



# **AGRIA GROUP HOLDING JSC**

## **Explanatory notes to the consolidated financial statement of AGRIA GROUP HOLDING AD as at 30.09.2022**

### **1. General Provisions**

AGRIA GROUP HOLDING AD is registered with decision 7350/73520/28.08.2007 of the Varna District Court under lot No. 3 vol. 833 p. 10 under company case 3875/2007 with registered office and business address 29 Atanas Moskov Str., Zapadna Promishlena Zona, Varna, BULSTAT 148135254. As at September 2010, after publishing amended circumstances to the Registry Agency, the Company has its registered office and business address at 111 Knyaz Boris I Blvd, Primorski District, Varna, Business Center, 9th floor. The registered capital of AGRIA GROUP HOLDING AD as at 30.09.2022 stands unchanged at BGN 6,800,000. It consists of 6,800,000 shares with nominal value of BGN 1.00 each.

The main object of the Company consists in managing its subsidiaries.

The Company is an investment company and holds 99.26% of the shares in Kristera AD, as well as 100% of the shares in A G Porperty Invest EOOD, Kristera-Agro EOOD, Agro EOOD, Bora Invest EOOD, Korn Trade EOOD, Toni-M EOOD, Aris-Agro EOOD, Bora Energy EOOD, Elit-86 EOOD, Gruver EOOD, Terra Protect EOOD, Diasvet EOOD, BD Farm EOOD, BD Agri EOOD, Agra EAD , Kehlibar EOOD, 100% of the shares in Silk Gas BG OOD, 100% of the shares in Agrivia Oil EOOD, 50% of the shares in Agro Oil Konsult OOD and 40% of the shares in "Korn Star" OOD.

The main object of the Group consists in agricultural production, trade of goods, production of flours and their derivatives, and services.

### **2. Basis for the preparation of the financial statements**

This consolidated interim financial statement of the Company has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Commission under Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards.

It does not contain the full information required for the preparation of complete annual financial statements and should be read together with the annual financial statements of the Company as at 31 December 2021.

The main accounting policies of the Company comply with those stated in the annual consolidated financial statements of the Company as at 31 December 2021.

The interim consolidated financial statement has been prepared in thousands of Bulgarian leva (BGN).

### **3. Property, plant, and equipment**



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Property, plant, and equipment are valued initially at cost, which includes the acquisition price, as well as all direct expenses for rendering the asset functional.

## 4. Consolidation

Subsidiaries are those enterprises that are controlled by the Group, which has the power to govern the financial and operating policies. The parent company exercises control through its right to vote. The financial statement of the Group as at 30.09.2022 consolidates the reports of the eighteen companies described below, which are subsidiaries of Agria Group Holding AD and together comprise the business group.

<i>Name of subsidiary</i>	<i>30.09.2022- BGN thousands</i>	<i>Participation in% by 30.09.2022</i>	<i>31.12.2021 - BGN thousands</i>	<i>Participation in% by 31.12.2021</i>
Kristera AD	5776	99,26	5776	99,26
Korn Trade EOOD	6800	100	6800	100
A G Property Invest EOOD	12205	100	5	100
Bora Invest EOOD	1100	100	1100	100
Agro EOOD	5	100	5	100
Kristera -Agro EOOD	7600	100	7600	100
Toni-M EOOD	4828	100	4829	100
Aris-Agro EOOD	2408	100	2408	100
Bora Energv EOOD	6220	100	6000	100
Elit-86 EOOD	3081	100	3081	100
Gruvar EOOD	2627	100	2627	100
Terra Protect EOOD	900	100	300	100
Diasvet EOOD	840	100	840	100
BD Agri EOOD	2159	100	2159	100
BD Farm EOOD	9686	100	9686	100
Agra EAD	13695	100	13695	100
Kehlibar EOOD	14795	100	14795	100
Silk Gas BG OOD	1780	100	400	55
Agrivia Oil EOOD	6880	100	0	0

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Agro Oil Konsult 000 - associate	505	50	505	50
Korn Star OOD	522	40	2	40
<b>IN TOTAL:</b>	<b>104414</b>		<b>82613</b>	

The companies are registered in the Republic of Bulgaria.

The method used in the financial statements of the Company is the Cost Method.

The shares and interests of the subsidiaries are not listed on a public stock market and for this reason their fair value cannot be established.

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## **5. Equity**

The share capital of the Group reflects the par value of the issued shares of the parent company.

The reserves include reserves required under the Commerce Act, as well as revaluation and other reserves.

The financial result comprises the financial result for the current period, as well as retained earnings and accumulated losses defined in the consolidated income statement.

In accordance with the resolution of the Board of Directors of Agria Group Holding AD adopted on 23.09.2022, in connection with the resolution adopted at the Ordinary General Meeting of Shareholders held on 28th June 2022 to repurchase the Company's own shares, and in connection with the notice submitted via the X3 News internet platform from 26.09.2022, pursuant to Art. 111, Par. 6 of the Securities Act to commence the repurchase of up to 50,000 (fifty thousand) shares of the Company's capital as of 27.09.2022, Agria Group Holding AD has repurchased 50,000 (fifty thousand) of its own shares on a regulated market, representing 0.74% of its capital.

## **6. Tax expenses**

The interim consolidated financial statement does not include the expected corporate income tax expenses.

## **7. Income**

Sales comprise mainly sales of goods. No dividend income has been reported for the indicated period.

## **8. Events after the balance sheet date**

No important or significant adjusting events for the activity of the Company, which, if not announced would affect the true and fair presentation of the financial statements, have occurred between the date of preparation of this financial report and the date of its publishing.

The financial statement as at 30.09.2022 is not certified and revised by the auditors.

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21.11.2022

Varna



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