

INDEPENDENT AUDITOR'S REPORT

**TO
THE SHAREHOLDERS
OF SOPHARMA AD**

Report on the Separate Financial Statements

We have audited the accompanying separate financial statements of Sopharma AD (the Company), which comprise the separate statement of financial position as at 31 December 2011, and the separate statement of comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes and information.

Management's Responsibility for the Separate Financial Statements

Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with International Financial Reporting Standards, accepted by the Commission of the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with the Independent Financial Audit Law and the professional



requirements of International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the separate financial statements present fairly, in all material respects, the financial position of Sopharma AD as at 31 December 2011, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, accepted by the Commission of the European Union.

Emphasis of Matter

We draw attention to Note 2.2 to these separate financial statements that at the date of their issuance, the consolidated financial statements for the same period have not yet been issued by the Company. The management plans to issue the consolidated financial statements not later than 30 April 2012. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

Annual Report on the activities of Sopharma AD under the Bulgarian Accountancy Act (Art. 33)

Pursuant to the requirements of the Bulgarian Accountancy Act (Art. 38, para 4), we have read the Annual Report of the management on Sopharma AD activities for the reporting year 2011. This Report is not a part of the separate annual financial statements for the same period. The management of the



Company is responsible for the preparation of this Annual Report on the activities dated 26 March 2012. The historical financial information presented in the Annual Report on the activities is consistent, in all material respects, with the information disclosed in the Company's separate financial statements as at 31 December 2011, prepared in accordance with International Financial Reporting Standards, accepted by the Commission of the European Union.

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Registered Specialised Audit Firm

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General Manager

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26 March 2012

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This is a translation from Bulgarian of the Independent Auditor's Report on the Separate Financial Statements of Sopharma AD for the year ended 31 December 2011.