



ADDITIONAL INFORMATION TO THE INTERIM FINANCIAL ACTIVITY STATEMENTS OF BILLBOARD AD AS OF 31.03.2017

1. Information about the changes in the accounting policy during the reporting period, the reasons for their making and in what way they impact on the issuer's financial result and shareholders' equity

No changes in the accounting policy of BILLBOARD AD have been made during the current period (01.01.2017 – 31.03.2017).

2. Information about changes occurred in the group of enterprises within the meaning of the Accountancy Act of the issuer if it participates in such a group

BILLBOARD AD is a part of group of enterprises within the meaning of §1, item 2 of the Additional Provisions of the Accountancy Act and is a parent company which holds over 50 % of the votes at the general assembly of several subsidiaries.

During the first quarter of 2017 under review were not made any changes in the group of enterprises where BILLBOARD AD is a parent company.

As of 31.03.2017 the companies in the group of enterprises within the meaning of the Accountancy Act of BILLBOARD AD are:

○ **DEDRAX AD**

Scope of activity: desktop publishing and graphic design, publishing and advertising activities, development, adaptation, implementation, support of software products and systems, marketing and distribution of the same. Domestic and foreign trade, and any other activity not prohibited by law.

The company was registered with a capital amounting to BGN 5 000. In 2010 the company's capital was increased to BGN 2 800 000 by its own funds representing a part of the profit for 2009 in the amount of BGN 310 750.92 and non-distributed company's profit from previous years in the amount of BGN 2 484 248.08.

At the regular annual session of the general assembly of the shareholders of Dedrax AD, held on 30.07.2014 was approved a resolution for a capital increase from BGN 2 800 000 to BGN 4 878 627 as the increase in the amount of BGN 2 078 627 was made by company's own funds representing not distributed profit for the period 2010 – 2013.

As at 31.03.2017 BILLBOARD AD holds directly 60 % of the votes at the general assembly.

- **MOTION ARTS Ltd.**

Scope of activity: trading, production, management, tourism, services, computer animation and design, as well as any other activity not prohibited by law.

The company was registered with a capital in the amount of BGN 5 000.

As at 31.03.2017 BILLBOARD AD holds directly 255 company stakes, representing 51 % of the votes at the general assembly.

- **INSTOR MEDIA EOOD**

Scope of activity: domestic and foreign trade, manufacturing and marketing of promotional materials and equipment, advertising, design, and other activities and services that are not prohibited by law.

The company was registered with a capital in the amount of BGN 5 000.

As at 31.03.2017 BILLBOARD AD is a single owner of the company's capital.

- **DIGITAL PRINT EOOD**

Scope of activity: digital printing, advertising, intellectual property transactions, leasing, and any other transactions which are not prohibited by law.

The company was registered with a capital in the amount of BGN 5 000.

On 28.05.2015 in the Commercial Register to the Registry Agency under the batch of the company was filed a capital increase based on a resolution of the single owner. The company's capital is in the amount of BGN 3 000 000 (three million) out of which BGN 5 000 (five thousand) – money contribution and BGN 2 995 000 (two million nine hundred ninety-five thousand) – contribution in kind.

The single owner of capital BILLBOARD AD transferred at nominal value, fully and unconditionally its receivable to DIGITAL PRINT Ltd. in the amount of BGN 2 995 000 (two million nine hundred and ninety-five thousand) levs, representing part of monetary receivables arising from a Loan agreement concluded between BILLBOARD AD - lender and DIGITAL PRINT Ltd. - borrower, which receivable is part of the principal under the Loan agreement as from 01.08.2008 at nominal value amounting to BGN 5 000 000 (five million) levs and the part of the receivables - subject to the contribution in kind is in the total amount of BGN 2 995 000 (two million nine hundred and ninety-five thousand) levs.

Amount: BGN 2995000.

Number of the Act for assignment of experts: 20150312145317/13.03.2015.

As at 31.03.2017 BILLBOARD AD is a single owner of the company's capital.

3. Information on the results from organizational changes within the issuer, such as transformation, selling of undertakings from the group of enterprises within the meaning of the Accountancy Act, contributions in kind by the undertaking, renting out of property, long-term investments, suspension of operation

During the first quarter of 2017 have not occurred results from organizational changes within the company, transformation, selling of undertakings from the group of enterprises within the meaning of the Accountancy Act, contributions in kind from the company, long-term investments and suspended operations.

4. Opinion of the management body about the likelihood of realization of the published forecasts on the results of the current financial year, taking account of the results of the current quarter, as well as information about the factors and circumstances which will influence the obtaining of the forecast results at least until the end of the current financial year

Pursuant to the unaudited individual financial statements of BILLBOARD AD, drawn up according to the IAS/IFRS forms, as of 31.03.2017 the company reported total individual net sales revenues in the amount of BGN 1 814 000 compared to BGN 1 712 000 for the same period of 2016 which represents an increase of the net sales revenues by 5.96 %. As of 31.03.2017 the individual production net sales revenues of BILLBOARD AD were in the amount of BGN 1 749 000 compared to the individual production net sales revenues reported by 31.03.2016 in the amount of BGN 1 538 000 which represents an increase of the company's individual production net sales revenues by 13.72 %.

As of 31.03.2017 BILLBOARD AD reported individual profit before taxes in the amount of BGN 148 000 compared to the profit before taxes for the same period of 2016 in the amount of BGN 5 000. The individual net profit of BILLBOARD AD as of 31.03.2017 was in the amount of BGN 148 000 compared to the individual net profit of the Company as of 31.03.2016 in the amount of BGN 12 000.

As of 31.03.2017 the individual earnings before taxes and depreciation and amortization, increased by the financial expenses and decreased by the financial incomes of the BILBOARD AD were in the amount of BGN 466 000 compared to EBITDA as of 31.03.2016 in the amount of BGN 406 000.

As of 31.03.2017 the individual earnings before taxes, increased by the financial expenses and decreased by the financial incomes (EBIT) of BILBOARD AD were in the amount of BGN 184 000.

5. Data about the persons holding directly or indirectly at least 5 per cent of the votes at the general assembly at the end of the six-month period, and the changes in the held by the persons votes for the period since the beginning of the current financial year until the end of the period under review

Shareholders holding at least 5 per cent of the votes at the general assembly of shareholders of BILLBOARD AD

Name of the shareholder	% of the capital
Vassil Stefanov Genchev	25.024 %
Stefan Vassilev Genchev	20.00 %
Kalin Vassilev Genchev	20.00 %
Veneta Stefanova Gencheva	9.89 %

- Presented information as at 31.03.2017.

**Change in the number of votes for the period
01.01.2017 - 31.03.2017**

During the first quarter of 2017 changes in the number of shares of the capital of BILLBOARD AD, hold by shareholders holding at least 5 per cent of the votes at the general assembly of the shareholders of BILLBOARD AD have not been made.

6. Data about the shares owned by the issuer's management and supervisory bodies at the end of the six-month period as well as the changes that occurred for the period since the beginning of the current financial year until the end of the period under review for every person individually

Members of the Board of Directors

	Name	Number of shares	% of the capital
1.	Stefan Vassilev Genchev	3 000 000	20 %
2.	Kalin Vassilev Genchev	3 000 000	20 %

3.	Borislav Hristov Borisov	0	0 %
4.	Desislav Grozev Tomov	0	0 %

- Presented information as at 31.03.2017.

Change in the number of shares hold for the period
01.01.2017 - 31.03.2017

During the first quarter of 2017 have not occurred changes in the number of shares from the Company's capital hold by members of the Board of Directors of BILLBOARD AD.

7. Information on pending legal, administrative or arbitration procedures relating to liabilities or receivables at the rate of at least 10 per cent from the issuer's equity; if the total amount of the issuer's liabilities or receivables of all initiated proceedings exceeds 10 per cent of its equity, information shall be presented for each procedure separately

There are no pending legal, administrative or arbitration procedures relating to liabilities or receivables at the rate of at least 10 per cent from the shareholders's equity of the Company.

8. Information about granted by the issuer or its subsidiary loans, providing of guarantees or assuming liabilities in whole to one entity or its subsidiary, including also related persons with indication of the nature of the relations between the issuer and the entity, the amount of unpaid principal, interest rate, deadline for repayment, amount of the assumed liability, term and conditions

During the first quarter of 2017 on the part of BILLBOARD AD have not been granted essential loans, guarantees and have not been assumed liabilities in whole to one entity or its subsidiary, including also related persons.

25.04.2017
Sofia

For BILLBOARD AD:.....
Stefan Genchev
/Executive Director/