
Financial ratios		
Return on revenue	0.02	-0.0005
Return on expenses	1.06	0.99
Liquidity ratio	0.16	0.26
Indebtedness ratio	3.27	3.38
Leverage ratio	4.27	4.38
Dividend, BGN thsd.	-	-
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

ELECTRICITY SYSTEM OPERATOR” EAD

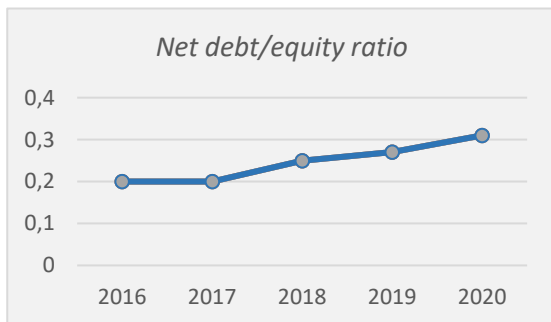
The enterprise implements the unified operational planning, coordination, and management of the electricity system of the Republic of Bulgaria, the joint work of the electricity system with the electricity systems of other countries, ensures the operation, maintenance and reliable operation of the electricity network, maintenance of auxiliary networks and repairs and services in in the field of energy.

“Electricity System Operator”EAD - operates as a natural monopoly.

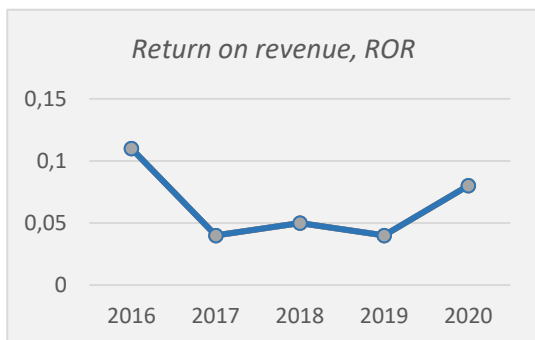
The net financial result of the company for 2020 is a profit of BGN 50,736 thousand, which is an increase of BGN 26,691 thousand compared to 2019.

Revenues from operating activities of the company for 2020 amount to BGN 616,744 thousand, which is a decrease of BGN 26,296 thousand compared to 2019.

Capital structure



Profitability



100% owned by BEH EAD

Minister of Energy

Supervisory Board: Petar Petrov –
Chairman, Plamen Radonov

Management Board: Anton Slavov –
Chairman, Plamen Yordanov, Angelin
Tsachev – CEO

Independent auditor: Zaharina Nexia
Ltd., Reg. No.138

Remunerations paid to the Management
and Supervisory Boards: BGN 497,000.

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	617 032	643 311
Operating revenues	616 744	643 040
Net profit/loss	50 736	24 045
Balance sheet, BGN thsd.		
Total assets	2 839 294	2 707 956
Long-term assets	2 588 460	2 408 582
Short-term assets	250 834	299 374
Total liabilities	672 340	583 714
Long-term liabilities	527 611	458 432
Short-term liabilities	144 729	125 282
Equity	2 166 954	2 124 242
Financial ratios		
Return on revenue	0.08	0.04
Return on expenses	1.07	1.00
Liquidity ratio	1.73	2.39
Indebtedness ratio	0.31	0.27
Leverage ratio	1.31	1.27
Dividend, BGN thsd.	5 778	100 000
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

MINI MARITSA IZTOK EAD

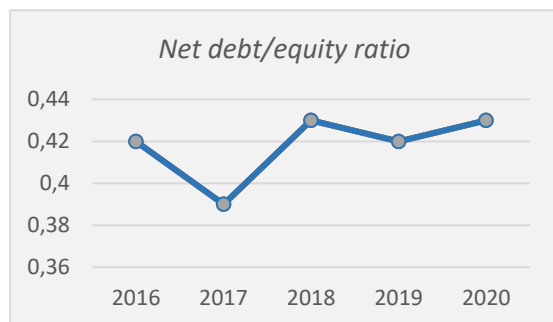
The Enterprise operates the largest lignite deposit in Bulgaria with a productive area of 240 sq. km. The company provides raw materials for the four thermal power plants in the “Maritza East” complex, which produce over 30% of Bulgaria's electricity. Coal is mined openly, under a 35-year concession agreement with the Bulgarian government concluded in July 2008.

“Mini Maritsa Iztok” EAD is the largest coal mining company, providing about 98% of the coal used in the country.

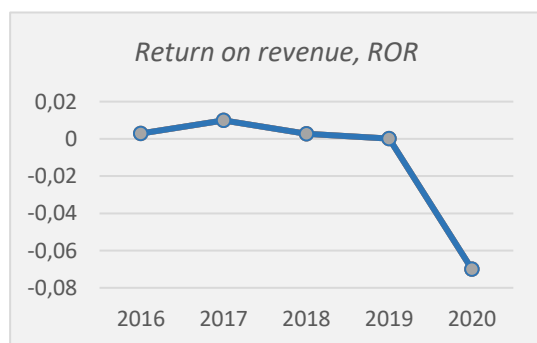
The net financial result of the company for 2020 is a loss of BGN 32,108 thousand, with a profit of BGN 57,000 in 2019.

Revenues from operating activities of the company for 2020 amount to BGN 461,754 thousand, which is a decrease of BGN 52,210 thousand compared to 2019.

Capital structure



Profitability



100% owned by BEH EAD

Minister of Energy

Board of Directors: Nikolay Stefanov Dikov – Chairman, Georgi Ivanov Koev, Andon Petrov Andonov – CEO

Independent auditor: HLB Bulgaria Ltd., Reg. No.017

Remuneration paid to the Board of Directors for 2020: BGN 241,000

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	462 042	514 315
Operating revenues	461 754	513 964
Net profit/loss	-32 108	57
Balance sheet, BGN thsd.		
Total assets	1 141 942	1 188 820
Long-term assets	768 022	816 544
Short-term assets	373 920	372 276
Total liabilities	344 010	350 064
Long-term liabilities	251 607	254 607
Short-term liabilities	92 403	95 457
Equity	797 932	838 756
Financial ratios		
Return on revenue	-0.07	0.0001
Return on expenses	0.89	0.89
Liquidity ratio	4.05	3.90
Indebtedness ratio	0.43	0.42
Leverage ratio	1.43	1.42
Dividend, BGN thsd.	28	712
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

TPP MARITSA EAST 2 EAD

The company is the largest thermal power plant in the Republic of Bulgaria and on the Balkan Peninsula. The plant consists of eight power units, all of which operate with modern desulphurization plants. The plant meets all Bulgarian and European requirements for environmental protection.

The company's net financial result for 2020 is a loss of BGN 328,625 thousand, which is an increase of BGN 126,650 thousand compared to 2019.

Revenues from operating activities of the company for 2020 amount to BGN 458,479 thousand, which is a decrease of BGN 215,501 thousand compared to 2019.

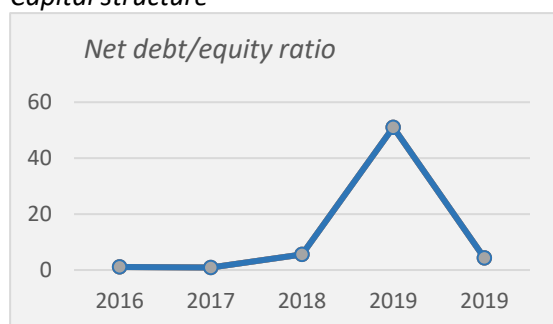
100% собственост на БЕХ ЕАД Министър на енергетиката

Board of Directors: Prof. Dr. Eng. Boncho Ivanov Bonev – Chairman, Diyan Stanimirov Dimitrov, Eng. Zhivko Dimitrov Dinchev – CEO

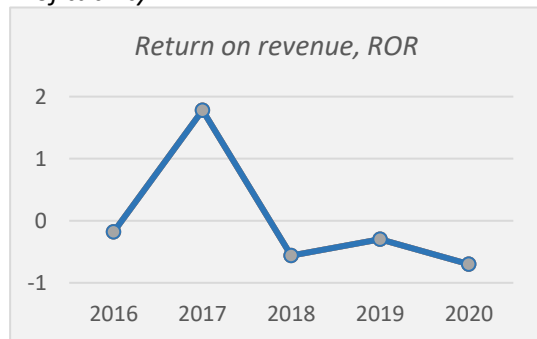
Independent auditor: HLB Bulgaria Ltd., Reg. No.017

Remuneration paid to the Board of Directors for 2020: BGN 173,954

Capital structure



Profitability



	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	458 616	674 081
Operating revenues	458 479	673 980
Net profit/loss	-328 625	-201 975
Balance sheet, BGN thsd.		
Total assets	1 595 419	1 600 100
Long-term assets	1 428 675	1 409 222
Short-term assets	166 744	190 878
Total liabilities	1 294 974	1 569 354
Long-term liabilities	632 864	822 553
Short-term liabilities	662 110	746 801
Equity	300 445	30 746
Financial ratios		
Return on revenue	-0.72	-0.30
Return on expenses	0.60	0.76
Liquidity ratio	0.25	0.26
Indebtedness ratio	4.31	51.04
Leverage ratio	5.31	52.04
Dividend, BGN thsd.	-	-
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
ГФО, изготвен в съответствие с НСС	No	No

BULGARGAZ EAD holds the only license for the activity “public supply of natural gas on the territory of the Republic of Bulgaria” for a period of 35 years.

Since 01.01.2020 the company sells natural gas at regulated prices only to end-suppliers and to persons who have been issued a license for production and transmission of heat energy.

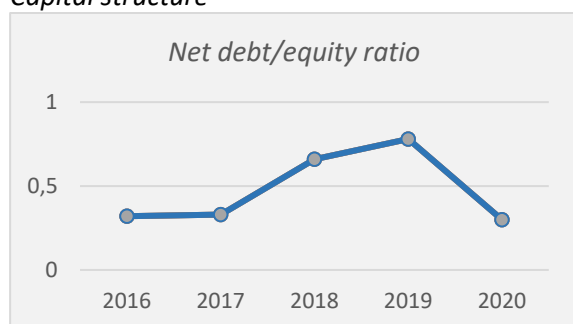
By decision of the Council of Ministers of June 2020 were regulated the terms and conditions for refunds to customers of “Bulgargaz” EAD who purchased natural gas at freely negotiated prices in the period from August 5, 2019, to March 31, 2020. Retroactive application of the new price mechanism led to differences in the sales prices of “Bulgargaz” EAD by months for the period 05.08.2019 - 31.03.2020 and the formation of an amount of approximately BGN 201.7 million, VAT included, which has been refunded to the company’s customers.

The company ended 2020 with a net profit of BGN 39,657 thousand, and in 2019 the company reported net profit of BGN 34,429 thousand.

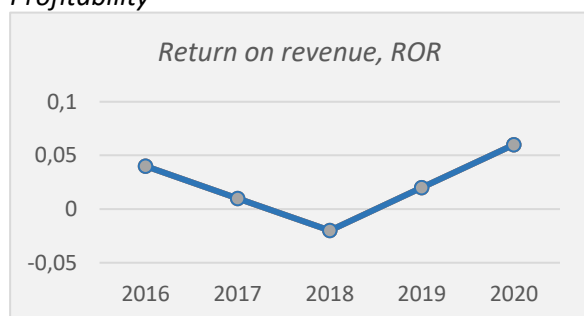
The largest share in the revenues of “Bulgargaz” EAD has the income from sales of natural gas in the amount of BGN 678,769 thousand, which is a decrease of 50.94% compared to 2019. The revenues from sales of natural gas represent 97, 14% of the company's sales for 2020. Total revenues for 2020 amount to BGN 699,889 thousand.

For 2020, were sold 25,043,900 MWh of natural gas, which is a decrease of 14.32% compared to the quantities sold in 2019.

Capital structure



Profitability



100% owned by BEH EAD

Minister of Energy

Board of Directors: Petyo Angelov Ivanov – Chairman, Ilian Kirilov Dukov, Nikolay Angelov Pavlov – CEO

Independent auditor: HLB Bulgaria Ltd., Reg. No.017

Remuneration paid to the Board of Directors for 2020: BGN 305,000.

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	699 889	1 407 667
Operating revenues	698 762	1 404 739
Net profit/loss	39 657	34 429
Balance sheet, BGN thsd.		
Total assets	363 198	426 723
Long-term assets	13826	21 456
Short-term assets	349 372	405 267
Total liabilities	83 903	187 059
Long-term liabilities	51 689	50 963
Short-term liabilities	32 214	136 096
Equity	279 295	239 664
Financial ratios		
Return on revenue	0.06	0.02
Return on expenses	1.07	1.03
Liquidity ratio	10.85	2.98
Indebtedness ratio	0.30	0.78
Leverage ratio	1.30	1.78
Dividend, BGN thsd.	-	-
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

BULGARTRANGAZ EAD is an enterprise engaged in transmission, transmission and storage activities on the basis of three licenses issued.

The company has transported natural gas to neighboring countries: Turkey, Greece, Northern Macedonia, and Romania.

A decrease is observed in the total quantities transmitted compared to those transferred in 2019 by 54.13% in the direction of Turkey and an increase in the quantities transmitted to Greece and Northern Macedonia.

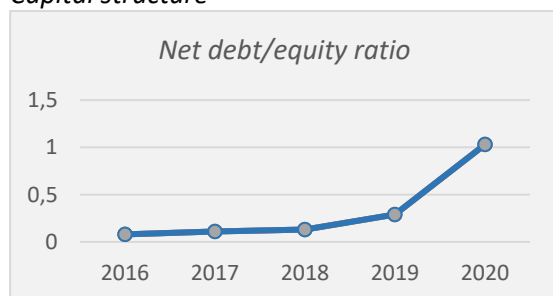
“Bulgartransgaz” EAD is an independent combined transmission system operator of the gas transmission network and an underground gas storage facility, which manages the country's gas transmission network and functions as a natural monopoly.

As of 31.12.2020, “Bulgartransgaz” reported a net profit of BGN 72,478 thousand, which is a decrease by BGN 61,824 thousand compared to 2019.

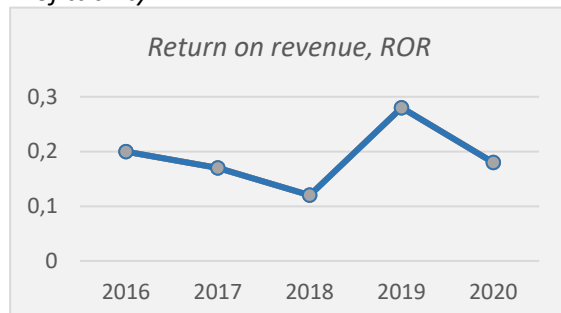
Revenues from operating activities amount to BGN 393,644 thousand and compared to the previous year there is an increase by BGN 35,688 thousand.

As of 31.12.2020, the company reports an increase of BGN 1,875,724 thousand of non-current liabilities compared to those reported as of 31.12.2019, which are: liabilities under contracts with Grouping “Consortium Arcade” and DZZD “Feroshtal Balkangaz”, which as of the end of 2020 are in the total amount of BGN 1,044,512 thousand and an increase in non-current liabilities to credit institutions in the amount of BGN 794,435 thousand.

Capital structure



Profitability



100% owned by BEH EAD

Minister of Energy

Supervisory Board: Kiril Georgiev Georgiev – Chairman; Vladimir Valchev Mitrushev

Management Board: Tanya Trendafilova Zaharieva – Chairperson, Delyan Valentinov Dimitrov, Vladimir Assenov Malinov – Executive Director

Independent auditor: Grand Thornton Ltd., Reg. No.032

Remuneration paid to the Management Board for 2020: BGN 645,000.

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	400 145	370 370
Operating revenues	393 644	357 956
Net profit/loss	72 478	104 654
Balance sheet, BGN thsd.		
Total assets	5 080 234	3 266 601
Long-term assets	4 546 870	2 579 861
Short-term assets	533 364	686 740
Total liabilities	2 571 641	732 443
Long-term liabilities	2 163 336	287 612
Short-term liabilities	408 305	444 831
Equity	2 508 593	2 534 158
Financial ratios		
Return on revenue	0.18	0.28
Return on expenses	1.40	1.46
Liquidity ratio	1.31	1.54
Indebtedness ratio	1.03	0.29
Leverage ratio	2.03	1.29
Dividend, BGN thsd.	-	23 569
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

STATE ENTERPRISE “PORT INFRASTRUCTURE”

The company is engaged in the construction of ports and port terminals as well as their reconstruction and maintenance. For the implementation of its activities, the company owns property, public and private state property.

The company is a management body of the Bulgarian ports for public transport and provides services for traffic management and information service of shipping.

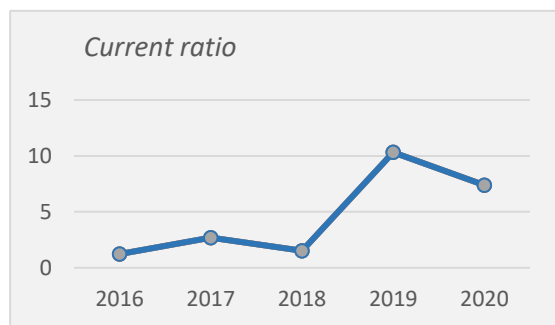
The State Enterprise “Port Infrastructure” prepares questionnaires according to the requirements of the Quality Management System under Standard 150 9001: 2015, which are filled in by the clients of the State Enterprise “Port Infrastructure” and performs analysis of the provided opinions and recommendations.

The State Enterprise "Port Infrastructure" as a Managing Body of the ports does not form a market share.

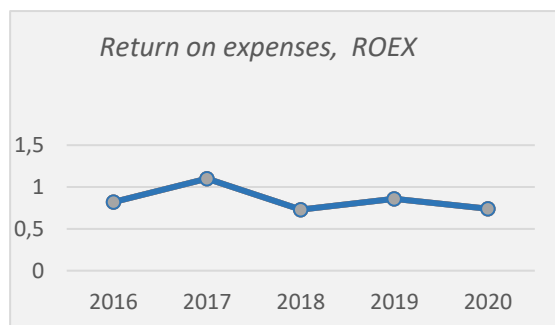
Total revenues from operating activities for 2020 are BGN 37,903 thousand compared to 2019 decreased by BGN 5,951 thousand.

The financial result for 2020 is an accounting loss of BGN 11,281 thousand, which is an increase of BGN 4,625 thousand compared to 2019.

Capital structure



Profitability



100% state-owned

Minister of Transport, Information Technology and Communications

Управителен съвет: Georgi Todorov – Chairman, Anguel Zaboutov – General Director

Independent auditor: Audit Consult 2004 OOD, Reg. No.122

Remuneration paid to the Management Board for 2020: BGN 164,597.

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	38 764	43 854
Operating revenues	37 903	43 854
Net profit/loss	-11 281	-6 656
Balance sheet, BGN thsd.		
Total assets	1 298 406	1 214 619
Long-term assets	1 136 715	992 922
Short-term assets	161 691	221 697
Total liabilities	82 297	92 395
Long-term liabilities	60 431	70 920
Short-term liabilities	21 866	21 475
Equity	1 216 109	1 122 224
Financial ratios		
Return on expenses	0.79	0.86
Liquidity ratio	7.39	10.32
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

BULGARIAN AIR TRAFFIC SERVICES AUTHORITY (BULATSA)

provides high quality air navigation services in the air navigation system of the Republic of Bulgaria and among the international aviation community.

BULATSA is the sole provider of air navigation services in the Republic of Bulgaria and has a 100% market share for the activities it performs.

In 2020 was commissioned a communication link between air traffic controllers and pilots under a data transmission line (CPDLC) of the Automated Air Traffic Management (ACYBD) SATCAS system.

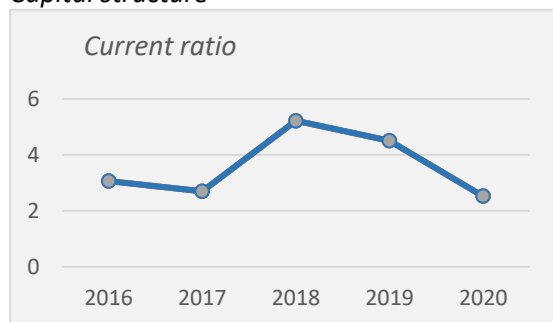
The project "Building a real-time disaster recovery center" is being implemented.

BULATSA has approved Rules for customer relationship management. At least two multilateral consultative meetings with airline representatives (IATA) are held annually. Surveys are conducted annually to establish customer satisfaction with the service provided, incl. and through the company's website. BULATSA publishes on its official website an annual report on the state of customer relationship.

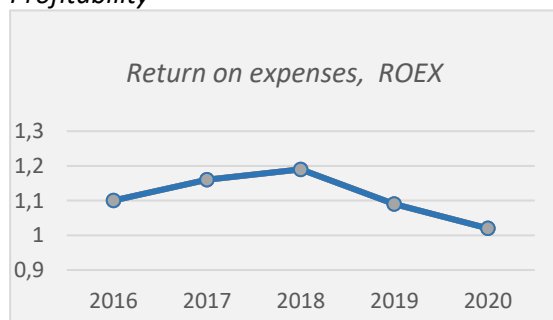
In 2020, continued the works under project for "Reconstruction and modernization of the Operational and Technical Hall and the adjacent infrastructure and facilities" in Sofia Flight Information Region (Sofia FIR). The project will expand the capacity of the automated air traffic control system.

BULATSA participates actively in the activities related to environmental protection, participating in the establishment, organization and activities of the forum "Joint management of the environmental impact of aviation activities in the airport area", which is held twice a year.

Capital structure



Profitability



100% state-owned

Minister of Transport, Information Technology and Communications

Management Board: Veselina Karamileva-Todorova – Chairman, Desislava Zamfirova, Georgi Peev – General Director

Independent auditor:

Независим одитор: Brain Storm Consult EOOD, reg.No. 148

Remuneration paid to the Management Board for 2020: BGN 394,000.

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	179 954	256 429
Operating revenues	179 854	256 142
Net profit/loss	2 552	18 252
Balance sheet, BGN thsd.		
Total assets	404 156	429 852
Long-term assets	280 400	205 379
Short-term assets	123 756	224 473
Total liabilities	62 026	74 894
Long-term liabilities	12 987	25 136
Short-term liabilities	49 039	49 758
Equity	342 130	354 958
Deductions for the state	18 252	15 442
Financial ratios		
Return on expenses	1.02	1.09
Liquidity ratio	2.52	4.51
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

SE “NATIONAL RAILWAY INFRASTRUCTURE COMPANY”

From 01.01.2020 the company uses a Resources planning and management system.

Revenues from sales of services for 2020 amount to BGN 116,013 thousand and compared to 2019 there is an increase by BGN 7,682 thousand

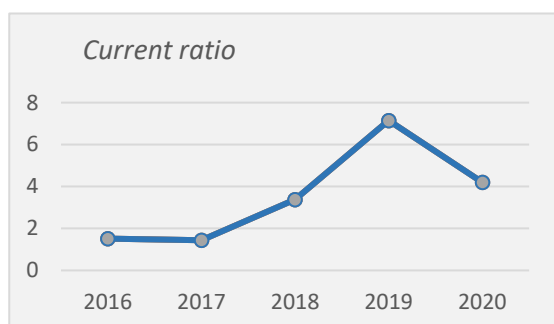
The “National Railway Infrastructure Company” is the only railway infrastructure manager and has a 100% market share for the activities it performs.

As of 31.12.2020, the company reports a net loss of BGN 76,127 thousand, as in the previous 2019 the loss was BGN 23,001 thousand. The accumulated uncovered losses from previous years, without the impact of the current as of 31.12.2020 amount to BGN 559,066 thousand.

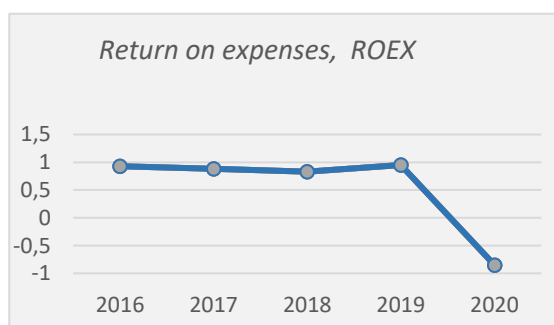
Operating expenses excluding depreciation expenses amount to BGN 338,472 thousand and compared to 2019 have increased by BGN 25,745 thousand.

The equity of the company decreased from BGN 1,345,351 thousand to BGN 1,275,410 thousand.

Capital structure



Profitability



100% state-owned
Minister of Transport, Information
Technology and Communications

Management Board: up to 08.10.2020

Ivan Markov, Hristo Aleksiev, Krasimir Papukchiyski – General Director

From 09.10.2020 up to 31.12.2020

Hristo Aleksiev – Chairman, Krasimir Papukchiyski – General Director

Independent auditor: ABVP-Audit

Standard Ltd., Reg. No.165

Remuneration paid to the Management Board, the Director General for 2020 :

BGN 138,512.

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	453 260	478 826
Operating revenues	452 498	477 797
Net profit/loss	-76 127	-23 001
Balance sheet, BGN thsd.		
Total assets	4 380 005	4 296 290
Long-term assets	4 155 343	3 986 522
Short-term assets	224 662	309 768
Total liabilities	3 104 595	2 950 939
Long-term liabilities	3 051 097	2 907 590
Short-term liabilities	53 498	43 349
Equity	1 275 410	1 345 351
Financial ratios		
Return on expenses	-0.85	0.95
Liquidity ratio	4.20	7.15
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

HOLDING BDZ EAD is a holding company that unites companies operating in the field of passenger and freight transportation by rail.

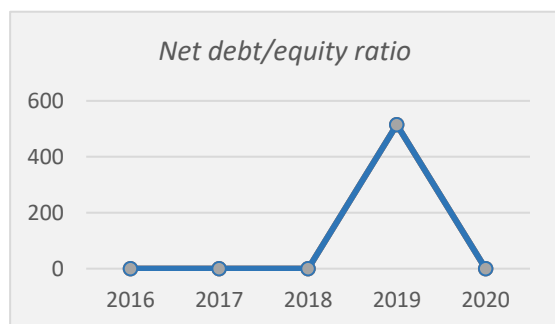
According to the official statistics of the NSI for 2020, "Holding BDZ" EAD has a market share of 5.3% for the transported passengers and 18.2% for the realized passenger kilometers of the land transport. The market share for freight transport in 2020 is 42%.

The company ended 2020 with a net profit of BGN 558 thousand, with a reported loss for the previous 2019 amounting to BGN 8,038 thousand.

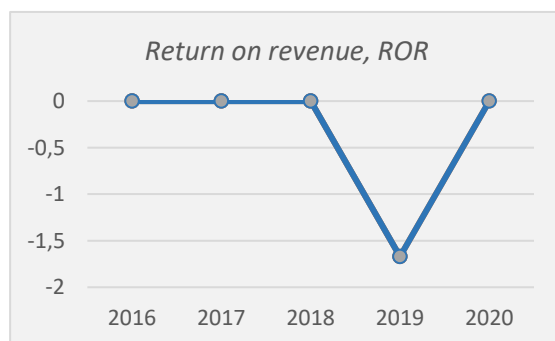
Revenues from operating activities for the analyzed period, including revenues from the sale of coal, goods, services and others, amounted to BGN 6,411 thousand and increased by BGN 1,647 thousand compared to those realized for the past 2019.

In 2020, total expenses amounted to 6,524 and an increase of BGN 1,724 thousand was reported compared to the previous 2019.

Capital structure



Profitability



100% state-owned

Minister of Transport, Information Technology and Communications

Board of Directors: Nikola Vassilev – Executive Director, Grigori Grigorov – Chairman, Svetlomir Nikolov

Independent auditor: HLB Bulgaria Ltd., Reg. No. 017.

Remuneration paid to the Board of Directors for 2020: BGN 188 thousand

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	6 524	4 800
Operating revenues	6 411	4 764
Net profit/loss	558	-8 038
Balance sheet, BGN thsd.		
Total assets	250 919	256 338
Long-term assets	227 884	226 419
Short-term assets	23 035	29 919
Total liabilities	32 070	255 841
Long-term liabilities	21 017	23 662
Short-term liabilities	11 053	232 179
Equity	218 849	497
Financial ratios		
Return on revenue	-0.09	-1.67
Return on expenses	0.76	0.23
Liquidity ratio	2.08	0.13
Indebtedness ratio	0.15	514.77
Leverage ratio	1.15	515.77
Dividend, BGN thsd.	-	-
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

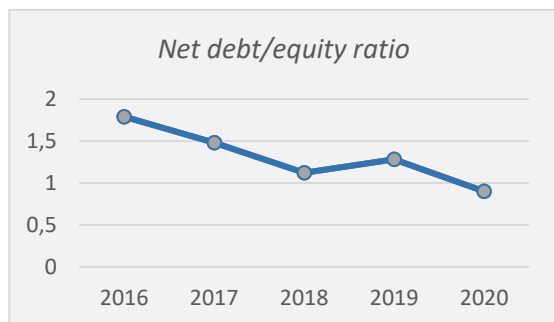
BDZ PASSENGER SERVICES LTD. specializes in rail passengers transport in domestic and/or international traffic, hiring of locomotive traction and wagons for rail passengers transport, maintenance and repair of rolling stock (locomotives and wagons).

In 2020, 16,810.48 thousand passengers were transported, thus representing 21.22% or 4,529.02 thousand fewer passengers compared to 2019.

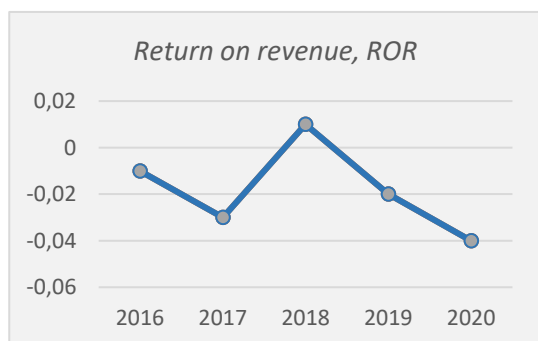
As of 31.12.2020, the company reported a net loss of BGN 10,830 thousand, while in the previous 2019 it realized a loss of BGN 5,109 thousand. Revenues from operating activities amount to BGN 250,416 thousand, as compared to the previous year they decreased by BGN 15,579 thousand, mainly due to the decrease in revenues from external customers (passenger transport).

През 2020 г. са превозени 16 810,48 хил. пътници, с 21,22 % или с 4 529,02 хил. пътника по-малко в сравнение с 2019 г.

Capital structure



Profitability



100% owned by BDZ Holding

Manager – Lyuben Nanov

Procurator – Ivan Valchev

Procurator – Velik Tonev

The company is represented jointly by the manager and one of the procurators or by the two procurators jointly.

Independent auditor: HLB Bulgaria Ltd., Reg. No.017.

Remunerations paid to the manager and the procurators for 2020: BGN 181,701.

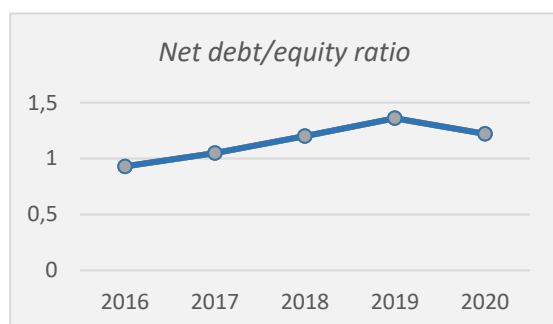
	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	250 597	266 232
Operating revenues	250 416	265 995
Net profit/loss	-10 830	-5 109
Balance sheet, BGN thsd.		
Total assets	533 301	336 581
Long-term assets	450 758	245 140
Short-term assets	82 543	91 441
Total liabilities	253 311	189 136
Long-term liabilities	192 231	110 852
Short-term liabilities	61 080	78 284
Equity	279 990	147 445
Financial ratios		
Return on revenue	-0.04	-0.02
Return on expenses	0.91	0.95
Liquidity ratio	1.35	1.17
Indebtedness ratio	0.90	1.28
Leverage ratio	1.90	2.28
Dividend, BGN thsd.	-	-
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	Yes

BDZ CARGO SERVICES LTD. specializes in rail freight, hire of locomotive traction and wagons for rail freight, maintenance and repair of rolling stock (locomotives and wagons). The railway freight market in Bulgaria does not significantly exceed 16 million tons in recent years, with the company's share ranging between 45-55%.

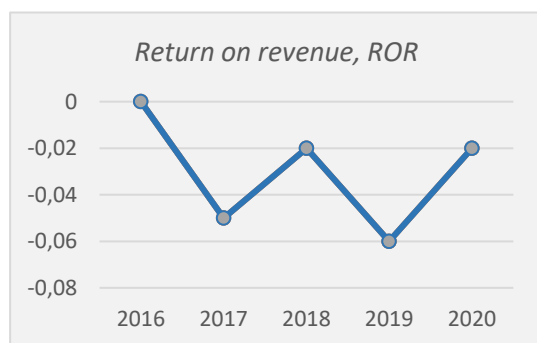
In connection with Decision №463 / 09.07.2020 of the Council of Ministers, real estates owned by the enterprise of the State Enterprise "Railway Infrastructure" were sold, with which BDZ Cargo Services Ltd. reduced its liabilities to the State Enterprise "Railway Infrastructure" with BGN 7,831 thousand.

As of 31.12.2020, the company reports a net loss of BGN 2,186 thousand, as in the previous 2019 the loss was BGN 7,605 thousand. Revenues from operating activities amounted to BGN 119,126 thousand, as compared to the previous year they increased by BGN 3,087 thousand.

Capital structure



Profitability



100% owned by BDZ Holding

Manager – Ivan Lichev

Procurator – Svetlomir Nikolov

The company is jointly represented by the Manager and the Procurator

Independent auditor: HLB Bulgaria Ltd., Reg. No.017

Remunerations paid to the Manager and the Procurator for 2020: BGN 102,000.

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	119 303	122 371
Operating revenues	119 126	122 213
Net profit/loss	-2 186	-7 605
Balance sheet, BGN thsd.		
Total assets	215 204	199 695
Long-term assets	172 205	158 836
Short-term assets	38 070	40 859
Total liabilities	118 126	115 037
Long-term liabilities	61 979	71 627
Short-term liabilities	56 147	43 410
Equity	97 078	84 658
Financial ratios		
Return on revenue	-0.02	-0.06
Return on expenses	0,89	0.90
Liquidity ratio	0,68	0.94
Indebtedness ratio	1,22	1.36
Leverage ratio	2,22	2.36
Dividend, BGN thsd.	-	-
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

PORT OF VARNA EAD

The main activity of the Port of Varna EAD is transshipment and storage of cargo, port services, and ship servicing. It has two port terminals: Varna-East - located in the Varna Bay and Varna-West - the most modern and promising port on the northern Bulgarian Black Sea coast, located about 30 km west of the city of Varna, on the western shore of the Lake Beloslav.

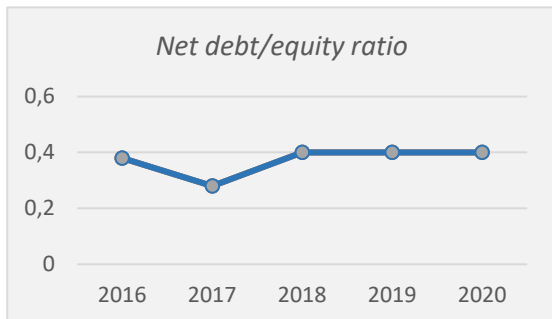
"Port of Varna" EAD constantly monitors the customer's satisfaction with the goods and services offered by the company and their results. For this purpose, a comprehensive "Procedure for research and analysis of customer satisfaction with the provided port services" has been developed and implemented, which is an integral part of the Quality Management System 180 9001: 2015.

"Port of Varna" EAD reported a market share of 1/3 of all processed dry cargo in the segment "Water Transport" of the country.

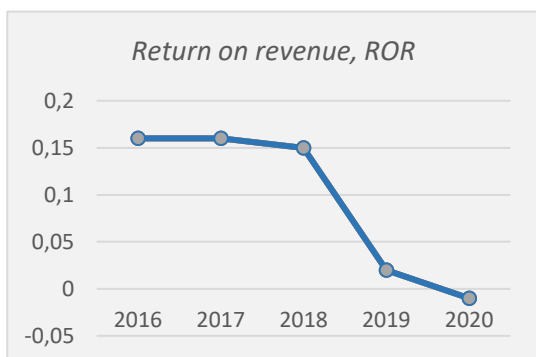
As of 31.12.2020, the company reported a net loss of BGN 5,116 thousand, while in the previous 2019, it realized a profit of BGN 1,082 thousand.

Operating revenues amounted to BGN 51,822 thousand; compared to the previous year they decreased by BGN 9,723 thousand. Operating expenses amounting to BGN 56,928 thousand are less than BGN 3,396 thousand compared to the previous year.

Capital structure



Profitability



100% state-owned

Minister of Transport, Information Technology and Communications

Board of Directors: Tihomir Todorov- Chairman, Dimitar Atanasov, Petar Seferov – Executive Director

Independent auditor: Svrakov and Milev Ltd., Reg. No. 087

Remuneration paid to the Board of Directors for 2020: BGN 162,062

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	51 884	61 622
Operating revenues	51 822	61 545
Net profit/loss	-5 116	1 082
Balance sheet, BGN thsd.		
Total assets	63 381	71 311
Long-term assets	38 650	41 571
Short-term assets	24 731	29 740
Total liabilities	18 092	20 326
Long-term liabilities	8 112	10 140
Short-term liabilities	9 980	10 186
Equity	45 289	50 985
Financial ratios		
Return on revenue	-0.10	0.02
Return on expenses	0.91	1.02
Liquidity ratio	2.48	2.92
Indebtedness ratio	0.40	0.40
Leverage ratio	1.40	1.40
Dividend, BGN thsd.	541	5 443
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

SOFIA AIRPORT EAD

The company is a licensed airport operator, and its activities include airport flight support, ground handling of aircraft, passenger service, handling of luggage, cargo and mail.

For 2020 the market share of "Sofia Airport" EAD regarding the ground handling activities at Sofia Airport is as follow: 28% in terms of number of serviced aircraft and 11% in terms of number of passengers served; 1.98% as a ground handling operator concerning the activity of servicing with fuel for the loaded quantity of aircraft.

"Sofia Airport" EAD emphasizes the building of channels for receiving and analyzing the so-called "DeesPzask" - feedback from passengers and customers through the company's website and profiles on the company's social networks.

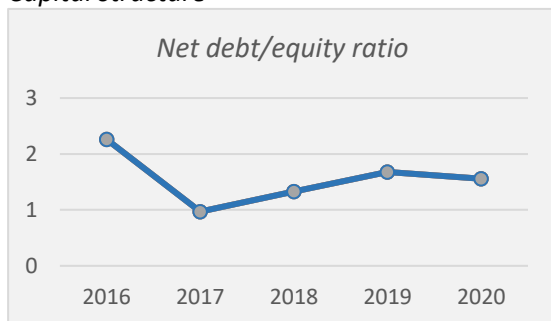
Major events in 2020:

On July 22, 2020, a contract was concluded between the Government of the Republic of Bulgaria and the concessionaire "SOF Connect" AD. The concessionaire has acquired the exclusive right to manage the site and to be an airport operator at Sofia Airport. The concession's commencement date is April 20, 2021.

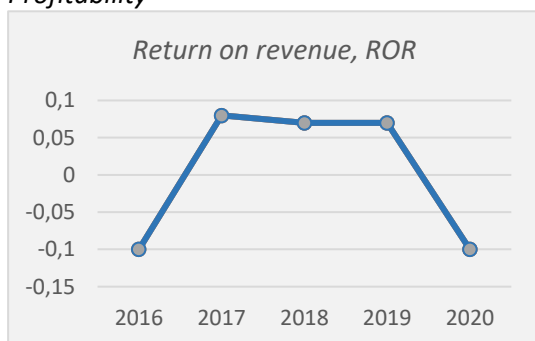
As of 31.12.2020, the company reported a net loss of BGN 1,662 thousand, while in the previous 2019 the realized profit amounted to BGN 12,899 thousand.

Operating revenues amounted to BGN 131,488 thousand, which is a decrease of BGN 49,920 thousand compared to the previous year. Expenses for operating activities (amounting to BGN 131,802 thousand) are less compared to the previous year by BGN 35,833 thousand.

Capital structure



Profitability



In 2020, the management of Sofia Airport EAD focused on innovation in the field of ecology and environmental protection. A Strategy for maintenance and development of a quality and environmental management system has been developed, and continuous monitoring of noise at and around the airport complex is being carried out. Participation of the public enterprise in the public discussion in 2020 of the Action Plan based on the Strategic Noise Map, as well as in the Action Plan based on the Strategic Noise Map, approved by the Minister of Health.

100% state-owned

Minister of Transport, Information Technology and Communications

Board of Directors: : Asya Ivanova, Maya Andreeva and Vladimir Rapondzhiev – Executive Director

Independent auditor: Бул Одит ООД, per. № 023

Remuneration paid to the Board of Directors for 2020 – BGN 219,000

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	132 094	183 059
Operating revenues	131 488	181 408
Net profit/loss	-1 662	12 899
Balance sheet, BGN thsd.		
Total assets	272 803	307 619
Long-term assets	9 942	11 753
Short-term assets	262 861	295 866
Total liabilities	166 201	192 889
Long-term liabilities	-	1 237
Short-term liabilities	166 201	191 652
Equity	106 602	114 730
Financial ratios		
Return on revenue	-0.01	0.07
Return on expenses	1.00	1.08
Liquidity ratio	1.58	1.54
Indebtedness ratio	1.56	1.68
Leverage ratio	2.56	2.68
Dividend, BGN thsd.	6 450	6 318
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	Yes

BULGARIAN POSTS EAD

The company is a licensed postal operator, as for the performance of its activities has individual licenses, permits, and certificates.

In 2020, the market share of “Bulgarian Posts” EAD related to universal postal service - 79%, courier services - 0.6%, non-universal postal service - 25% and postal money orders - 19%.

By a Decree of the Council of Ministers No. 113 / 28.05.2020, “Bulgarian Posts” EAD was assigned to perform a service of general economic interest regarding the distribution of periodicals (newspapers and magazines) with wholesale and retail discounts, directly or on a subscription basis, within the territory of the Republic of Bulgaria for a period of 10 years, as of March 1, 2020.

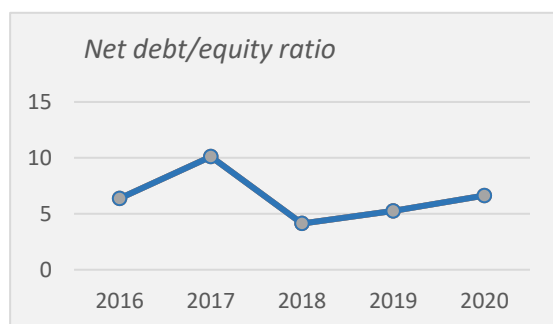
The compensation of the net expenditures of providing this service is under the requirements of the "Methodology for determining the amount of compensation based on the net costs of providing the periodicals' distribution service with wholesale and retail discounts, directly or on a subscription basis by “Bulgarian Posts” EAD, on the territory of the Republic of Bulgaria, included in the Annex to the Decree of the Council of Ministers No.113 / 28.05.2020.

As of 31.12.2020, the company reported a loss of BGN 5,155 thousand, compared to 2019 it has increased by BGN 4,044 thousand.

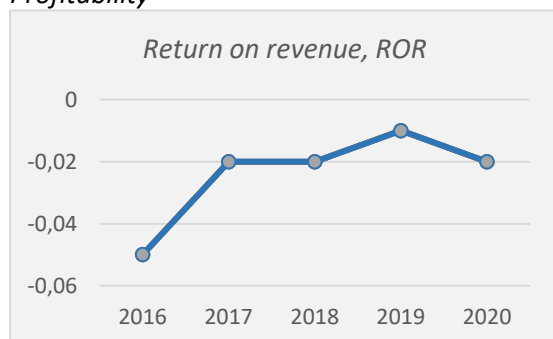
The total amount of revenues for 2020 is BGN 213,027 thousand, which has increased compared to 2019 by BGN 38,771 thousand.

The net loss for 2020 is BGN 5,155 thousand, which is an increase of BGN 4,044 thousand compared to 2019.

Capital structure



Profitability



100% state-owned

Minister of Transport, Information Technology and Communications

Board of Directors: Nikola Sherletov, Emilia Facheva; Deyan Daneshki – Executive Director

Independent auditor: Grand Thornton Ltd., Reg. No.032

Remuneration paid to the Board of Directors for 2020 r.: BGN 212,675

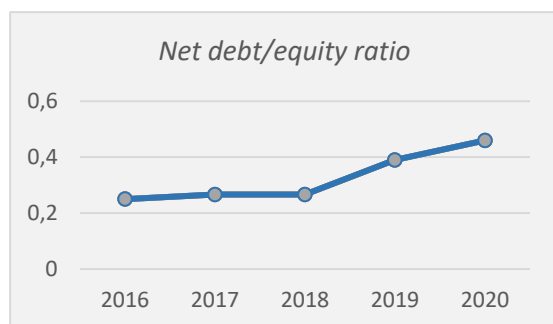
	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	213 027	174 256
Operating revenues	212 661	174 220
Net profit/loss	-5 155	-1 111
Balance sheet, BGN thsd.		
Total assets	219 825	227 485
Long-term assets	136 994	135 829
Short-term assets	82 831	91 656
Total liabilities	190 992	191 092
Long-term liabilities	38 360	37 792
Short-term liabilities	152 632	153 300
Equity	28 833	36 393
Financial ratios		
Return on revenue	-0.02	-0.01
Return on expenses	0,96	0,99
Liquidity ratio	0.54	0.60
Indebtedness ratio	6.62	5.25
Leverage ratio	7.62	6.25
Dividend, BGN thsd.	-	-
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

INFORMATION SERVICES AD The company is among the technological leaders in the field of providing high-tech services in the sector of information and communication technologies in Bulgaria. The company's scope of business includes the development of information products from databases, software products, and systems. With the amendments to the Electronic Government Act of 29.11.2019, Information Services AD is determined to perform the functions of a National System Integrator. System integration activities include building, maintaining, developing, and monitoring the performance of information systems used by administrative bodies.

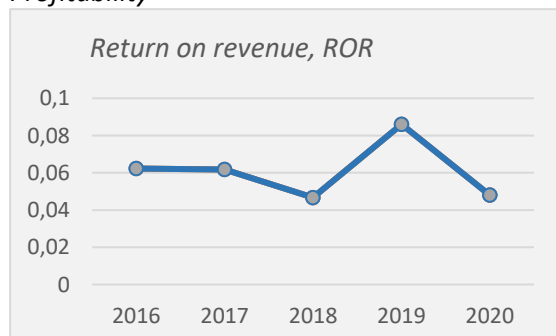
"Information Services" AD has 26 territorial divisions (branches) within the territory of the country, which perform the Company subject of activity of the on the territory of the respective district.

For 2020 the company realized profit after taxes amounting to BGN 4,031 thousand, and a significant increase in revenues and financial results compared to the previous year was reported. The increase in revenues is by BGN 51,451 thousand or 1.59 times.

Capital structure



Profitability



99,5% state-owned
Minister of Transport, Information
Technology and Communications

Board of Directors: Mihail Konstantinov - Chairman, Valeri Borisov - Deputy Chairman, Ivaylo Filipov, Juliana Kalcheva, Valentina Nedyalkova

Executive Director: Ivaylo Filipov

Independent auditor: Veles Audit Ltd., Reg. No.170

Remuneration paid to the Board of Directors for 2020: BGN 362 thousand

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	83 877	32 426
Operating revenues		
	83 876	32 394
Net profit/loss	4 031	2 803
Balance sheet, BGN thsd.		
Total assets	40 023	34 656
Long-term assets	22 435	17 385
Short-term assets	17 588	17 271
Total liabilities	12 617	9 754
Long-term liabilities	2 656	2 209
Short-term liabilities	9 961	7 545
Equity	27 406	24 902
Financial ratios		
Return on revenue		
	0.05	0.09
Return on expenses	1.06	1.11
Liquidity ratio	1.77	2.29
Indebtedness ratio	0.46	0.39
Leverage ratio	1.46	1.39
Dividend, BGN thsd.	1 394	502
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

TRANSPORT CONSTRUCTION AND RECOVERY EAD

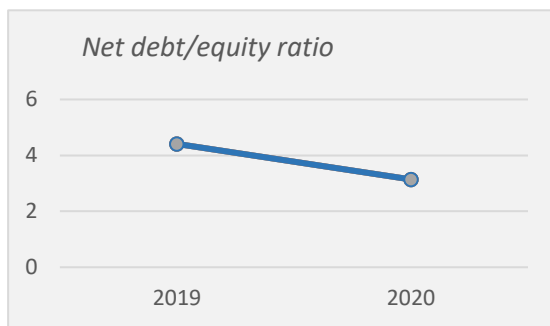
The company scope of business is construction, maintenance and recovery of transport sites, activities in the field of transport communications, rail freight, etc.

“Transport Construction and Recovery” EAD - in 2020 the market share of the company in railway construction amounts to 6.11%.

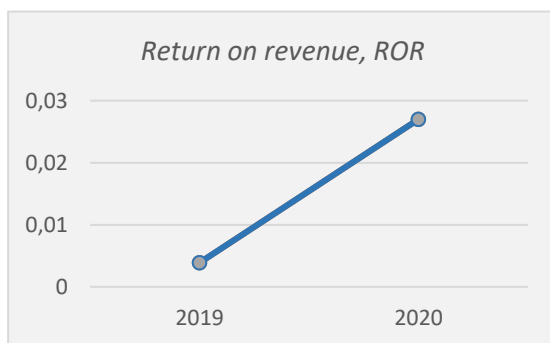
“Transport Construction and Recovery” EAD constantly monitors the evaluation of the clients' activity by filling in Questionnaires for assessing the client's satisfaction. Based on the information received from the surveys, the interaction with the other participants in the construction process - investor, supervision and designers is reported.

The company's financial result for 2020 is a profit of BGN 4,140 thousand, which compared to 2019 is an increase of BGN 4,055 thousand. Operating revenues amounted to BGN 173,816 thousand, and compared to the previous year, they have increased by BGN 152,255 thousand.

Capital structure



Profitability



100% state-owned

Minister of Transport, Information Technology and Communications

Board of Directors: Todor Kondakov –, Marin Hristov, Bozhidar Dzhelebov – CEO

Independent auditor: Radka Boevska, No.0270

Remuneration paid to the Board of Directors for 2020: BGN 215,000

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	173 816	21 817
Operating revenues	173 816	21 561
Net profit/loss	4 140	85
Balance sheet, BGN thsd.		
Total assets	196 919	235 340
Long-term assets	52 021	53 819
Short-term assets	144 898	181 521
Total liabilities	149 316	191 839
Long-term liabilities	2 022	2 401
Short-term liabilities	147 294	189 438
Equity	47 603	43 501
Financial ratios		
Return on revenue	0.02	0.0039
Return on expenses	1,03	1,01
Liquidity ratio	0.98	0.96
Indebtedness ratio	3,14	4,41
Leverage ratio	4.14	5.41
Dividend, BGN thsd.	-	38
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

STATE ENTERPRISE BULGARIAN SPORTS TOTALIZER

is a legal entity, a state enterprise within the meaning of Article 62[3] of the Commerce Act, established by the Gambling Act and with main scope of business: organization of traditional lottery, numerical lottery games, instant lottery, and betting on results of sports competitions and horse and dog races on the territory of the country.

State Enterprise "Bulgarian Sports Totalizer" owns 100% of the market share of the segment in which it operates.

In 2020, the State Enterprise "Bulgarian Sports Tote" conducted a study on "Use and attitudes towards lottery games in Bulgaria" and collected information through questionnaires on the quality and efficiency of service in gambling distribution sites

In 2020 the company has made contributions to the budget of the Ministry of Youth and Sports in the amount of BGN 31 million based on Article 14, paragraph 3 of the Gambling Act.

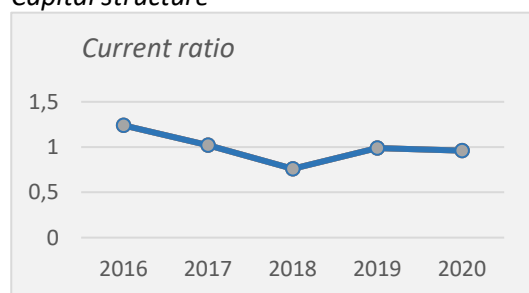
The revenues' increase and the positive financial result for 2020 compared to previous years of the State Enterprise "Bulgarian Sports Tote" is an important achievement for the company.

The company's financial result for 2020 is a profit of BGN 38,597 thousand. After contributions in accordance with the Gambling Act and the Rules of Procedure of the, the net profit is BGN 7,561 thousand and increases compared to the net loss in 2019 in the amount of BGN 7,139 thousand. Revenues from operating activities in 2020 increased by 43.40% or by BGN 76,202 thousand compared to 2019, reaching BGN 251,849 thousand.

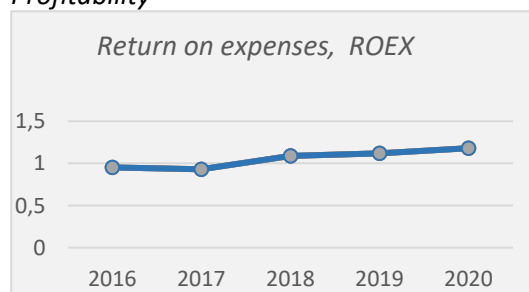
The financial result of the company for 2020 is a profit of BGN 38,597 thousand. After contributions in accordance with the Gambling Act and the Rules of Procedure of the company, the net profit is BGN 7,561 thousand and increases compared to the net loss in 2019 in the amount of BGN 7,139 thousand. Operating revenues in 2020 increased by 43.40% or by BGN 76,202 thousand compared to 2019, reaching BGN 251,849 thousand.

As a result of the increase in activity and revenues in 2020 by 43.40%, the associated costs are growing at a slower pace, respectively by 37.20%. The operating expenses in 2020 amounted to BGN 212,987 thousand.

Capital structure



Profitability



100% state-owned Minister of Youth and Sports

Management Board as of 01.01.2020:

Zhivko Vangelov – Chairman; Damyán Damyánov – Executive Director, Goryana Todeva, Belcho Ivanov, Konstantin Bazhdekov

Management Board after 27.02.2020:

Lyudmila Petkova - Chairman; Lyubomir Petrov - Executive Director, Goshó Ginchev, Hristo Yovov, Valentin Tochev

Independent auditor: Luca Pacioli - Expert, Aneta Tupavicharova – Reg. No. 0286
Remuneration paid to the Executive Director and the members of the Management Board for 2020: BGN 329,000.

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	251 851	175 648
Operating revenues	251 849	175 647
Net profit/loss	7 561	-7 139
Balance sheet, BGN thsd.		
Total assets	138 207	60 533
Long-term assets	105 609	40 063
Short-term assets	32 598	20 470
Total liabilities	87 652	64 842
Long-term liabilities	53 551	44 228
Short-term liabilities	34 101	20 614
Equity	50 555	-4 309
Financial ratios		
Return on expenses	1.43	1.12
Liquidity ratio	0.96	0.99
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

NATIONAL SPORTS BASE EAD

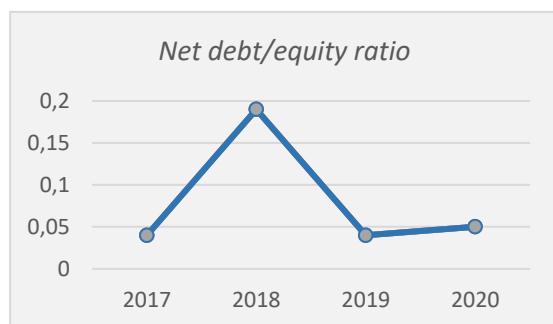
The company was established to maintain sports sites and facilities. In 2020, investment programs were completed and were reported to be realized investments for BGN 2,760,000.

As of 31.12.2020, the company reported a net loss of BGN 2,934 thousand, which is a decrease of BGN 335 thousand compared to 2019.

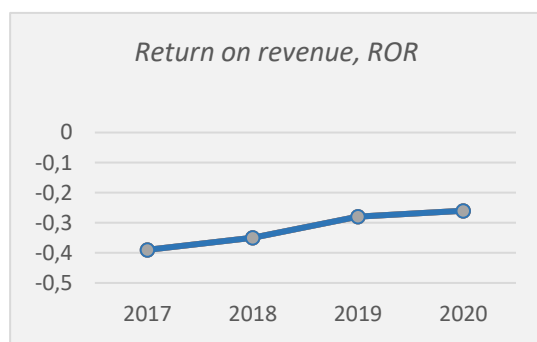
Operating revenues amounted to BGN 11,118 thousand, having decreased by BGN 590 thousand compared to the previous year.

As of 31.12.2020, the company reported accumulated losses from its activities in the amount of BGN 45,812 thousand.

Capital structure



Profitability



100% собственост на държавата
Министър на младежта и спорта

Board of Directors: Emilia Assenova
Grueva – Chairperson,
Krassimir Zdravkov Kerezov,
Anton Nikolov Popov,
Stoyan Trayanov Tanev,
Plamen Tsvetkov Manolov – Executive
Director

Independent auditor: RSM BG Ltd.,
Mariana Mihaylova, Reg.No. 173

Remuneration paid to the Board of
Directors for 2020: BGN 195,722

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	11 189	11 744
Operating revenues	11 118	11 708
Net profit/loss	-2 934	-3 269
Balance sheet, BGN thsd.		
Total assets	203 374	204 945
Long-term assets	193 448	194 522
Short-term assets	9 926	10 423
Total liabilities	9 030	8 157
Long-term liabilities	6 016	5 723
Short-term liabilities	3 014	2 434
Equity	194 344	196 788
Financial ratios		
Return on revenue	-0.26	-0.28
Return on expenses	0.81	0.80
Liquidity ratio	3.29	4.28
Indebtedness ratio	0.05	0.04
Leverage ratio	1.05	1.04
Dividend, BGN thsd.		
Dividend	-	-
AFS certified by an independent auditor	Да	Да
AFS prepared in accordance with IAS	Да	Да
AFS prepared in accordance with the NAS	Не	Не

SOUTH-WEST STATE ENTERPRISE –

BLAGOEVGRAD is a legal entity, a state enterprise within the meaning of Article 62[3] of the Commerce Act, established based on the Forest Act in 2011.

The company manages the state forest territories in eight administrative districts – Blagoevgrad, Kyustendil, Sofia city, Sofia province, Pazardzhik (Belovo State Forestry), Plovdiv (Krichim State Hunting Farm), Pernik and Lovech (Teteven State Forestry). It consists of 38 territorial divisions, of which 32 state forestries and 6 – state hunting farms.

The total area of the forest territories included in the scope of the South- West State Enterprise is 961,947 ha, of which 669, 067 hectares are state forest territories (70%).

For the period 5 projects for repair of permanent forest roads have been adopted.

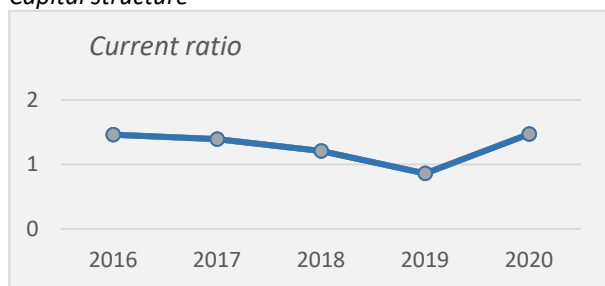
A Questionnaire for the survey of satisfaction with the goods and services offered by it is published on the company's website.

The South- West State Enterprise, Blagoevgrad occupies 18.1% market share compared to the total timber production in 2020.

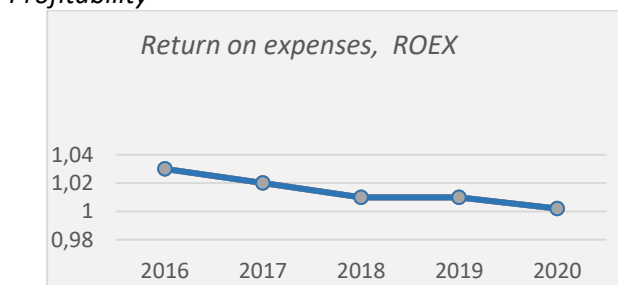
As a result of activity as of 31.12.2020 the company reported operating revenues amounting to BGN 66,174 thousand, compared to BGN 74,420 thousand for the same period of 2019.

Financial revenues amounted to BGN 201 thousand. The main source of income from operating activities is related to timber extraction. The total amount of expenses is BGN 66,268 thousand compared to 2019, which was BGN 74,355 thousand. As of 31.12.2020 the company realized accounting profit in the amount of BGN 107 thousand, and in 2019 it amounted to BGN 398 thousand.

Capital structure



Profitability



100% state-owned

Minister of Agriculture, Food and Forestry

Management Board: Maria Yordanova Marinova – Chairperson, Eng. Vanya Blagoeva Kamenova, Damyan Iliev Damyanov – Director

Independent auditor: Nadka Stoyanova, No.0143 and Milena Stoyanova, No.0783
Remuneration paid to the Management Board for 2020: BGN 271,493

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	66 375	74 753
Operating revenues	66 174	74 420
Net profit/loss	189	171
Balance sheet, BGN thsd.		
Total assets	289 419	292 392
Long-term assets	260 235	267 984
Short-term assets	23 611	22 426
Total liabilities	94 186	96 996
Long-term liabilities	78 170	68 766
Short-term liabilities	16 060	28 230
Equity	195 189	195 396
Deductions for the state	85	305
Financial ratios		
Return on expenses	1.00	1.01
Liquidity ratio	1.47	0.86
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

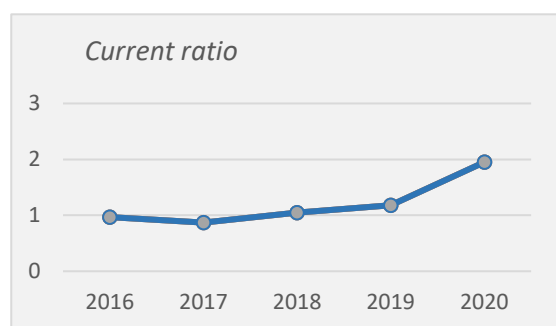
SOUTH-EAST STATE ENTERPRISE – SLIVEN is a legal entity, a state enterprise within the meaning of **Article 62[3] of the Commerce Act**, established based on the Forest Act in 2011.

The company manages the state forest territories in five administrative districts – Burgas, Sliven, Haskovo, Stara Zagora and Yambol. The company includes 32 territorial divisions, including twenty-seven state forestries and five state hunting farms.

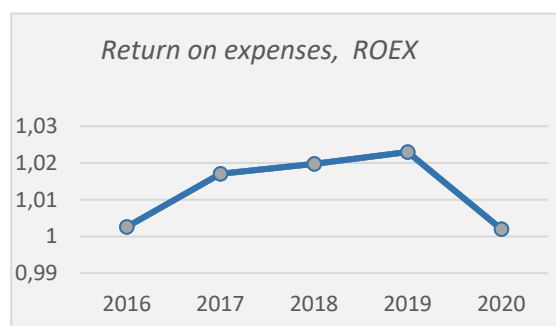
The South-East State Enterprise, Sliven occupies a 15.1% market share compared to the total timber harvest in 2020.

In 2020 the company's operating revenues amounted to BGN 59,327 thousand, while in 2019 they amounted to BGN 68,432 thousand. The company's net profit amounted to BGN 289 thousand compared to 2019 when the net profit was BGN 1,337 thousand.

Capital structure



Profitability



100% state-owned

Minister of Agriculture, Food and Forestry

Management Board: Maria Petkova Mihailova – Chairperson, Slavina Ivanova Popova-Koleva, Eng. Peycho Ivanov Varbanov – Director

Management Board: BISICOM 61 Ltd., Reg. No.19

Remuneration paid to the Management Board for 2020: BGN 100,063.

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	59 530	68 667
Operating revenues	59 327	68 432
Net profit/loss	289	1 337
Balance sheet, BGN thsd.		
Total assets	61 992	59 812
Long-term assets	41 664	46 112
Short-term assets	20 238	13 700
Total liabilities	37 832	35 340
Long-term liabilities	27 404	23 763
Short-term liabilities	10 428	11 577
Equity	24 160	24 472
Deductions for the state	602	604
Financial ratios		
Return on expenses	1.00	1.02
Liquidity ratio	1.95	1.18
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

SOUTH-CENTRAL STATE ENTERPRISE – SMOLYAN

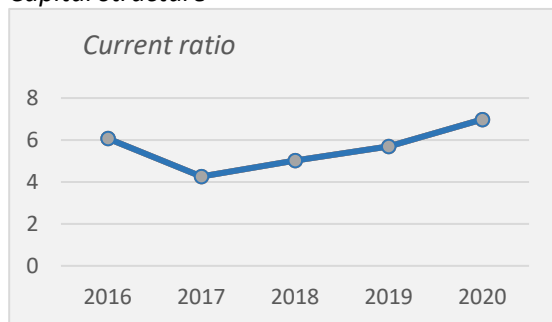
is a legal entity, a state enterprise within the meaning of Article 62[3] of the Commerce Act, established based on the Forest Act in 2011.

As of 31.12.2020 in the territorial scope of activity of the company there are 35 forestries, of which 28 are state forestry and 7 state hunting farms. The company governs the state forest territories in 4 administrative districts - Smolyan, Plovdiv, Pazardzhik, Kardzhali.

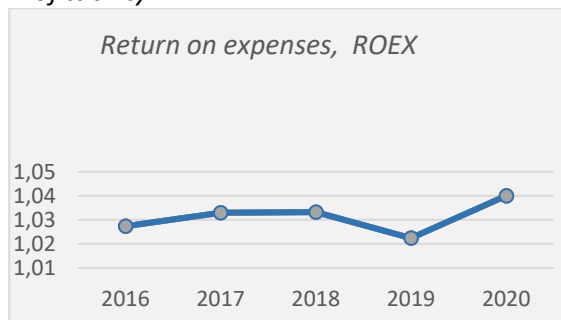
South-Central State Enterprise, Smolyan occupies a 19.9% market share compared to the total timber production in 2020.

For 2020 the company has realized total operating revenues amounting to BGN 86,676 thousand. Net revenues from sales of products, services and goods amounted to BGN 71,465 thousand, and for the previous year were in the amount of BGN 80 BGN 596 thousand. For the period, the company reported operating expenses amounting to BGN 82,965 thousand. The reported financial result is an accounting profit of BGN 3,018 thousand.

Capital structure



Profitability



100% state-owned

Minister of Agriculture, Food and Forestry

Management Board: Nikolay Vassilev - Yanchev - Chairman, Ventsislav Mitkov Cholakov, Eng. Botyo Malinov Arabadjiev - Director

Independent auditor: BISICOM 61 Ltd., Reg. No. 19

Remuneration paid to the Management Board for 2020: BGN 212,074

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	86 896	100 956
Operating revenues	86 676	100 813
Net profit/loss	3 018	2 491
Balance sheet, BGN thsd.		
Total assets	161 305	158 800
Long-term assets	80 661	60 882
Short-term assets	80 644	97 918
Total liabilities	122 578	121 985
Long-term liabilities	111 025	105 169
Short-term liabilities	11 553	16 816
Equity	38 727	36 815
Deductions for the state	1 121	1 167
Financial ratios		
Return on expenses	1.04	1.02
Liquidity ratio	6.75	5.69
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

NORTH-EAST STATE ENTERPRISE – SHUMEN is a legal entity, a state enterprise within the meaning of Article 62[3] of the Commerce Act, established based on the Forest Act in 2011.

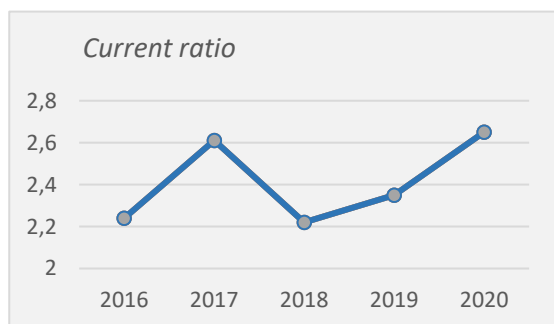
The North-East State Enterprise - Shumen is located in the eastern part of the Danube plain and occupies the southern ends of Ludogorie. It consists of eighteen territorial divisions, of which thirteen are state forestries and five are state hunting farms.

The company manages the state forest territories in 4 administrative districts - Shumen, Varna, Dobrich and Targovishte. The total area of the state forest territories included in the area of activity of the North-East State Enterprise - Shumen is 327,582 hectares, as the afforested forest territories amount to 94.36% with an area of 309,098 hectares.

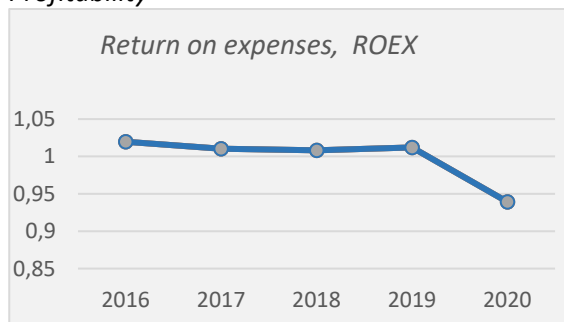
North-East State Enterprise - Shumen occupies 8.7% market share compared to the total timber production in 2020.

For 2020, the realized total operating revenues amounted to BGN 42,302 thousand, of which net sales revenues amounted to BGN 37,405 thousand. Compared to 2019, there was a decrease in net sales revenues of BGN 11,500 thousand. The operating expenses amounted to BGN 45,037 thousand. The accounting loss for 2020 amounts to BGN 2,454 thousand.

Capital structure



Profitability



100% state-owned
Minister of Agriculture, Food and Forestry

Management Board: Beyzat Sadak Yahya – Chairman, Veselin Marinov Ninov, Momchil Raichev Yondrov

Independent auditor: Svetla Petrova, No. 0632

Remuneration paid to the Management Board for 2020: BGN 278, 016

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	42 302	52 831
Operating revenues	42 287	52 801
Net profit/loss	-2 454	546
Balance sheet, BGN thsd.		
Total assets	63 463	67 156
Long-term assets	44 054	45 653
Short-term assets	19 409	21 503
Total liabilities	39 625	40 618
Long-term liabilities	32 304	31 481
Short-term liabilities	7 321	9 137
Equity	23 838	26 538
Deductions for the state	246	124
Financial ratios		
Return on expenses	0.94	1.01
Liquidity ratio	2.65	2.35
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

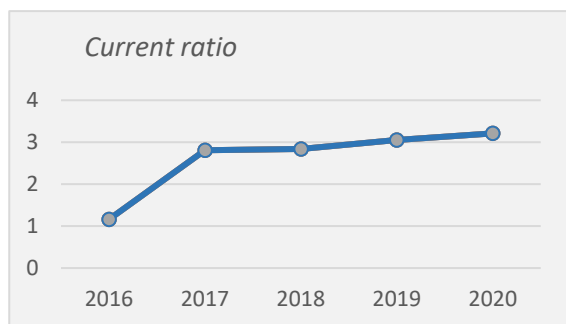
NORTH-CENTRAL STATE ENTERPRISE - GABROVO is a legal entity, a state enterprise within the meaning of **Article 62[3] of the Commerce Act**, established based on the Forest Act in 2011.

The company governs state forest territories located on the northern slopes of Central Balkan Mountains, the Middle Fore-Balkans and parts of the Danube Plain and Dobrudzha, on the territory of the following administrative districts: Gabrovo, Veliko Tarnovo, Ruse, Razgrad and Silistra. The structure of the enterprise consists of a central management and 16 territorial divisions, of which 12 state forestries and 4 state hunting farms. The enterprise 247,000 ha.

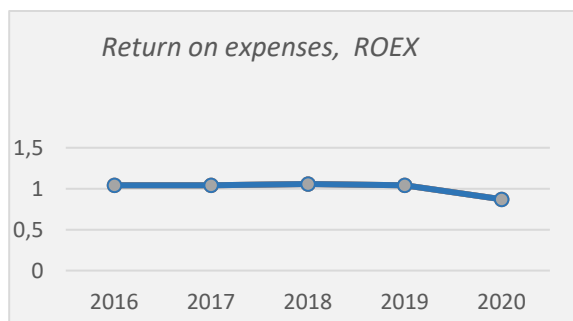
North-Central State Enterprise, Gabrovo occupies 7.2% market share compared to the total timber production in 2020.

Company's operating revenues for 2020 amounted to BGN 27,284 thousand, compared to 2019, where they amounted to BGN 39,780 thousand. The company's net profit is BGN 52 thousand, and in 2019 it amounts to BGN 1,150 thousand. The company's total revenues for the reporting period amounted to 31 BGN 486 thousand.

Capital structure



Profitability



100% state-owned
Minister of Agriculture, Food and Forestry

Management Board: Aleksandar Dimitrov Penkov, Ivan Olegov Stepanov, Tsvetelin Georgiev Milanov – Director

Independent auditor: Accounting Auditing Ltd., Reg. No.150

Remuneration paid to the Management Board for 2020: BGN 214,374.

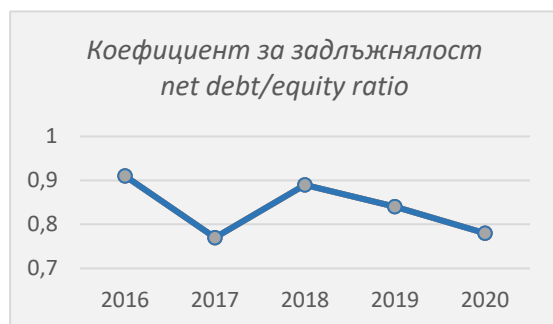
	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	31 486	39 841
Operating revenues	27 284	39 780
Net profit/loss	52	1 150
Balance sheet, BGN thsd.		
Total assets	78 522	80 243
Long-term assets	53 305	53 861
Short-term assets	25 217	26 382
Total liabilities	26 215	27 497
Long-term liabilities	18 371	18 848
Short-term liabilities	7 844	8 649
Equity	52 307	52 746
Deductions for the state	517	840
Financial ratios		
Return on expenses	0.87	1.04
Liquidity ratio	3.21	3.05
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

IRRIGATION SYSTEMS EAD, the company reported accumulated losses from previous years in the amount of BGN 2,885 thousand and current profit in the amount of BGN 518 thousand. As of this date its current liabilities exceed current assets by BGN 6,295 thousand (for 2019 there are 3,653 thousand BGN)

As of 31.12.2020 Irrigation Systems reported a net profit of BGN 518 thousand, while in the previous 2019 the realized profit amounted to BGN 496 thousand.

Operating revenues amounted to BGN 41,433 thousand, as compared to the previous year they decrease by BGN 1,176 thousand. Operating expenses (amounting to BGN 41,147 thousand) decrease by 1 BGN 804 thousand compared to the previous year.

Capital structure



Profitability



**100% state-owned
Minister of Agriculture, Food and
Forestry**

Board of Directors: Krastyo Valentinov Petkov – Chairman, Veselka Georgieva Ninova, Snezhina Dimitrova Dineva – Executive Director

Independent auditor: ECOVIS AUDIT BULGARIA Ltd., Reg. No.114
Remuneration paid to the Board of Directors for 2020: BGN 180,000.

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	41 433	42 609
Operating revenues	41 433	42 609
Net profit/loss	518	496
Balance sheet, BGN thsd.		
Total assets	91 894	94 094
Long-term assets	69 701	70 457
Short-term assets	22 193	23 637
Total liabilities	40 227	42 938
Long-term liabilities	11 739	15 648
Short-term liabilities	28 488	27 290
Equity	51 667	51 156
Financial ratios		
Return on revenue	0.01	0.01
Return on expenses	0.99	0.98
Liquidity ratio	0.78	0.87
Indebtedness ratio	0.78	0.84
Leverage ratio	1.78	1.84
Dividend, BGN thsd.	-	-
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

TEREM – HOLDING EAD is a holding company that unites companies specializing in the repair, modernization and logistics maintenance of aircraft, ships and vessels, armored vehicles, small arms, artillery, missile weapons and ammunition, radar and communication equipment

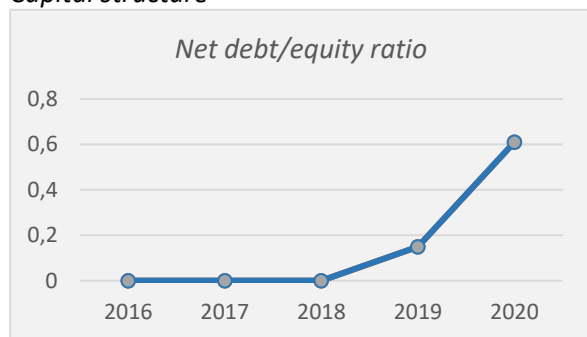
“TEREM–Letets” EOOD occupies a market share of 17% in the field of helicopter repair; “TEREM-Shipyard Flotski Arsenal – Varna” occupies 10% of the ship repair services provided in the country. The market share of the other companies in the group is low due to the irregular load.

Each of the companies in the TEREM Group applies a different approach to measuring customer satisfaction. In some of them the conventional approach is applied through surveys and / or based on answers to targeted inquiries, and in others by assessing the permanence of customers and attracting new customers, references, etc. Customer satisfaction assessment is part of the elements in the Quality Management Systems operating in public enterprises of the TEREM Group.

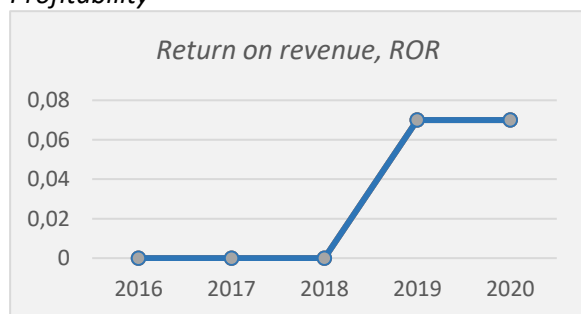
The company ended 2020 with a net profit of BGN 1,207 thousand, and in the previous 2019 the realized profit amounted to BGN 1,196 thousand.

Revenues from operating activities amount to BGN 16,924 thousand, as compared to the previous year they increased by BGN 1,215 thousand. Operating expenses (amounting to BGN 17,112 thousand) increased by BGN 1,271 thousand compared to the previous year.

Capital structure



Profitability



100% state-owned Minister of Defence

Board of Directors: Boyan Petkov – Chairman up to 01.03.2020, Svetlozar Tsvetanov Veshkov – Chairman after 02.03.2020; Joanna Krasteva Dimitrova, Ivan Angelov Doskov –Executive Director

Независим одитор: AUDIT CONSULT MD EOOD, Maria Daskalova, Reg. No.0387
Remuneration paid to the Board of Directors for 2020: BGN 243,000

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	17 765	16 606
Operating revenues	16 924	15 709
Net profit/loss	1 207	1 196
Balance sheet, BGN thsd.		
Total assets	191 297	135 519
Long-term assets	101 818	100 970
Short-term assets	89 479	34 549
Total liabilities	72 274	17 703
Long-term liabilities	106	102
Short-term liabilities	72 168	17 601
Equity	119 023	117 816
Financial ratios		
Return on revenue	0.07	0.07
Return on expenses	0.99	0.99
Liquidity ratio	1.24	1.96
Indebtedness ratio	0.61	0.15
Leverage ratio	1.61	1.15
Dividend, BGN thsd.	-	-
AFS certified by an independent auditor	Yes	
AFS prepared in accordance with IAS	Yes	
AFS prepared in accordance with the NAS	No	

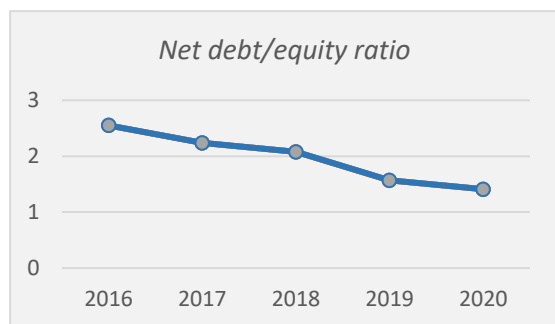
WATER SUPPLY AND SEWERAGE EAD, BURGAS /“W&S” EAD/

In October 2020, “Bulgarian W&S Holding” EAD becomes the sole owner of the capital of the company. The company is the only supplier of drinking water to the population in the district of Burgas and a responsible factor for environmental protection in the region. As of December 2020, the company's water supply network continues to be replaced with more high-tech materials. In 2020, a newly built „Pirne“ treatment plant built by the municipality of Aytos has been commissioned.

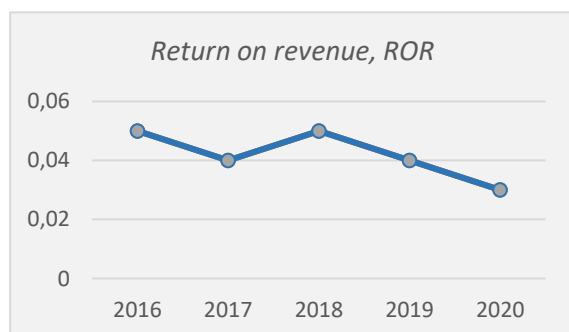
“Water Supply and Sewerage” ЕАД, Burgas has conducted a survey to establish customer satisfaction with the services provided by conducting a representative survey of several customers; the same has served to optimize the work with them. As of 31.12.2020 “Water Supply and Sewerage” ЕАД, Burgas reported a net profit of BGN 1,817 thousand, while in the previous 2019 the realized profit amounted to BGN 2,719 thousand.

Revenues from operating activities amounted to BGN 56,719 thousand, and compared to the previous year they have decreased by BGN 9,020 thousand.

Capital structure



Profitability



100% owned by W&S Holding” EAD

Board of Directors: Ioannis Parmenion Parteniotis – Chairman, Krassimir Atanasov Zhelev, Nasko Nikolov Drakov, Gancho Yovchev Tenev – Executive Director

Independent auditor: RSM BG Ltd., Reg. No.173

Remuneration paid to the Board of Directors for 2020: BGN 263,000

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	57 843	65 740
Operating revenues	56 719	65 739
Net profit/loss	1 817	2 719
Balance sheet, BGN thsd.		
Total assets	77 524	78 736
Long-term assets	35 453	38 251
Short-term assets	42 071	40 485
Total liabilities	45 419	48 111
Long-term liabilities	26 845	29 892
Short-term liabilities	18 574	18 219
Equity	32 105	30 625
Financial ratios		
Return on revenue	0.03	0.04
Return on expenses	0.83	0.85
Liquidity ratio	2.27	2.22
Indebtedness ratio	1.41	1.57
Leverage ratio	2.41	2.57
Exempt from dividend payment		
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

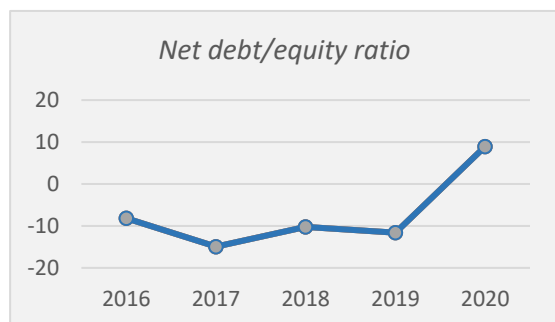
WATER SUPPLY AND SEWERAGE FOOD, PLOVDIV,

In December 2020 r. Bulgarian W&S Holding” EAD becomes the sole owner of the capital of the company. In 2020, the company commissioned and replaced a total of 22 pumping units in the area. A new pumping station in the village of Streltsi has been commissioned, and the largest pumping station in the city has been repaired.

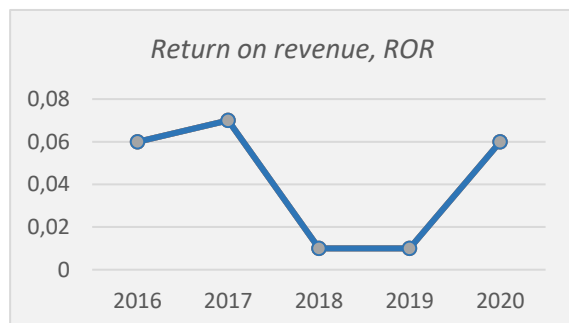
As of 31.12.2020 the company reported a net profit of BGN 3,545 thousand, while in the previous 2019 the realized profit amounted to BGN 568 thousand.

Operating revenues from activities amounted to BGN 63,647 thousand, as compared to the previous year they increase by BGN 1,772 thousand. Compared to the previous year, operating expenses (amounting to BGN 57,930 thousand) decreased by BGN 1,616 thousand.

Capital structure



Profitability



100% owned by W&S Holding” EAD

Управител: Spartak Lavov Nikolov,

Independent auditor: ZAHARINOVA NEXIA Ltd., Reg. No.38138

Remuneration paid to the Manager and Controller for 2020: BGN 83,563

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	63647	61 875
Operating revenues	63 647	61 875
Net profit/loss	3 545	568
Balance sheet, BGN thsd.		
Total assets	52 430	53 026
Long-term assets	32 811	35 291
Short-term assets	19 619	17 735
Total liabilities	54 084	58 021
Long-term liabilities	41 805	31 444
Short-term liabilities	12 279	26 577
Equity	-1 654	-4 995
Financial ratios		
Return on revenue	0.06	0.01
Return on expenses	1.01	1.01
Liquidity ratio	1.60	0.67
Indebtedness ratio	8.94	-11.62
Leverage ratio	8.67	-10.62
Exempt from dividend payment		
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

WATER SUPPLY AND SEWERAGE LTD.,

VARNA, implements management of the environmental management system to protect it under changing conditions and in accordance with socio-economic needs. The company pursues a systematic policy in the field of ecology operating an installation for anaerobic fermentation of sludge released from the process of wastewater treatment, resulting in the reduction of methane emissions into the atmosphere.

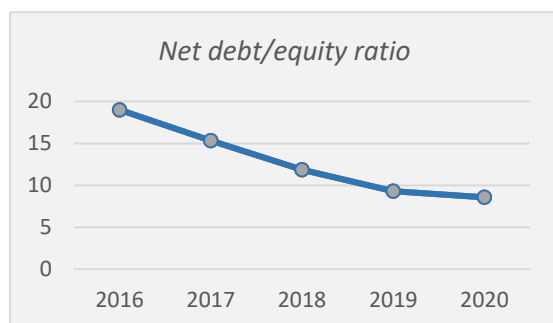
In 2020, there is a significant reduction in the number of recommendations issued by the Regional Health Inspection to the company related to the established non-standard results for taking measures to improve disinfection.

W&S Holding owns 51% of the company shares, and the other partners are 10 municipalities in Varna region.

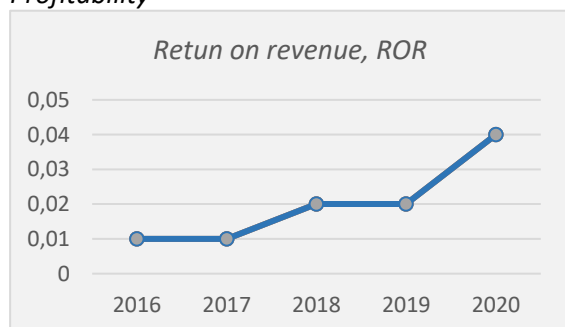
As of 31.12.2020 "W&S – Varna" reported a net profit of BGN 1,126 thousand, while in the previous 2019 the realized profit amounted to BGN 1,500 thousand.

Operating revenues amounted to BGN 64,620 thousand, as compared to the previous year they decrease by BGN 3,197 thousand. Operating expenses (amounting to BGN 62,940 thousand) decrease by BGN 3,073 thousand compared to the previous year.

Capital structure



Profitability



51% state-owned

Minister of Regional Development and Public Works

Manager: Valentin Donev Valkanov

Independent auditor: Finance Audit Consult 2002 Ltd., Reg. No.101

Remuneration paid to the Manager for 2020: BGN 90 000

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	65 375	68 938
Operating revenues	64 620	67 817
Net profit/loss	1 126	1 500
Balance sheet, BGN thsd.		
Total assets	69 920	64 307
Long-term assets	35 088	37 431
Short-term assets	34 832	26 876
Total liabilities	62 613	58 068
Long-term liabilities	47 233	42 120
Short-term liabilities	15 380	15 948
Equity	7 307	6 239
Financial ratios		
Return on revenue	0.04	0.02
Return on expenses	1.01	1.02
Liquidity ratio	2.26	1.69
Indebtedness ratio	8.57	9.31
Leverage ratio	9.57	10.31
Exempt from dividend payment		
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

AVTOMAGISTRALI EAD is an enterprise that performs construction, repair, preventive, current and winter maintenance of all types of roads in the country and operation of road sites, bases and facilities to them, construction, reconstruction and repair of bridges, bridge facilities and tunnels.

The company is assigned priority tasks in terms of ensuring the winter maintenance of significant sections of the national road network, its maintenance, and rehabilitation, including the building and construction of new road sections.

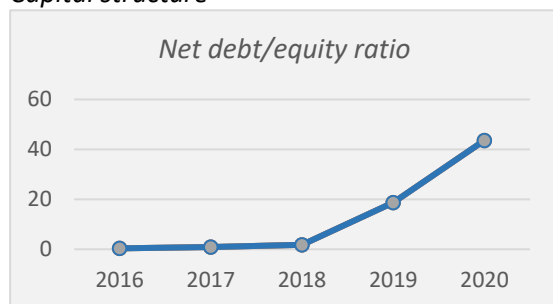
“Avtomagistrali” EAD is the only “large” enterprise in the Construction sector of the Ministry of Regional Development and Public Works. Its relative share in the industry is almost 100%.

As of 31 December 2020, “Avtomagistrali” EAD reported a net profit of BGN 11,179 thousand, while in the previous 2019 the realized profit amounted to BGN 6,764 thousand.

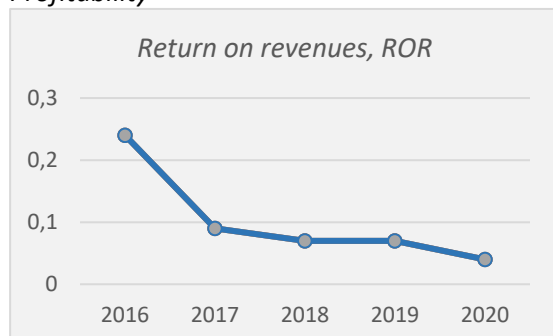
Operating revenues amounted to BGN 277,204 thousand and compared to the previous year they increased by BGN 176,304 thousand. The largest share is the revenues from the construction of a new Hemus Motorway and the revenues from repair construction works.

Operating expenses (amounting to BGN 263,424 thousand) increased by BGN 170,414 thousand compared to the previous year. A significant share of operating expenses are the costs of motorway maintenance, costs of basic materials for highway repairs and rented machinery. The company reported provided advances for delivery of materials and services as of 31.12. 2020 amounting to BGN 1,269,284 thousand.

Capital structure



Profitability



100% state-owned

Minister of Regional Development and Public Works

Board of Directors: Aleksander Kostadinov Filev – Chairman, Ivan Denchev Kolarov, Stoyan Fyodorov Belichev – Executive Director

Independent auditor: EXISTRA Ltd., Reg. No.143

Remuneration paid to the Board of Directors for 2020: BGN 234,000

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	277 236	101 901
Operating revenues	277 204	100 900
Net profit/loss	11 179	6 764
Balance sheet, BGN thsd.		
Total assets	1 507 318	511 343
Long-term assets	18 015	14 938
Short-term assets	1 489 303	496 405
Total liabilities	1 473 517	485 326
Long-term liabilities	4 291	7 544
Short-term liabilities	1 469 226	477 782
Equity	33 801	26 017
Financial ratios		
Return on revenue	0.04	0.07
Return on expenses	1.05	1.08
Liquidity ratio	1.01	1.04
Indebtedness ratio	43.59	18.65
Leverage ratio	44.59	19.65
Dividend, BGN thsd.	3 382	1 245
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Ne	Ne
AFS prepared in accordance with the NAS	Yes	Yes

NATIONAL PALACE OF CULTURE – CONGRESS CENTER SOFIA EAD

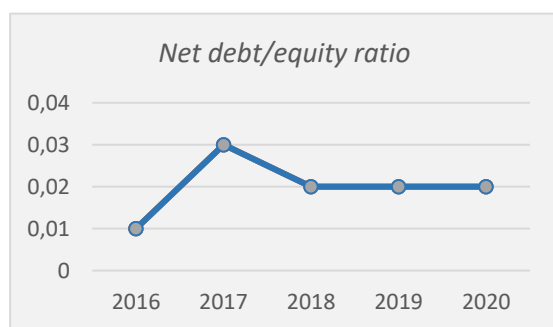
The company was established to manage the National Palace of Culture (NPC). The company's scope of business is to organize and hold cultural, scientific and educational events, congresses, conferences and social and political events.

In 2020, due to the COVID 19 pandemic of March 8, 2020, the company ceases its core business in full and partially during the rest of the year. The holding of cultural, entertainment, congress, and conference events and the related internal and external services and activities have been affected.

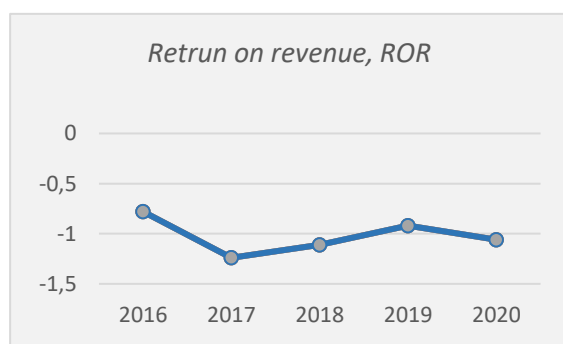
The company's net financial result for 2020 is a loss of BGN 9,238 thousand, which compared to 2019 is a decrease by BGN 1,814 thousand.

The operating revenues of the company for 2020 amounted to BGN 8,698 thousand, which is a decrease by BGN 3,310 thousand compared to 2019.

Capital structure



Profitability



100% 100% state-owned
Minister of Culture

Board of Directors up to 03.02.2020:
Borislav Slavchev – Chairman, Angel Ivanov Mitev – Executive Director, Krasimir Petkov Petkov, Rositsa Istaliyanova Bacheva, Tatiana Tsvetanova Tsenovska

Board of Directors after 03.02.2020:
Borislav Velkov – Chairman, Angel Mitev – Executive Director, Krasimir Petkov

Independent auditor: Ralitsa Mihova, Reg. No.0837

Remuneration paid to the Board of Directors for 2020: BGN 145,762

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	8 698	12 008
Operating revenues	8 698	12 008
Net profit/loss	-9 238	-11 052
Balance sheet, BGN thsd.		
Total assets	355 404	363 593
Long-term assets	353 320	361 518
Short-term assets	2 084	2 075
Total liabilities	7 604	6 555
Long-term liabilities	600	559
Short-term liabilities	7 004	5 996
Equity	347 800	357 038
Financial ratios		
Return on revenue	-1.06	-0.92
Return on expenses	0.49	0.52
Liquidity ratio	0.30	0.36
Indebtedness ratio	0.02	0.02
Leverage ratio	1.02	1.02
Dividend, BGN thsd.	-	-
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	Yes	Yes
AFS prepared in accordance with the NAS	No	No

ST. IVAN RILSKI UNIVERSITY MULTIPROFILE HOSPITAL FOR ACTIVE TREATMENT EAD, SOFIA

100% state-owned
Minister of Health

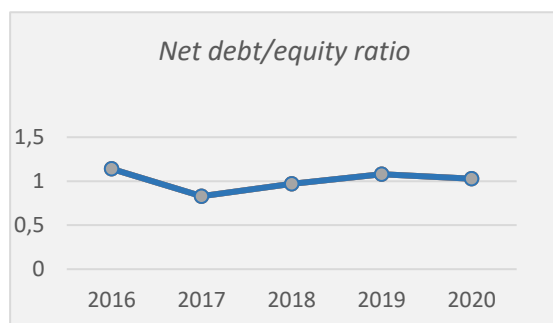
The company's total revenues in 2020 have increased by BGN 6,690 thousand (8% compared to 2019)

The company ended 2020 with a profit before taxes in the amount of BGN 1,214 thousand, as of 31.12.2019 it is BGN 1,122 thousand, i.e., there is an increase by BGN 92 thousand - 8%

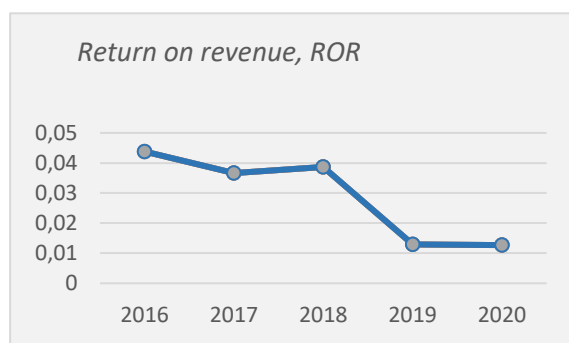
As of 31.12.2020, the hospital reported a net profit of BGN 1,153 thousand, while in the preceding 2019 the realized profit amounted to BGN 1,078 thousand.

Operating revenues amounted to BGN 90,102 thousand, as compared to the previous year they have increased by BGN 6,645 thousand. Operating expenses (amounting to BGN 88,739 thousand) have increased by 6 BGN 576 thousand compared to the previous year.

Capital structure



Profitability



Board of Directors: Krasimir Borisov
Gigov, Atanas Ivanov Kundurdzhiev, Dr.
Anton Petkov Petkov – Executive Director

Independent auditor: Edgar
Zagorodniuk, Reg.No. 0852
Remuneration paid to the Board of
Directors for 2020: BGN 166,000

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	90 207	83 518
Operating revenues	90 102	83 457
Net profit/loss	1 153	1 078
Balance sheet, BGN thsd.		
Total assets	57 329	54 173
Long-term assets	32 353	30 282
Short-term assets	24 976	23 891
Total liabilities	29 033	28 066
Long-term liabilities	13 499	15 120
Short-term liabilities	15 534	12 946
Equity	28 296	26 107
Financial ratios		
Return on revenue	0.01	0.01
Return on expenses	1.02	1.01
Liquidity ratio	1.61	1.85
Indebtedness ratio	1.03	1.08
Leverage ratio	2.03	2.08
Exempt from dividend payment		
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

DR. GEORGI STRANSKI UNIVERSITY MULTIPROFILE HOSPITAL FOR ACTIVE TREATMENT EAD, PLEVEN

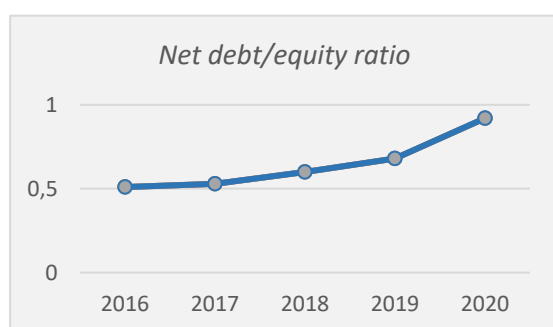
During the year 2020 were carried out several repair works. The hospital has established a base for conducting practical training in several clinical specialties for both Bulgarian citizens and foreigners or those granted the right to the asylum with recognized refugee status or humanitarian status.

The work in quarantine mode due to COVID 19, the treatment of patients only in emergency conditions, as well as the structural changes in the bed base lead to a significant reduction in the income from regular activities.

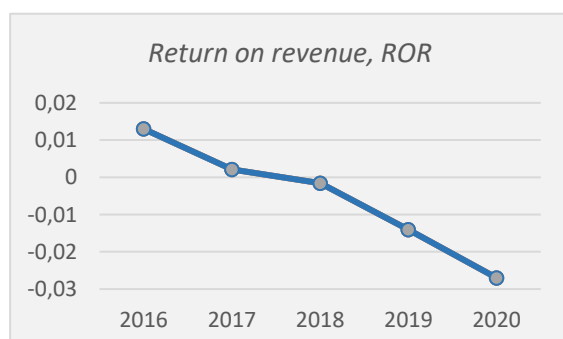
As of 31 December 2020, the hospital reported a net loss of BGN 2,446 thousand, while the loss realized in the preceding 2019 amounted to BGN 1,103 thousand.

Operating revenues amounted to BGN 90,169 thousand, while compared to the preceding year, there is an increase by BGN 11,501 thousand. Operating expenses (amounting to BGN 92,954 thousand) have increased by 13 BGN 145 thousand compared to the preceding year.

Capital structure



Profitability



100% state-owned
Minister of Health

Board of Directors: Dr. Ventsislav Tsvetanov Grozev – Chairperson, Prof. Dr. Sevelina Lyubenova Popovska, Assoc. Prof. Dr. Tsvetan Hristoforov Lukanov, Ph.D. – Executive Director

Independent auditor: Veneta Tashkova, Reg.No. 0116

Remuneration paid to the Board of Directors for 2020: BGN 149,927

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	90 388	78 671
Operating revenues	90 169	78 668
Net profit/loss	-2 446	-1 103
Balance sheet, BGN thsd.		
Total assets	51 568	49 239
Long-term assets	25 242	24 519
Short-term assets	26 326	24 720
Total liabilities	24 747	19 972
Long-term liabilities	5 633	6 633
Short-term liabilities	19 114	13 339
Equity	26 821	29 267
Financial ratios		
Return on revenue	-0.03	-0.01
Return on expenses	0.97	0.99
Liquidity ratio	1.35	1.85
Indebtedness ratio	0.92	0.68
Leverage ratio	1.92	1.68
Exempt from dividend payment		
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

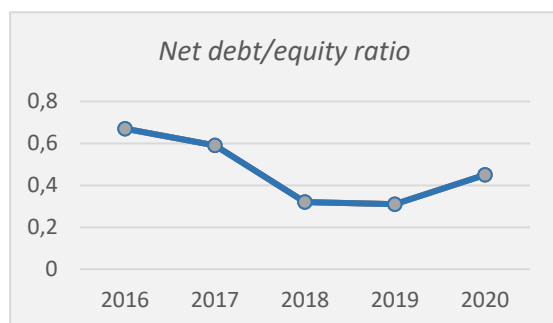
ST. MARINA UNIVERSITY MULTIPROFILE HOSPITAL FOR ACTIVE TREATMENT EAD, VARNA

In connection with COVID 19, were made changes in the work's organization and structure, including forming a crisis headquarters and separating hospital beds and structures/relocation, expansion, and furnishing/.

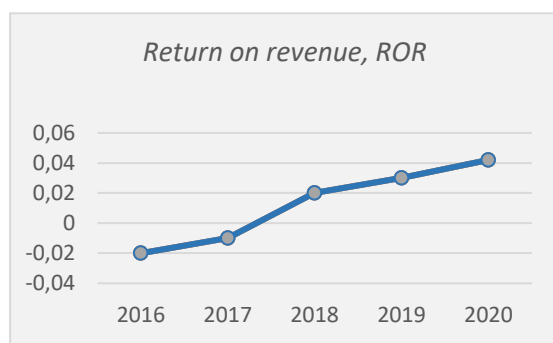
As of 31.12.2020, the hospital reports a net profit of BGN 5,808 thousand, while in the preceding year of 2019, it realized a profit of BGN 3,063 thousand.

Operating revenues amounted to BGN 136,400 thousand, while compared to the preceding year, they had increased by BGN 17,109 thousand. Operating expenses (amounting to BGN 131,063 thousand) have increased by BGN 14,193 thousand compared to the previous year.

Capital structure



Profitability



100% 100% state-owned
Minister of Health

Board of Directors: Prof. Dr. Viliyan Platikanov, MD – Chairman, Prof. Dr. Radoslav Radev, MD, Prof. Dr. Valentin Ignatov, MD – Executive Director

Independent auditor: Pavlinka Penkova, Reg. No. 0392
Remuneration paid to the Board of Directors for 2020: BGN 250,000.

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	137 488	120 323
Operating revenues	136 400	119 291
Net profit/loss	5 808	3 063
Balance sheet, BGN thsd.		
Total assets	81 466	73 659
Long-term assets	46 861	43 418
Short-term assets	34 605	30 241
Total liabilities	25 319	15 381
Long-term liabilities	8 186	7 939
Short-term liabilities	17 133	15 381
Equity	56 147	50 339
Financial ratios		
Return on revenue	0.04	0.03
Return on expenses	1.04	1.03
Liquidity ratio	2.02	1.97
Indebtedness ratio	0.45	0.31
Leverage ratio	1.45	1.46
Exempt from dividend payment		
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

SPECIALIZED HOSPITALS FOR REHABILITATION – NATIONAL COMPLEX EAD, SOFIA (“SBR – NK” EAD)

is the leader in the physical and rehabilitation medicine applying recognized medical standards in combination with natural resources.

In 2020, “SBR – NK” EAD is composed of 13 branches - specialized rehabilitation hospitals located in the spa resorts Narechen, Pavel Banya, Pomorie, Sandanski, Kyustendil, Momin Prohod, Ovcha Mogila, Velingrad, Hissar, Banya Karlovsko, Banite, Smolyan District, “Sveti Mina” Mina Varshets and Bankya.

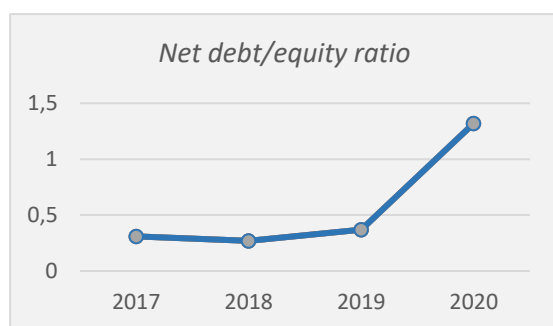
“SBR – NK” EAD offers a wide range of physiotherapy and rehabilitation methods in its specialized hospitals. Natural and healing factors are used – climate, mineral waters, healing mud in combination with hardware physiotherapy, kinesitherapy.

About 60% of all patients in need of rehabilitation in the country receive rehabilitation care in the company's hospitals.

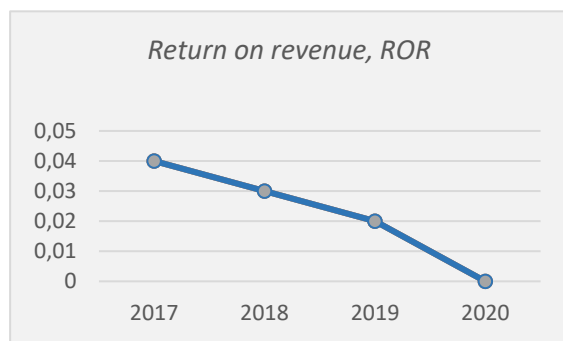
As of 31.12.2020, the company reported a net profit of BGN 2 thousand, while in the preceding 2019 it realized a profit of BGN 591 thousand.

Operating revenues amounted to BGN 26,548 thousand, while compared to the preceding year, they were decreased by BGN 5,161 thousand. Operating expenses (amounting to BGN 26,350 thousand) are reduced by BGN 4,484 thousand compared to the previous year.

Capital structure



Profitability



100% state-owned
Minister of Health

Board of Directors: Plamka Nikolova Ninkova – Chairperson, Dr. Vladislav Georgiev Genov, Plumelina Dimitrova Micheva – Executive Director

Independent auditor: Edgar Zagorodniuk, Reg.No. 0852

Remuneration paid to the Board of Directors for 2020: BGN 87,089

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	26 554	31 710
Operating revenues	26 548	31 709
Net profit/loss	2	591
Balance sheet, BGN thsd.		
Total assets	37 857	39 213
Long-term assets	29 495	30 101
Short-term assets	8 362	9 112
Total liabilities	9 244	10 602
Long-term liabilities	7 886	9 157
Short-term liabilities	1 358	1 445
Equity	28 613	28 611
Financial ratios		
Return on revenue	0.00	0.02
Return on expenses	1.00	1.02
Liquidity ratio	5.81	6.31
Indebtedness ratio	1.32	0.37
Leverage ratio	1.32	1.37
Exempt from dividend payment		
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

ALEXANDROVSKA UNIVERSITY MULTIPROFILE HOSPITAL FOR ACTIVE TREATMENT EAD, SOFIA is

known as "Alexandrovska Hospital" and is the oldest hospital and one of the largest in the country. Today UMHAT "Alexandrovska" EAD is a leading national university and medical center in multidisciplinary medical, transplantation, dispensary, teaching, and research activities.

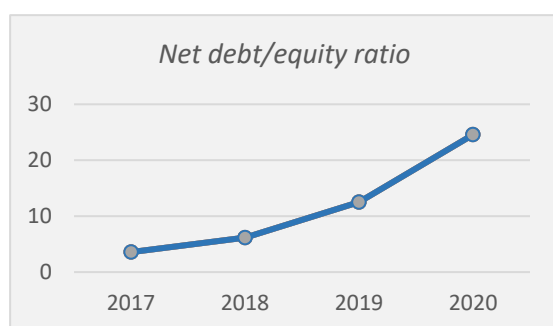
The hospital medical-diagnostic activity is carried out in 29 clinics, 3 laboratories, wards, centers, and reception rooms. Some of the structures of Alexandrovska Hospital are unique in functions and significance for the country. The management and organization of work in the medical institution meet the requirements of the international standard ISO 9001: 2015.

UMHAT "Alexandrovska" EAD opened a ward for treatment patients with COVID-19 on 10.03.2020, and the development of the epidemic during the year necessitated a reorganization of the work of the medical institution. Structural changes and relocation of some of the clinics were made to ensure the safety of staff and patients.

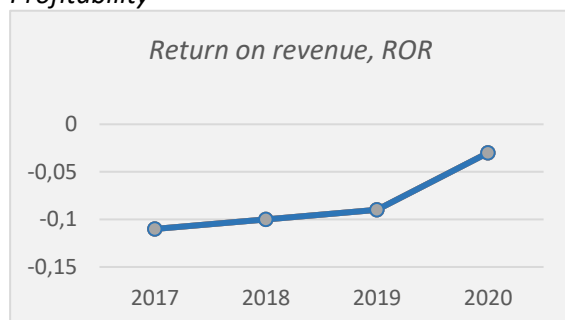
As of 31.12.2020 the hospital reported a net loss of BGN 2,656 thousand, while in the previous 2019 the realized loss amounted to BGN 6,047 thousand.

Revenues from operating activities amount to BGN 77,367 thousand, as compared to the preceding year they have increased by BGN 7,784 thousand. Operating expenses (amounting to BGN 80,294 thousand) have increased by BGN 4,709 thousand compared to the preceding year.

Capital structure



Profitability



100% state-owned
Minister of Health

Board of Directors: Prof. Dr. Boris Iliev Bogov - Executive Director,
Prof. Dr. Dimitar Ivanov Bulanov, Assoc.
Prof. Dr. Alexander Hugo Oscar

Independent auditor: Radka Boevska,
Reg. No.0270

Remuneration paid to the Board of Directors for 2020: BGN 168,000

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	77 383	69 595
Operating revenues	77 367	69 583
Net profit/loss	-2 656	-6 047
Balance sheet, BGN thsd.		
Total assets	98 562	81 702
Long-term assets	70 457	67 425
Short-term assets	28 105	14 277
Total liabilities	94 706	75 663
Long-term liabilities	57 614	44 660
Short-term liabilities	37 092	31 003
Equity	3 856	6 039
Financial ratios		
Return on revenue	-0.03	-0.09
Return on expenses	0.96	0.92
Liquidity ratio	0.76	0.46
Indebtedness ratio	24.56	12.53
Leverage ratio	25.56	13.53
Exempt from dividend payment		
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

N.I. PIROGOV UNIVERSITY MULTIPROFILE HOSPITAL FOR ACTIVE TREATMENT AND EMERGENCY MEDICINE EAD, SOFIA

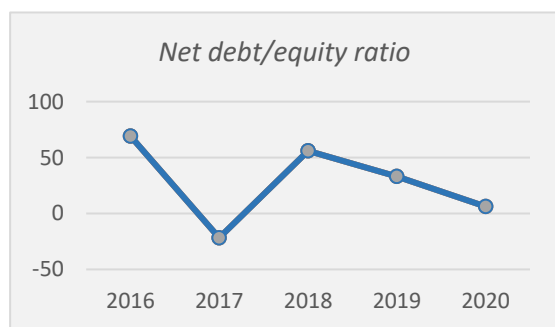
The largest hospital in the Republic of Bulgaria in the field of emergency and disaster medicine. The medical institution carries out activities related to diagnostics and treatment of disease under 37 medical specialties, clinical trials of medicinal products and medical devices, educational and research activities.

Working in a pandemic was reflected in the activities and structure of the hospital. The admission and treatment of a significant number of patients with COVID-19, and the introduced restrictions lead to an outflow of patients and a serious reduction in other patients' admission. During January, February, and March, the number of transferred patients increased significantly, which led to a serious increase in medical income.

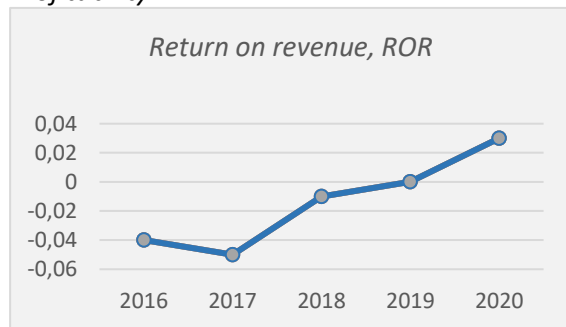
The company's net financial result for 2020 is a profit of BGN 3,499 thousand, which is an increase of BGN 3,607 thousand compared to 2019.

The company's operating revenues for 2020 amounted to BGN 105,232 thousand, which is an increase by BGN 16,304 thousand compared to 2019.

Capital structure



Profitability



100% state-owned
Minister of Health

Board of Directors: Dr. Asen Georgiev Baltov – Executive Director, Dr. Hristo Ivanov Shivachev – Chairman, Zhivka Sevdalinova Savova

Independent auditor: Edgar Zagorodniuk, Reg.No. 0852
Remuneration paid to the Board of Directors for 2020: BGN 176,000

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	105 641	89 131
Operating revenues	105 232	88 928
Net profit/loss	3 499	-108
Balance sheet, BGN thsd.		
Total assets	97 404	72 400
Long-term assets	66 515	53 751
Short-term assets	30 889	18 649
Total liabilities	84 048	70 279
Long-term liabilities	55 114	37 490
Short-term liabilities	28 934	32 789
Equity	13 356	2 121
Financial ratios		
Return on revenue	0.03	0.00
Return on expenses	1.03	1.00
Liquidity ratio	1.07	0.57
Indebtedness ratio	6.29	33.13
Leverage ratio	7.29	34.13
Exempt from dividend payment		
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

ST. GEORGE UNIVERSITY MULTIPROFILE HOSPITAL FOR ACTIVE TREATMENT EAD, PLOVDIV

is a leading university hospital in Southern Bulgaria. The medical institution is an approved diagnostic and medical structure, in which all clinical specialties are performed, and it provides round-the-clock emergency and urgent outpatient, inpatient and consultative care. The hospital has proven to be a major center for emergency care of patients from Plovdiv region and settlements in the South-Central region.

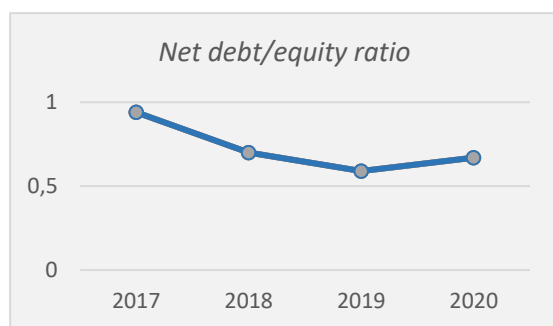
UMHAT "St. George" EAD - Plovdiv is a training base for teaching and research activities.

In 2018, the hospital received an accreditation rating "excellent" for overall medical activities and practical training for a period of five years.

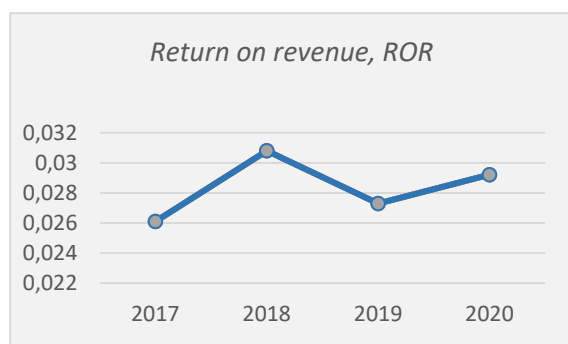
As of 31.12.2020, the hospital reports a net profit of BGN 4,414 thousand, while in the preceding 2019 it realized a profit of BGN 4,190 thousand.

Revenues from operating activities amounted to BGN 167,805 thousand, as compared to the preceding year they have increased by BGN 14,200 thousand. Operating expenses (amounting to BGN 162,837 thousand) have increased by BGN 13,552 thousand compared to the previous year.

Capital structure



Profitability



**100% state-owned
Minister of Health**

Board of Directors : Prof. Dr. Stefan Stoilov Kostyanov, MD – Chairman, Prof. Dr. Angel Petrov Uchikov, MD, Prof. Dr. Karen Brianov Dzhambazov, MD – Executive Director

Independent auditor: Anna Karaileva, Reg. No.0793

Remuneration paid to the board of directors for: BGN 161,000

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	167 806	153 606
Operating revenues	167 805	153 605
Net profit/loss	4 414	4 190
Balance sheet, BGN thsd.		
Total assets	158 273	115 957
Long-term assets	95 274	89 326
Short-term assets	62 974	26 626
Total liabilities	63 474	43 199
Long-term liabilities	10 251	8 039
Short-term liabilities	53 223	35 160
Equity	94 799	72 758
Financial ratios		
Return on revenue	0.03	0.03
Return on expenses	1.03	1.03
Liquidity ratio	1.18	0.76
Indebtedness ratio	0.67	0.59
Leverage ratio	1.67	1.59
Exempt from dividend payment		
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

ST. EKATHERINA UNIVERSITY MULTIPROFILE HOSPITAL FOR ACTIVE TREATMENT EAD, SOFIA

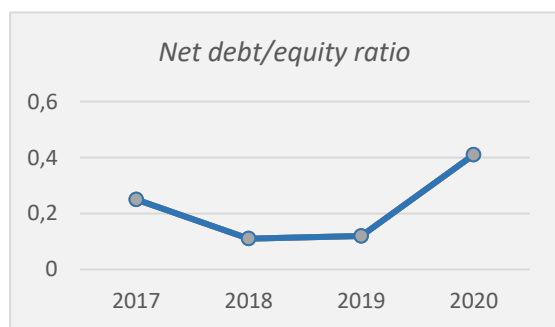
has a leading position among hospitals, cardiac and cardiac surgery centers in Bulgaria. The company carries out medical activities in 4 clinics, 3 laboratories and 2 departments with high levels of competence in 13 medical specialties. In 2017, the hospital received an accreditation rating of "excellent" for overall medical activities and practical training for a period of five years.

UMHAT "St. Ekatherina" EAD reports a significant reduction in its activities due to the state of emergency in connection with the pandemic of COVID-19. In 2020, compared to 2019, fewer patients passed through the offices, and the number of reported clinical pathways had decreased.

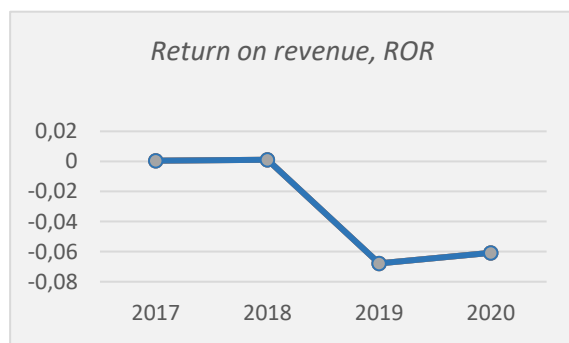
As of December 31, 2020, the hospital reported a net loss of BGN 1,792 thousand, while in the preceding 2019, the net loss was BGN 2,283 thousand.

Operating revenues amounted to BGN 29,384 thousand, as compared to the previous year they are reduced by BGN 4,255 thousand. Operating expenses (amounting to BGN 31,229 thousand) are reduced by BGN 4,695 thousand compared to the preceding year.

Capital structure



Profitability



100% state-owned
Minister of Health

Board of Directors: Nadezhda Brankovska-Kirilova – Chairperson, Assoc. Prof. Krassimir Angarski, Prof. Dr. Gencho Nachev, MD – Executive Director

Independent auditor: Radka Boevska, Reg. No. 0270

Remuneration paid to the Board of Directors for 2020: BGN 140,000

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	29 470	33 685
Operating revenues	29 384	33 639
Net profit/loss	-1 792	-2 283
Balance sheet, BGN thsd.		
Total assets	79 297	65 013
Long-term assets	47 255	42 573
Short-term assets	32 042	22 440
Total liabilities	23 038	6 919
Long-term liabilities	4 850	4 000
Short-term liabilities	18 188	2 919
Equity	56 259	58 094
Financial ratios		
Return on revenue	-0.06	-0.07
Return on expenses	0.94	0.94
Liquidity ratio	1.76	7.69
Indebtedness ratio	0.41	0.12
Leverage ratio	1.41	1.12
Exempt from dividend payment		
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

UNIVERSITY SPECIALIZED HOSPITAL FOR ACTIVE TREATMENT IN ONCOLOGY EAD, SOFIA

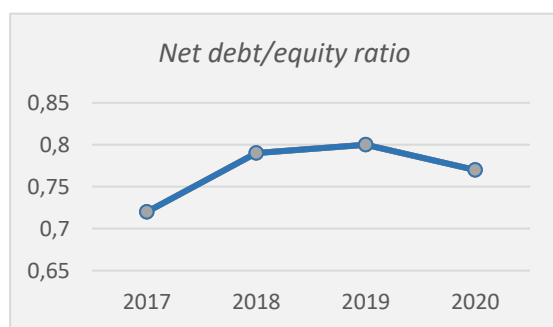
The core subject of activity of the hospital is the provision of hospital care in the precancerous and cancerous diseases field. An integral part of the hospital's work in parallel with the daily diagnostic and treatment activities is the performance of in-depth scientific, scientific-applied, and teaching activities.

In 2020, the hospital allocated resources for the treatment of patients with COVID-19.

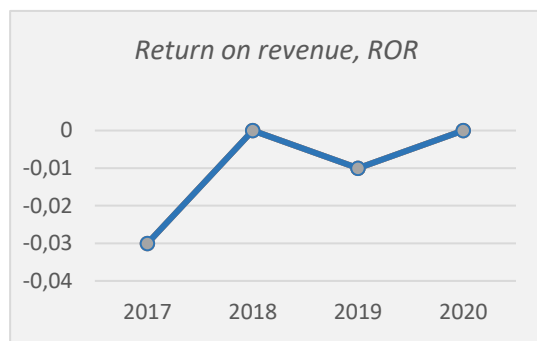
As of 31.12.2020, the hospital reports a net profit of BGN 82 thousand, while in the preceding 2019 it realized a net loss of BGN 283 thousand.

Operating revenues amounted to BGN 50,929 thousand, while compared to the preceding year, they had increased by BGN 11,796 thousand. Operating expenses (amounting to BGN 50,604 thousand) have increased by BGN 11,363 thousand compared to the previous year.

Capital structure



Profitability



100% state-owned
Minister of Health

Board of Directors: Assoc. Prof. Dr. Iglia Spasova Mihaylova – Chairperson, Teodora Vladimirova Angelova-Todorova, Dr. Stefan Konstantinov Konstantinov – Executive Director

Independent auditor: Margarita Radeva, Reg.No.0134

Remuneration paid to the Board of Directors for 2020: BGN 128,445 BGN

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	50 929	39 166
Operating revenues	50 929	39 133
Net profit/loss	82	-283
Balance sheet, BGN thsd.		
Total assets	57 626	58 491
Long-term assets	41 814	45 166
Short-term assets	15 812	13 325
Total liabilities	25 048	25 995
Long-term liabilities	16 938	19 240
Short-term liabilities	8 110	6 755
Equity	32 578	32 496
Financial ratios		
Return on revenue	0.00	-0.01
Return on expenses	1.00	0.99
Liquidity ratio	0.84	1.97
Indebtedness ratio	0.77	0.80
Leverage ratio	1.77	1.80
Exempt from dividend payment		
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

MULTI-PROFILE HOSPITAL FOR ACTIVE TREATMENT - LOZENETS EAD, SOFIA

100% state-owned
Minister of Health

The hospital was established by Decision No. 693 / 21.11.2019 of the Council of Ministers, by which “Lozenets” Hospital was transformed into a sole proprietorship joint stock company with state participation in the capital with the name Multi-profile Hospital for Active treatment “Lozenets” EAD.

The company’s net financial result for 2020 is a loss of BGN 21,241 thousand.

The company's operating revenues for 2020 amounted to BGN 31,857 thousand.

Note: Comparative information for the previous reporting period is missing, as Multi-profile Hospital for Active treatment “Lozenets” EAD was established on 10.01.2020 sole proprietorship joint stock company.

Board of Directors: Prof. Dr. Lyubomir Spasov, MD - Executive Director, Veska Rushkova - Chairman, Dr. Olga Mitsova

Independent Auditor:
Alicia Profirova, Reg.No. 0105

Remuneration paid to the Board of Directors for 2020: BGN 193,090

	2020
Statement of profit and loss, BGN thsd.	
Total revenues	31 871
Operating revenues	31 857
Net profit/loss	-21 241
Balance sheet, BGN thsd.	
Total assets	169 003
Long-term assets	162 889
Short-term assets	6 114
Total liabilities	27 027
Long-term liabilities	20 446
Short-term liabilities	6 581
Equity	141 976
Financial ratios	
Return on revenue	-0.67
Return on expenses	0.60
Liquidity ratio	0.93
Indebtedness ratio	0.19
Leverage ratio	1.19
Dividend, BGN thsd.	
AFS certified by an independent auditor	Yes
AFS prepared in accordance with IAS	No
AFS prepared in accordance with the NAS	Yes

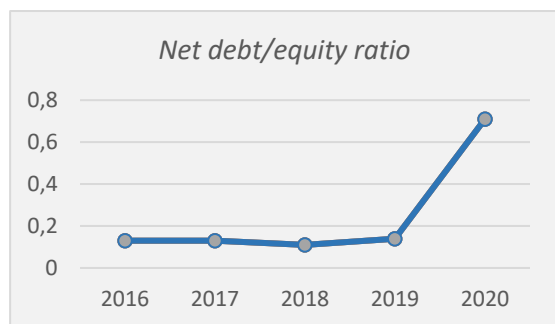
BUL BIO – NCIPD EOOD, SOFIA

The company was established in 2000 by a demerger from National Center for Infectious and Parasitic Diseases. Its main activity is related to the production and sale in the country and abroad of vaccines, serums, allergens, blood products, immunostimulants, diagnostic preparations, and other preparations for diagnosis, treatment, and prevention.

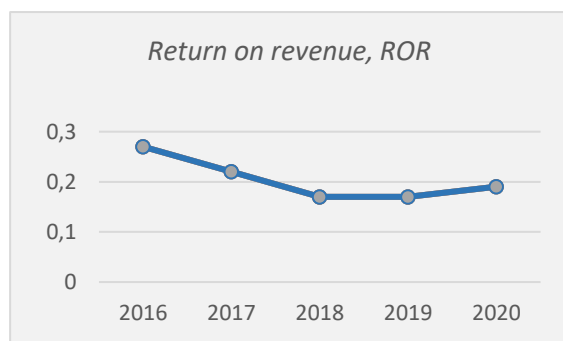
The company's net financial result for 2020 is a profit of BGN 5,791 thousand, which is an increase of BGN 913 thousand compared to 2019.

The company's operating revenues for 2020 amount to BGN 30,658 thousand, which is an increase of BGN 2,373 thousand compared to 2019.

Capital structure



Profitability



**100% state-owned
Minister of Health**

Manager:

Up to 19.01.2020 - Nikolai Borisov

From 20.01.2020 - Dr. Roumen Kofinov

Independent auditor:

Dimitar Dimitrov, Reg. No.0699

Remuneration paid for 2020:

BGN 115,000

	2020	2019
Statement of profit and loss, BGN thsd.		
Total revenues	31 059	28 711
Operating revenues	30 658	28 285
Net profit/loss	5 791	4 878
Balance sheet, BGN thsd.		
Total assets	65 390	39 674
Long-term assets	14 872	15 231
Short-term assets	50 518	24 443
Total liabilities	27 154	4 770
Long-term liabilities	2 384	2 369
Short-term liabilities	24 770	2 401
Equity	38 236	34 904
Financial ratios		
Return on revenue	0.19	0.17
Return on expenses	1.28	1.23
Liquidity ratio	2.04	10.18
Indebtedness ratio	0.71	0.14
Leverage ratio	1.71	1.14
Dividend, BGN thsd.	2 439	2 677
AFS certified by an independent auditor	Yes	Yes
AFS prepared in accordance with IAS	No	No
AFS prepared in accordance with the NAS	Yes	Yes

9 ACCOUNTING NOTES TO THE REPORT

The consolidated financial statements in this report are a summary of the financial information provided by the respective public enterprises in the Annual Financial Statements for 2020. This summary aims to provide a clear and uniform picture of the management of state-owned companies in financial terms during the reporting period.

Companies in which the state has a share of less than 50 percent and those that are in insolvency proceedings or liquidation proceedings are not included in this financial review. Included are state-owned enterprises established based on Article 62[3] of the Commerce Act. The financial results of the Bulgarian Development Bank AD are not included in this report because it is excluded from the scope of the Public Enterprises Act.

The ratios used for the purposes of this report are the liquidity ratio (as a ratio of current/short-term assets to current liabilities), the indebtedness ratio (as a ratio of total liabilities to equity), the return on revenue (as a ratio of net profit to total revenue), the return on expenses (as a ratio of total revenue to total costs) and the leverage ratio (as a ratio of total assets to equity).

The main distinguishing feature of state-owned enterprises under Article 62[3] of the Commerce Act is that the property provided to them by the state does not form capital to serve as collateral for their creditors (i.e. the property provided to it is not distributed in the number of stock/shares with a fixed nominal value). Some of them apply a specific regulatory framework, which distinguishes them from both companies and each other. However, they are also registered in the Commercial Register and apply the provisions of the Accountancy Act. For this reason, and to get a more complete and clearer picture of the state's participation in the economic life of the country, this report includes the financial results of their activities, in a similar way as commercial companies, but the results of the “large” state-owned enterprises under Article 62[3] of the Commerce Act does not contain other financial and economic indicators, but only a liquidity ratio and a return on expenses ratio - both in a 5 year horizon – 2016 -2020.

For information on the accounting principles in a particular company, see the respective company's annual financial statements.