

**SPEEDY AD****NON-CONSOLIDATED STATEMENT OF FINANCIAL STANDING**

as of June 2019

		<b>30.06.2019</b>	<b>31.12.2018</b>
	<i>Notes</i>	<b>BGN'000</b>	<b>BGN'000</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	52 835	49 335
Intangible assets	4	2 396	2 213
Investments in subsidiaries	5	46 255	46 255
Loans to related parties	29	8 259	8 259
Deferred tax assets	6	416	414
Other non-current assets		327	327
<b>Total non-current assets</b>		<b>110 488</b>	<b>106 803</b>
<b>Current assets</b>			
Inventories	7	329	331
Trade receivables	8	18 316	16 934
Current part of long-term receivables from related parties	29	1 279	2 149
Other receivables and prepayments	9	1 883	2 673
Cash and cash equivalents	10	6 837	7 412
<b>Total current assets</b>		<b>28 644</b>	<b>29 499</b>
<b>TOTAL ASSETS</b>		<b>139 132</b>	<b>136 302</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	11.1	5 378	5 378
Statutory reserves	11.2	538	538
Premium reserves	11.2	19 565	19 565
Retained earnings	11.3	21 874	17 248
Current profit	11.3	7 254	12 155
<b>Total equity</b>		<b>54 609</b>	<b>54 884</b>
<b>Non-current liabilities</b>			
Long-term interest bearing liabilities	12	41 028	40 133
Subsidies	13	-	119
Long-term interest bearing liabilities	14	178	178
<b>Total non-current liabilities</b>		<b>41 206</b>	<b>40 430</b>
<b>Current liabilities</b>			
Current part of long-term interest bearing liabilities	12	16 616	19 280
Accounts payable	15	8 593	8 475
Payables related to remunerations and for social securities	16	4 578	4 659
Tax paybles	17	1 175	1 407
Subsidies	13	279	320
Other current liabilities	18	12 076	6 847
<b>Total current liabilities</b>		<b>43 317</b>	<b>40 988</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>139 132</b>	<b>136 302</b>

*The enclosed explanatory notes on pages 1 to 23 are an integral part of the financial statements.*

Executive Director:

Valery Mektupchiyan

Chief Accountant:

Stefka Levidzhova

**SPEEDY AD****NON-CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

as of 30 June 2019

	<u>30.06.2019</u>	<u>30.06.2018</u>
	<u>BGN'000</u>	<u>BGN'000</u>
Revenues	66 308	55 052
Other revenues(losses) from the core activity, net	2 806	2 489
Costs of materials	(3 454)	(3 083)
Costs of external services	(34 506)	(29 749)
Compensation costs	(15 453)	(13 020)
Depreciation and amortization	(6 488)	(4 116)
Other operating expenses	(722)	(748)
<b>Operating profit</b>	<b>8 491</b>	<b>6 825</b>
Financial revenues	336	274
Financial expenses	(767)	(264)
<b>Financial revenues/expenses, net</b>	<b>(431)</b>	<b>10</b>
<b>Profit before taxes</b>	<b>8 060</b>	<b>6 835</b>
Income taxes	(806)	(683)
<b>Net profit for the year</b>	<b>7 254</b>	<b>6 152</b>
<b>Other comprehensive income:</b>		
<i>Items that will not be reclassified to profit or loss</i>		
Premeasurements of defined benefit pension plans	-	-
<i>Items that may be reclassified to profit or loss</i>	-	-
<b>Other comprehensive income for the year, net of tax</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>	<b>7 254</b>	<b>6 152</b>
<b>Earnings per share</b>		
BGN	<b>1.35</b>	<b>1.15</b>

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**SPEEDY AD****EXPLANATORY NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENT**

as of 30.06.2019

	<i>Notes</i>	<b>30.06.2019</b>	<b>30.06.2018</b>
		<b>BGN'000</b>	<b>BGN'000</b>
<b>Cash flows from operating activity</b>			
Proceeds from customers		81 241	66 239
Payments to suppliers		(51 455)	(41 287)
Payments related to remunerations and for social security		(14 485)	(13 036)
Tax payments		(4 395)	(4 684)
Income tax paid		(1 127)	(627)
Other proceeds/payments, net		(420)	(1 189)
<b><i>Net cash flow from operating activity</i></b>		<b>9 359</b>	<b>5 416</b>
<b>Cash flows from investing activity</b>			
Purchase of plant and equipment		(1 283)	(812)
Proceeds from sale of plant and equipment		837	207
Extended loans to related parties		-	(362)
Repaid loans from related parties		831	-
Interests received from extended loans to related parties		263	430
Investments		(5 558)	-
Dividends received		-	-
Other cash flows from investing activity		-	298
<b><i>Net cash flow from investing activity</i></b>		<b>(4 910)</b>	<b>(239)</b>
<b>Cash flows from financing activity</b>			
Payments under financial lease agreements		(3 965)	(3 464)
Proceeds from long-term loans		787	-
Repayment of long-term loans		(1 482)	(1 522)
Loans from related parties		-	-
Repayment of loans from related parties		-	-
Paid interests and bank charges		(334)	(203)
Dividends paid		-	-
Issuance of shares		-	-
<b><i>Net cash flow from financing activity</i></b>		<b>(4 994)</b>	<b>(5 189)</b>
<b>Net change in cash and cash equivalents</b>		<b>(545)</b>	<b>(12)</b>
Net effect of changes in exchange rates		(30)	(35)
Cash and cash equivalents on 1 January		7 412	7 293
<b>Cash and cash equivalents on 31 December</b>	9	<b>6 837</b>	<b>7 246</b>

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**SPEEDY AD****EXPLANATORY NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENT**

as of 30.06.2019

		Share capital	Premium reserves	Statutory reserves	Retained earning	Total
	Notes	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
<b>Balance as of 01 January 2018</b>	19	<b>5 378</b>	<b>19 565</b>	<b>538</b>	<b>23 714</b>	<b>49 195</b>
<b>Change in equity for 2018</b>						
Issuance of shares		-	-	-	-	-
Distribution of profits, incl		-	-	-	(6 453)	(6 453)
* Reserves		-	-	-	-	-
* Dividends		-	-	-	(6 453)	(6 453)
Total comprehensive income for the year, incl		-	-	-	12 142	12 142
* Net income for the year		-	-	-	12 155	12 155
* Other comprehensive income, net of taxes		-	-	-	(13)	(13)
<b>Balance as of 31 December 2018</b>	19	<b>5 378</b>	<b>19 565</b>	<b>538</b>	<b>29 403</b>	<b>54 884</b>
<b>Change in equity for 2019</b>						
Distribution of profits, incl		-	-	-	(7 529)	(7 529)
* Reserves		-	-	-	-	-
* Dividends		-	-	-	(7 529)	(7 529)
Total comprehensive income for the year, incl.		-	-	-	7 254	7 254
* Net income for the year		-	-	-	7 254	7 254
* Other comprehensive income, net of taxes		-	-	-	-	-
<b>Balance as of 30 June 2019</b>	19	<b>5 378</b>	<b>19 565</b>	<b>538</b>	<b>29 128</b>	<b>54 609</b>

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Executive Director:

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**SPEEDY AD****EXPLANATORY NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENT**

as of 30.06.2019

**3. PROPERTY, PLANT AND EQUIPMENT**

The property, plant and equipment of the company consist of machinery, equipment, vehicles, and other assets whose book value for the presented periods could be analyzed as follows:

	Buildings		Plant and equipments	Vehicles	Computers	Other	Total
	Right of use	Improvement of rented property					
<b>2018</b>							
<b>Book value on 1 January (reported)</b>	-	1 765	2 552	15 210	1 709	4 886	26 122
Effects of transition to IFRS 16	26 027	-	-	38	-	-	26 065
<b>Book value as of 1 January (reconciled)</b>	<b>26 027</b>	<b>1 765</b>	<b>2 552</b>	<b>15 248</b>	<b>1 709</b>	<b>4 886</b>	<b>52 187</b>
Acquired	2 135	428	782	3 590	949	652	8 536
Transfer	-	60	-	-	1	(61)	-
Written-off	-	-	-	(3 046)	(191)	(66)	(3 303)
Depreciation	(3 753)	(538)	(474)	(5 078)	(704)	(570)	(11 117)
Written-off depreciation	-	-	-	2 864	165	3	3 032
<b>Book value as of 31 December</b>	<b>24 409</b>	<b>1 715</b>	<b>2 860</b>	<b>13 578</b>	<b>1 929</b>	<b>4 844</b>	<b>49 335</b>
<b>31 December 2018</b>							
<b>Initial value</b>	<b>28 162</b>	<b>4 851</b>	<b>5 490</b>	<b>36 019</b>	<b>5 899</b>	<b>7 148</b>	<b>87 569</b>
<b>Accumulated depreciation</b>	<b>(3 753)</b>	<b>(3 136)</b>	<b>(2 630)</b>	<b>(22 441)</b>	<b>(3 970)</b>	<b>(2 304)</b>	<b>(38 234)</b>
<b>Book value</b>	<b>24 409</b>	<b>1 715</b>	<b>2 860</b>	<b>13 578</b>	<b>1 929</b>	<b>4 844</b>	<b>49 335</b>
<b>06.2019 година</b>							
	Buildings		Plant and equipments	Vehicles	Computers	Other	Total
	Right of use	Improvement of rented property					
<b>Book value as of 1 January</b>	<b>24 409</b>	<b>1 715</b>	<b>2 860</b>	<b>13 578</b>	<b>1 929</b>	<b>4 844</b>	<b>49 335</b>
Acquired	-	271	183	9 415	407	389	10 665
Transfer						(50)	(50)
Written-off				(4 003)	(443)		(4 446)
Depreciation	(2 132)	(284)	(303)	(2 629)	(386)	(328)	(6 062)
Written-off depreciation				3 386	8		3 394
<b>Book value as of 30 June</b>	<b>22 277</b>	<b>1 702</b>	<b>2 740</b>	<b>19 746</b>	<b>1 515</b>	<b>4 854</b>	<b>52 835</b>
<b>30 June 2019</b>							
<b>Initial value</b>	<b>28 162</b>	<b>5 122</b>	<b>5 673</b>	<b>41 431</b>	<b>5 863</b>	<b>7 487</b>	<b>93 737</b>
<b>Accumulated depreciation</b>	<b>(5 885)</b>	<b>(3 420)</b>	<b>(2 933)</b>	<b>(21 684)</b>	<b>(4 348)</b>	<b>(2 632)</b>	<b>(40 903)</b>
<b>Book value</b>	<b>22 277</b>	<b>1 702</b>	<b>2 740</b>	<b>19 746</b>	<b>1 515</b>	<b>4 854</b>	<b>52 835</b>

**SPEEDY AD****EXPLANATORY NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENT**

as of 30.06.2019

**4. INTANGIBLE ASSETS**

The intangible assets of the Company consist of software, whose book value for the presented periods can be analysed as follows:

	Software	Acquisition of assets	Total
<b>31 December 2018</b>			
<b>Book value at the beginning of the year</b>	1 899	704	2 603
Acquired	294	19	313
Transfer	588	(588)	-
Depreciation	(703)	-	(703)
<b>Book value at the end of the period</b>	<b>2 078</b>	<b>135</b>	<b>2 213</b>
<b>31 December 2018</b>			
Initial value	7 041	135	7 176
Accumulated depreciation	(4 963)	-	(4 963)
<b>Book value</b>	<b>2 078</b>	<b>135</b>	<b>2 213</b>
	Software	Acquisition of assets	Total
<b>30 June 2019</b>			
<b>Book value at the beginning of the year</b>	2 078	135	2 213
Acquired	-	608	608
Transfer	-	-	-
Depreciation	(425)	-	(425)
<b>Book value at the end of the period</b>	<b>1 653</b>	<b>743</b>	<b>2 396</b>
<b>30 June 2019</b>			
Initial value	7 041	743	7 784
Accumulated depreciation	(5 388)	-	(5 388)
<b>Book value</b>	<b>1 653</b>	<b>743</b>	<b>2 396</b>

**5. INVESTMENTS IN SUBSIDIARIES**

As of 30 June 2019 the investments in subsidiaries are as follows:

	<u>30.06.2019</u> BGN'000	Share	<u>31.12.2018</u> BGN'000	Share
Speedy EOOD	982	100%	982	100%
Geopost Bulgaria EOOD	8,165	100%	8,165	100%
DPD S.A., Romania	17,300	100%	17,300	100%
Rapodo Express and Logistics EOOD	16,456	100%	16,456	100%
OMG Mobile EOOD	3,352	100%	3,352	100%
<b>Total</b>	<b>46,255</b>		<b>46,255</b>	

**6. INVENTORIES**

As of 30 June 2019 the inventories consist of:

	<b>30.06.2019</b>	<b>31.12.2018</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Materials	255	262
Fuel	74	69
<b>Total</b>	<b>329</b>	<b>331</b>

**7. TRADE AND OTHER RECEIVABLES**

	<b>30.06.2019</b>	<b>31.12.2018</b>	<b>31.12.2018</b>
	<b>BGN'000</b>	<b>BGN'000</b>	<b>BGN'000</b>
Receivables from customers	19,212	17,816	11,600
Less impairment	(896)	(882)	(920)
<b>Receivables from customers, net amount</b>	<b>18,316</b>	<b>16,934</b>	<b>10,680</b>
<i>including receivables from related parties (Note 29)</i>	<i>5,620</i>	<i>6,182</i>	<i>930</i>

*The change of the impairment has been changed as follows:*

	<b>2019</b>	<b>2018</b>
	<b>BGN'000</b>	<b>BGN'000</b>
<b>At the beginning of the year</b>	<b>882</b>	<b>807</b>
Impairments booked	14	75
Impairments recovered	-	-
Written-off impairments	-	-
<b>At the end of the period</b>	<b>896</b>	<b>882</b>

**8. OTHER RECEIVABLES AND PREPAYMENTS**

	<b>30.06.2019</b>	<b>31.12.2018</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Receivables on payments made on behalf of related parties	-	224
Prepayments	1,005	903
Receivables from trustees	-	871
Deposits	878	54
Receivables on payments made on behalf of third parties	-	179
Advances paid	-	41
Other receivables	-	401
<b>Total</b>	<b>1,883</b>	<b>2,673</b>

**SPEEDY AD****EXPLANATORY NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENT**

as of 30.06.2019

**9. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of::

	<b>30.06.2019</b>	<b>31.12.2018</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Cash in vaults	4,047	2,291
Cash in bank accounts	2,601	4,957
Petty cash	189	164
<b>Total</b>	<b>4,566</b>	<b>7,412</b>

**10. EQUITY****10.1 SHARE CAPITAL**

As of 30.06.2019 registered capital of the Company consists of 5,377,619 ordinary shares with par value of BGN 1 per share. All shares entitle to a dividend and to a liquidation share and represent one vote at the General Meeting of Shareholders of the Company.

	<b>2019</b>	<b>2018</b>
	<b>Number of shares</b>	<b>Number of shares</b>
Number of issued and fully paid-in shares:		
At the beginning of the year	5,377,619	5,377,619
Number of issued and fully paid-in shares	-	-
<b>Number of shares, outstanding on 30 June 2019</b>	<b>5,377,619</b>	<b>5,377,619</b>

The list of the main shareholders of the Parent Company is the following:

	<b>30.06.2019</b>		<b>31.12.2018</b>	
	<b>Number of shares</b>	<b>%</b>	<b>Number of shares</b>	<b>%</b>
Speedy Group AD	3,500,367	65.09%	3,500,367	65.09%
Geopost SA, France	1,333,979	24.81%	1,333,979	24.81%
Other natural and legal entities	543,273	10.10%	543,273	10.10%
<b>Total</b>	<b>5,377,619</b>	<b>100.00%</b>	<b>5,377,619</b>	<b>100.00%</b>

**10.2 STATUTORY RESERVES**

	<b>30.06.2019</b>	<b>31.12.2018</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Statutory reserves	538	538
<b>Total</b>	<b>538</b>	<b>538</b>

**SPEEDY AD****EXPLANATORY NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENT**

as of 30.06.2019

The statutory reserves are formed from setting aside 10% of the net profit in accordance with the requirements of the Commercial Act and decision of the General Meeting of the shareholders. According to the requirements, the statutory reserves should be minimum 10% of the registered capital. These reserves are non-distributable.

**10.3 PREMIUM RESERVES**

	<u>30.06.2019</u>	<u>31.12.2018</u>
	BGN'000	BGN'000
Premium reserves	19,565	19,565
<b>Total</b>	<b><u>19,565</u></b>	<b><u>19,565</u></b>

The share premium of the Company amounting to BGN 19,565 thousand is formed by the proceeds, received above the par value of the shares issued in 2014 with issue price per share BGN 23.

**10.4 RETAINED EARNINGS**

Changes of the *undistributed profit* is as follows:

	<b>30.06.2019</b>	<b>31.12.2018</b>
	BGN '000	BGN '000
<b>Balance as of 1 January</b>	<b><u>29,403</u></b>	<b><u>23,802</u></b>
<i>Effects from IFRS 9</i>	-	(88)
Net profit for the year	7,254	12,155
Dividends distributed	(7,529)	(6,453)
Actuary losses from revaluations, net of taxes	-	(13)
Distribution for reserves	-	-
<b>Balance as of 30 June 2019, including</b>	<b><u>29,128</u></b>	<b><u>29,403</u></b>
<i>undistributed profit</i>	<i>21,874</i>	<i>17,248</i>
<i>current profit</i>	<i>7,254</i>	<i>12,155</i>

**11. INTEREST BEARING LIABILITIES**

The interest bearing liabilities as of 30 June 2019 include:

	<u>30.06.2019</u>	<u>31.12.2018</u>
	BGN'000	BGN'000
Payables related to acquisitions	12,523	17,788
Payables under financial lease agreements	39,896	35,699
Long-term bank loans	5,225	5,926
<b>Total</b>	<b><u>57,644</u></b>	<b><u>59,413</u></b>
<i>non-current part</i>	<i>41,028</i>	<i>40,133</i>
<i>current part</i>	<i>16,616</i>	<i>19,280</i>

Under a financial lease agreement, the Company has acquired machinery, computers, vehicles and equipment. As of 30.06.2019, the payables of the Company under financial lease agreements are the following:

**SPEEDY AD****EXPLANATORY NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENT**

as of 30.06.2019

	<b>30.06.2019</b>	<b>31.12.2018</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Payables under financial lease agreements	17,147	11,311
- Long-term part	10,576	6,028
- Short-term part	6,571	5,283
<b>Total</b>	<b>17,147</b>	<b>11,311</b>

The lease agreements consist of fixed lease payments and purchase option at the end of the term of the lease.

As of 30.06.2019, amount due under bank loans are the following:

	<b>30.06.2019</b>	<b>31.12.2018</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Payables under received loans from banks, incl.:	5,225	5,926
- <i>short-term part</i>	3,704	2,970
- <i>long-term part</i>	1,521	2,956
<b>Total</b>	<b>5,225</b>	<b>5,926</b>

**12. TRADE AND OTHER PAYABLES**

As of 30.06.2019, the trade and other payables include:

	<b>30.06.2019</b>	<b>31.12.2018</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Trade payables	5,482	5,750
Payables to related parties	3,111	2,725
Payables for remunerations	3,608	3,681
Payables for social security	970	978
Taxes payable	1,175	1,407
Other payables	12,076	6,847
<i>Inc. dividends</i>	7,512	-
<b>Total</b>	<b>26,422</b>	<b>21,388</b>

**13. REVENUES**

The revenues of the Company consist of:

	<b>30.06.2019</b>	<b>30.06.2018</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Revenues from courier services	66,308	55,052
<b>Total</b>	<b>66,308</b>	<b>55,052</b>

**14. OTHER REVENUES**

Other revenues of the Company consist of:

**SPEEDY AD****EXPLANATORY NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENT**

as of 30.06.2019

	<u>30.06.2019</u>	<u>30.06.2018</u>
	<b>BGN'000</b>	<b>BGN'000</b>
Revenues from renting out of motor vehicles	1,678	1,668
Other revenues	968	661
Financing	160	160
<b>Total</b>	<b><u>2,806</u></b>	<b><u>2,489</u></b>

**15. COSTS OF MATERIALS**

Costs of materials include:

	<u>30.06.2019</u>	<u>30.06.2018</u>
	<b>BGN'000</b>	<b>BGN'000</b>
Fuels	1,871	1,711
Delivery-related materials	930	838
Office materials and consumables	150	160
Uniforms	119	53
IT consumables	298	230
Other costs	86	92
<b>Total</b>	<b><u>3,454</u></b>	<b><u>3,083</u></b>

**16. COSTS OF HIRED SERVICES**

Costs of hired services consist of:

	<u>30.06.2019</u>	<u>30.06.2018</u>
	<b>BGN'000</b>	<b>BGN'000</b>
Subcontractors	28,958	22,879
Rents	82	1,954
Communications and utility services	1,105	846
Vehicle maintenance	1,322	1,189
Insurance	795	633
Office/warehouse maintenance	351	389
Staff training	17	85
Marketing	350	269
Audit, consultant and other services	794	799
Other costs	439	502
Fees	293	204
<b>Total</b>	<b><u>34,506</u></b>	<b><u>29,749</u></b>

**17. COMPENSATION COSTS**

Compensation costs consist of:

	<u>30.06.2019</u>	<u>30.06.2018</u>
	<b>BGN'000</b>	<b>BGN'000</b>
Salaries and wages	13,190	11,116
Social security contributions	2,263	1,904
<b>Total</b>	<b><u>15,453</u></b>	<b><u>13,020</u></b>

**SPEEDY AD****EXPLANATORY NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENT**

as of 30.06.2019

**18. OTHER OPERATING COSTS**

Other operating expenses of the Company consist of:

	<u>30.06.2019</u>	<u>30.06.2018</u>
	BGN'000	BGN'000
Indemnities for parcels	293	243
Representation costs	234	206
Other costs	195	299
<b>Total</b>	<b><u>722</u></b>	<b><u>748</u></b>

**19. FINANCIAL INCOME**

Financial income of the Company consists of:

	<u>30.06.2019</u>	<u>30.06.2018</u>
	BGN'000	BGN'000
Interests income	336	274
Dividends	-	-
<b>Total</b>	<b><u>336</u></b>	<b><u>274</u></b>

**20. FINANCIAL EXPENSES**

Financial expenses of the Company consist of:

	<u>30.06.2019</u>	<u>30.06.2018</u>
	BGN'000	BGN'000
Interest expenses	716	222
<i>inc. interests related to payables for acquisitions</i>	534	-
FX exchange loss, net	42	42
Other	9	-
<b>Total</b>	<b><u>767</u></b>	<b><u>264</u></b>

**21. TAXES**

The main components of the income taxes, as well as the relation between the tax costs and the accounting profit are explained as follows:

	<u>30.06.2019</u>	<u>30.06.2018</u>
	BGN'000	BGN'000
<b>Accounting profit before taxes</b>	<b><u>8,060</u></b>	<b><u>6,835</u></b>
Increase	-	-
Decrease	-	-
<b>Taxable net income</b>	<b><u>8,060</u></b>	<b><u>6,835</u></b>
<b>Income tax</b>	<b>(806)</b>	<b>(683)</b>
Tax rate	10%	10%
<b>Deferred taxes</b>	-	-

**SPEEDY AD****EXPLANATORY NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENT**

as of 30.06.2019

Tax rate	10%	10%
<b>Total income tax and deferred taxes</b>	(806)	(683)
<b>Net income</b>	<b>7,254</b>	<b>6,152</b>

**22. EARNINGS PER SHARE AND DIVIDENDS****22.1 Earnings per share**

The earnings per share use distributable net income as a numerator.

Weighted average number of shares used for calculating EPS as well as distributable net income are presented below:

	<b>30.06.2019</b>	<b>30.06.2018</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Distributable net income /BGN'000. /	7,254	6,152
Weighted average number of shares	5,356,712	5,356,712
<b>Earnings per share /BGN per share/</b>	<b>1,35</b>	<b>1,15</b>

**22.2 Dividends**

On 17.06.2019 Speedy AD hold its regular general meeting of shareholders. It was voted for dividend distribution in amount of BGN 7 528 thousand.

**23. RELATED PARTIES TRANSACTIONS**

If not stated explicitly, the transactions with related parties are not carried out under special conditions and no guarantees were either granted or received. The recorded amounts are paid by wire.

<b>Related Party</b>	<b>Type of relationship</b>
Speedy Group AD	Parent Company
Geopost S.A., France	Shareholder with significant influence
Speedy EOOD	Subsidiary
Geopost Bulgaria EOOD	Subsidiary
DPD S.A., Romania	Subsidiary
Rapido Express and Logistics EOOD	Subsidiary (since 01.10.2018)
OMG Mobile EOOD	Subsidiary (since 21.12.2018)
Dragomir Winery Estate OOD	Company under common control
Transbankan group OOD	Company under common control
Transabalkan group Romania	Company under common control
Omnicar BG EOOD	Company under common control
Omnicar Auto OOD	Company under common control
Omnicar C EOOD	Company under common control
Omnicar oil EOOD	Company under common control
Omnicar rent EOOD	Company under common control

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Bulrom gas 2006 OOD	Company under common control
Sofia City Logistic Park EOOD	Company under common control
Omnicar plus OOD	Company under common control
Omnicar Varna OOD	Company under common control
Sandrini Flo EOOD	Company related to key management
Star Perfomining	Company related to key management

Ultimate owner Valery Harutyun Mektupchian.

**Extended loans**

As of 30 June 2019, Company's receivables from extended loans are as follows

	<b>30.06.2019</b>	<b>31.12.2018</b>
	<b>BGN'000</b>	<b>BGN'000</b>
Dynamic Parcel Distribution S.A., Romania incl.	9,538	10,408
- principal	9,538	10,372
- interest	-	36
<b>Total</b>	<b>9,538</b>	<b>10,408</b>
<i>incl. current part</i>	<i>1,279</i>	<i>2,149</i>
<i>incl. non-current part</i>	<i>8,259</i>	<i>8,259</i>

On 01.12.2014 the Company signed a contract with the subsidiary Dynamic Parcel Distribution S.A., Romania for extending a loan in amount of EUR 3,000 thousand with maturity 15.12.2020. The agreed interest rate is in the range between 3% and 5%.

With an Additional agreement from 01.04.2016 the extended amount is increased to EUR 5,000 thousand. The maturity of the additionally extended amount is 15.08.2020.

**Trade and other receivables from related parties**

	<b>30.06.2019</b>	<b>31.12.2018</b>
	<b>BGN '000</b>	<b>BGN '000</b>
Receivables from subsidiaries	5,281	5,698
Receivables from companies under common control	339	56
Receivables from shareholders with significant influence	-	428
<b>Total</b>	<b>5,620</b>	<b>6,182</b>

**Trade and other payables to related parties**

	<b>30.06.2019</b>	<b>31.12.2018</b>
	<b>BGN '000</b>	<b>BGN '000</b>
Trade payables, incl.	3,001	2,725
Payables to subsidiaries	2,515	2,192
Payables to companies under common control	486	533
Other payables, incl.	110	110
Deposits from the Members of the BoD	110	110
<b>Total</b>	<b>3,111</b>	<b>2,835</b>

**SPEEDY AD****EXPLANATORY NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENT**

as of 30.06.2019

As of 31.12.2017 the company has payables to the BoD's members in amount of BGN 110 thousand /31.12.2016 – BGN 110 thousand/ in compliance with art. 240, para 1 of Commercial Code.

**Commercial transactions with related parties***Sales to related parties*

	<b>30.06.2019</b>	<b>30.06.2018</b>
	<b>BGN '000</b>	<b>BGN '000</b>
	<b><i>12,487</i></b>	<b><i>5,932</i></b>
Subsidiaries	10,567	3,830
Companies under common control	1,630	1,668
Shareholders with significant influence	290	434

*Purchases from related parties*

	<b>30.06.2019</b>	<b>30.06.2018</b>
	<b>BGN '000</b>	<b>BGN '000</b>
	<b><i>10,831</i></b>	<b><i>8,940</i></b>
Companies under common control	5,977	5,817
Subsidiaries	4,854	3,123

The purchases of services from companies under common control include mainly transportation services made by Transbalkan group OOD, rentals from Sofia City Logistic Park EOOD and maintenance of vehicles from Omnicar Auto OOD.