Financial statement

Famatel Bulgaria Ltd

For the year ended on 31 December 2020

The financial statement for the year ended 31.12.2020. has been approved and signed on behalf of FAMATEL Bulgaria LTD by:

Manager:
Jose Casas Amoribieta
Famatel Bulgaria Ltd

Preparer:
Petrina Petelova
KP&S Consulting Ltd

REPORT ON THE MANAGEMENT OF THE ACTIVITY FOR THE YEAR ENDED 31.12.2020

The Report of the management on the activity for the year ended 31.12.2019 has been approved and signed on behalf of FAMATEL Bulgaria LTD by:

Manager:
Jose Casas Amoribieta

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Statement of Financial Position

ASSETS In thousands of BGN	Note	31 Dec 2020	LIABILITIES In thousands of BGN	Note	31 Dec 2020
A. Subscribed, not paid-in capital			**A. Equity**		
B. Noncurrent (long-term) assets			*I. Subscribed capital*		88
I. Intangible assets			*II. Share premium*		
II. Long-term assets		96	*III. Revaluation reserve*		
III. Long-term financial assets			*IV. Reserves*		
			V. Accrued profit (loss) from previous years		171
IV. Deferred taxes			*VI. Operating profit (loss)*		- 152
Total for section B:		**96**			
C. Current (short-term) assets			**Total for section A:**		**107**
			B. Provisions and similar liabilities		
I. Inventories		1642			
II. Receivables, incl:		440	**C. 3 Liabilities, incl.:**		**2225**
over 1 year			*up to 1 year*		2008
III. Investments			*over 1 year*		217
IV. Cash, including:		151			
- cash in hand					
- in current accounts (deposits)		*151*			
Total for section C:		**2233**			
D. Deferred expenses		3	**D. Deferred revenues and funding**		
TOTAL ASSETS (A+B+C+D)		**2332**	**TOTAL LIABILITIES (A+B+C+D)**		**2332**

The notes on pages 9 to 20 are an integral part of these financial statements.

Jose Casas Amoribieta
Chairman of the
Management Board of
Famatel Bulgaria Ltd

Petrina Petelova
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Statement of profit or loss
for the year ended 31 December

In thousands of BGN

A. EXPENSES	Note	31 Dec 2020	Б. REVENUES	Note	31 Dec 2020
1. Reduction of the finished and unfinished goods kept in stock			1. Net income from sales of:		3102
2. Expenses for raw materials and outsourced services, including:		2329	а) Product		1624
а) Raw Materials		1594	б) Goods		
b) Outsourced services		735	в) Services		1478
3. Payroll expenses, including:		1133	2. Increase of the finished and unfinished goods kept in stock		428
а) Remuneration expenses		996	3. Expenses for assets acquisition economic way		
b) Social insurance expenses, incl.:		137	4. Other income, including:		3
aa) Pension related social security expenses			а) income from financing		
4. Expenses for amortization and depreciation, including:		37	**Total income from operating activities (1 + 2+ 3+ 4)**		**3533**
а) depreciation and impairment tangible and intangible assets, including:		37	5. Income from participation in subsidiaries, associated companies, joined ventures, etc.		
aa) Expenses for amortization and depreciation		37	а) income from participations in group undertakings		
bb) Expenses for impairment			6. Income from other investments and loans, accounted for as non-current liabilities (long-term) assets, including:		
b) Expenses of impairment of current (short term) assets			а) income from group undertakings		
5. Other Expenses, incl.:		174	7. Other interest and financial income, including:		
а) balance value of assets sold			а) income from group undertakings		
б) provisions			б) gains from transactions with financial assets		
Total expenses for operating activity (1 + 2 + 3 +4 + 5)		**3673**	в) gains from foreign currency exchange		

Statement of profit or loss
for the year ended 31 December (continued)
In thousands of BGN

A. EXPENSES	Notes	31 Dec 2020	Б. REVENUES	Notes	31 Dec 2020
6. Expenses from depreciation of financial assets, incl. investments, accounted for as a short term assets, including:		6	**Total financial income (5 + 6 + 7)**		
a) expenses related to currency exchange monetary adjustments		6			
7. Expenses for interests and other financial charges, including:		5			
а) Expenses related to controlled entities/subsidiaries					
б) Expenses related to negative results from the financial operations					
Total financial expenses (6 + 7)		11			
8. Profit from major business			8. Loss from major business		
Total expenses *(1 + 2 + 3 + 4 + 5 + 6 + 7)*		3684	**Total revenue** (1 + 2 + 3 + 4 + 5 + 6 + 7)		3533
9. Accounting profit (total revenue - total expenses)			9. Accounting loss (total revenue - total expenses)		151
10. Profit tax expense		1			
11. Other taxes, alternative to the corporate profit tax					
12. Profit (9 - 10 - 11)			**10. Loss (9 + row 10 and 11 of section A)**		152
Grand Total (Total expenses + 10 + 11 + 12)		3685	**Grand Total** (Total revenue + 10)		3685

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Statements of cash flows

For the year ended 31 December

In thousands of BGN	Note	**2020**	**2019**
A. Cash flow from operating activities			
Change in Trade cash flows		1192	1127
Change in cash flows for salaries and wages		(1123)	(1053)
Change in other payables		(1)	(2)
Change in cash flows for interests, comissions, dividends and others		-	(8)
others		(3)	
Net cash from operating activities		**(65)**	**(64)**
B. Cash flow from investing activities			
Acquisition of property, plant and equipment			
Acquisition of intangible assets		-	(17)
Net cash from investing activities		**-**	**(17)**
C. Cash flow from financing activities			
Additional Payments		(2)	(5)
Payments of financial costs, incl. ex-rate differences		(6)	(5)
Additional financial costs - leasing		(12)	(12)
Net cash from financing activities		**(20)**	**(22)**
D. Net increase/(decrease) in cash and cash equivalents (A+Б+B)		**45**	**(25)**
E. Cash and cash equivalents at 1 January		**106**	**81**
F. Cash and cash equivalents at 31 December		**151**	**106**

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Statement of changes in equity

For the year ended 31 December

In thousands of BGN	Note	Share capital	Other reserves	Actuarial gains/ (losses) reserve	Retained earnings	Total equity
1. Balance at the beginning of the reporting period		**88**			**171**	**259**
2. Changes in accounting policies						
3. Errors						
4. Balance after changes in accounting policy and errors						
5. Change in capital at the expense of the owners, including:						
- Increase						
- Decrease						
6. Financial result for the current period				**(152)**		**(152)**
7. Distributions of profits, including:						
-for dividends						
8. Covered loss						
9. Revaluation of assets and liabilities						
- Increase						
- Decrease						
10. Other changes in equity capital						
11. Balance at end of reporting period		**88**		**(152)**	**171**	**107**
12. Transfer between reserves based on Sole owner's decision						
13. Capital at end of reporting period (11 +/- 12)						

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1. Reporting entity

„Famatel Bulgaria" Ltd, registered in the Commercial Register at Registry Agency under UIC 204993081, having its seat and registered address at 12a Patriarh Evtimii Str., Plovdiv 4000, Bulgaria.

Owner with 100% share is FABRICACION DE MATERIAL ELECTRICO SA.

Manager and representative of Famatel Bulgaria Ltd is Jose Casas Amoribieta, a citizen of Spain.

Capital: BGN 88 000, paid in full by the owner, divided into 880 shares, 100 BGN per share. Amount of capital at formation: BGN 10000.Increase in capital: 78000 BGN, paid on 11.04.2016.

Famatel Bulgaria Ltd. will continue to:

1. Implement its growth policy from the pre-term period;

2. Adapt to new market conditions, taking full account of the economic environment and cyclicality.

The company's management assessed the overall impact of COVID-19 on the company for the reporting period and for the next 12 months and considered that there was no significant doubt about its ability to continue to operate as a going concern and to continue to sell its products and services. Revenues may have declined slightly as a result of the spread of the virus and the overall economic impact, but there is no loss of key customers or suppliers.

2. Basis for preparation

a) Statement of compliance

The financial statements have been prepared in accordance with the Accounting Act and the National Accounting Standards, approved by the Council of Ministers.

b) Basis for measurement

The financial statements have been prepared on the historical cost basis.

c) Going concern

These financial statements have been prepared under the going concern assumption. The Shareholders have declared the ability and their intentions to support the Company in the future through continuing financial support and commitment for the realization of the project.

d) Functional and presentation currency

These financial statements are presented in BGN, which is the Company's functional currency. All financial information presented in BGN has been rounded to the nearest thousand, except other is stated. освен когато е посочено друго. The Bulgarian lev is fixed to the euro under the Bulgarian National Bank Act at the rate of BGN 1.95583: EUR 1.

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Cash, receivables and payables denominated in foreign currencies are reported in BGN on the exchange rate at the date of the transaction and are revalued on an annual basis using the official exchange rate of the BNB on the last business day of the year.

3. Revenue from services

In thousands of BGN	2020	2019
Service	1478	1907
Section „Revenue" line *„Costs for acquisition of assets with our own resources"*	0	0

When drawing up the profit and loss account in which the revenues and costs are presented according to their economic nature, costs for acquisition of an asset with our own resources once are reflected in the form of costs of materials, labour, etc. Due to the fact that these cost accounts are closed in the account Costs for Acquisition of Fixed Assets whose final balance is also reflected in the balance sheet at incomplete stage of acquisition, it is necessary to make a correction in the profit and loss account to avoid any incorrect presentation of the financial result. This can be achieved as the costs by economic elements that have been closed in the account reflecting the acquisition with own resources are indicated in section Revenues on the line "Costs for acquisition of assets with own resources".

For the current period the "cost for acquisition of assets with own resources" is 0.

4. Expenses for hired services

In thousands of BGN	2020	2019
Contract costs with subcontractors	158	517
Rents	418	386
Accounting services/Audit	21	33
Legal services	5	7
Stuff recruitment	50	74
Repairs activities	27	13
Transport	25	29
Others	31	20
	735	**1113**

Expenses for hired service includes costs related to the legal preparation of project documentation and administrative costs, incl. but not only accounting services

5. Other operating expenses

In thousands of BGN	2020	2019
Waste fees	4	4
Property tax	0	0
Other taxes	1	2
Written off receivables Belafante	162	
Other	7	
	174	**6**