

Additional information under art. 33, par. 1, item 6 of Ordinance № 2 from 17 September 2003 of "Sopharma" AD as at 31 March 2013

1. Information about changes in accounting policies during the reporting period, the reasons for them and how they affect the financial results and equity of the issuer – none. For the current quarter the Company has adopted all new and / or revised standards and interpretations issued by the International Accounting Standards Board (IASB), respectively. The Interpretations Committee of the IFRS, which are relevant to its operations. More detailed information about the Company's accounting policies can be found at 2.1. Basis of preparation of the financial statements for 2013 in the notes to the interim financial statement for the first quarter.

2. Information about changes in the economic group of the issuer, if participating in a group: No new subsidiaries have been acquired in the first quarter of 2013 (2012: subsidiary Sopharma Ukraine EOOD).

3. Information about the results of organizational changes within the issuer, such as restructuring, sale of companies from the group, in-kind contributions from companies, rental property, long-term investments, closure of business:

As of 31 March 2013, the investments in the subsidiaries Sopharma Poland OOD - in liquidation, Poland, Extab Corporation, USA and Sopharma, USA are fully impaired (31 December 2012: fully impaired are Zdrovit Sopharma AD - in liquidation, Poland, Sopharma Poland OOD - in liquidation, Poland, Extab Corporation, USA and Sopharma USA). On 25 February 2013 completed the liquidation of Sopharma Zdrovit AD, Poland, and the company was erased from the National Court Register of Poland.

On 29 October 2012 was signed a merger agreement between Sopharma AD and Bulgarian Rose Sevtopolis AD, which settles the conduction of the transformation through merging of Bulgarian Rose Sevtopolis AD into Sopharma AD. The agreement along with the accompanying documentation has been submitted to the Financial Supervision Commission. As at the date of issuing of the current statements the Company is still awaiting of the position of the FSC.

The book value of the investments in subsidiaries is as follows:

		31.03.2013	Interest	31.12.2012	Interest
		BGN '000	%	BGN '000	%
Sopharma Trading AD	Bulgaria	30 453	76.74	32 148	81.01
Unipharm AD	Bulgaria	19 449	49.99	19 449	49.99
Briz OOD	Latvia	8 768	51.01	6 262	51.00
Bulgarian Rose Sevtopolis AD	Bulgaria	8 729	49.99	8 729	49.99
Biopharm Engineering AD	Bulgaria	8 384	97.15	8 384	97.15
Vitamina AD	Ukraine	6 187	99.56	6 187	99.56
Ivanchich and sons	Serbia	5 739	51.00	5 739	51.00
Momina Krepost AD	Bulgaria	2 618	51.35	2 547	49.94
Pharmalogistica AD	Bulgaria	1 911	76.54	1 911	76.54
Sopharma Buildings REIT	Bulgaria	639	42.64	639	42.64
Electroncommerce EOOD	Bulgaria	384	100.00	384	100.00

Sopharma Warsaw EOOD	Poland	323	100.00	323	100.00
Sopharma Ukraine EOOD	Ukraine	230	100.00	230	100.00
		<u>93 814</u>		<u>92 932</u>	

Sopharma has direct or indirect control over the above listed companies.

The *available-for-sale investments* (financial assets) at carrying amount include the participation (shares) in the following companies:

	31.03.2013	Interest	31.12.2012	Interest
	BGN '000	%	BGN '000	%
Doverie United Holding AD	14 966	18.70	14 966	18.70
Medica AD	2 579	10.22	2 574	10.20
Olainfarm AD - Latvia	1 306	0.77	1 078	0.77
Hydroizomat AD	387	9.93	372	9.33
Sopharma Properties AD	284	0.86	210	0.63
Lavena AD	230	4.88	230	4.88
Maritzatex AD	80	8.80	-	6.20
Todorov AD	29	4.5	32	4.97
Ecobulpack AD	7	1.48	7	1.48
UniCredit Bulbank AD	3	0.001	3	0.001
Total	<u>19 871</u>		<u>19 472</u>	

All aforementioned companies except for Olainfarm AD, Latvia, have their seat and operations in Bulgaria.

4. Opinion of the governing body regarding the feasibility of the published estimates of the results for the current financial year, taking into account the results of the current quarter as well as information on the factors and circumstances that will affect the achieving of the projected results for at least the next quarter - no update of the forecast results.

5. For public companies - data on persons holding directly or indirectly at least 5 percent of the voting rights of the General Meeting at the end of the quarter, and changes in ownership of those voting rights since the end of the preceding quarter;

SHAREHOLDERS	Number of shares /%/ 31 March 2013	Number of shares /%/ 31 December 2012
„Donev Investment Holding” AD, EIK 0831915121, Sofia, Positano Str. № 12 “Telecomplect Invest” AD, EIK 201653294, Sofia, Slaveikov Square № 9 „Finance Consulting Company” EOOD EIK 121414242 Sofia, Khan Krum Str. 10	35 004 033 /26,52%/	32 373 781 /24,53%/
Universal Pension Fund “Doverie” AD, EIK 130474628 Sofia, Dunav Str. 5	26 948 052 /20,42%/	26 948 052 /20,42%/
	12 699 038 /9,62%/	18 213 990 /13,80%/
	8 906 297 /6,75%/	8 877 397 /6,73%/

6. For public companies - data on persons holding directly or indirectly at least 5 percent of the voting rights of the General Meeting at the end of the quarter, and changes in ownership of those voting rights since the end of the preceding quarter:

Members of the Board of Directors	Number of shares 31 March 2013	Number of shares 31 December 2012
1. Ognian Ivanov Donev	0	0
2. Vessela Liubenova Stoeva	0	0
3. Andrey Liudmilov Breshkov	0	0
4. Ognian Kirilov Palaveev	54320	54320
5. Alexander Viktorov Chaushev	87414	86514

7. No information on pending judicial, administrative or arbitration proceedings relating to liabilities or receivables amounting to at least 10 percent of the equity of the Company.

8. Information on loans granted by the issuer or their subsidiary, provided guarantees or commitments to a single person or a subsidiary thereof, including to related persons with indication of the nature of the relationship between the issuer and the person, the amount of the outstanding principal, the interest rate, the maturity, the size of commitment, the terms and conditions.

Payables to related parties include:

	31.03.2013	31.12.2012
	BGN '000	BGN '000
Subsidiaries	3 670	3 753
Companies under a common control through key managing personnel	1 092	-
Companies under a common control	<u>624</u>	<u>12</u>
Companies – main shareholders	<u>19</u>	<u>17</u>
Total	<u>5 405</u>	<u>3 782</u>

The *payables to related parties by type* are as follows:

	31.03.2013	31.12.2012
	BGN '000	BGN '000
Services	4 554	3 738
Payables for construction of new production facilities	851	-
Payables for the supply of materials	<u>-</u>	<u>44</u>
Total	<u>5 405</u>	<u>3 782</u>

The trade payables to related parties are regular, denominated in BGN, EUR and PLN and are not additionally secured by the Company. The payables in BGN amounted to 5,405 thousand BGN (31 December 2012: 3,426 thousand BGN), in EUR – none (31 December 2012: 48 thousand BGN) and those in PLN – none (31 December 2012: 308 thousand BGN).

Receivables from related parties include:

	31.03.201	31.12.201
	3	2
	BGN '000	BGN '000
Receivables from subsidiaries	107 985	110 584
<i>Impairment of uncollectible receivables</i>	<u>(76)</u>	<u>(76)</u>
	107 909	110 508
Receivables from companies under a common control through key managing personnel	43 201	37 166
Receivables from Companies under common indirect control	10 781	14 051
<i>Impairment of uncollectible receivables</i>	<u>(439)</u>	<u>(2 782)</u>
	10 342	11 269
Receivables from companies – main shareholders	<u>7 310</u>	<u>8 170</u>
Total	<u>168 762</u>	<u>167 113</u>

The receivables from related parties by type are as follows:

	31.03.2013	31.12.2012
	BGN '000	BGN '000
Receivables on sales of finished products and materials	101 929	104 659
Trade loans granted	66 833	62 454
Total	168 762	167 113

The receivables on sales are interest-free and 68,769 thousand BGN of them are denominated in BGN (31 December 2012: 65,180 thousand BGN) and in EUR – 33,160 thousand BGN (31 December 2012: 39,479 thousand BGN).

The most significant receivables are the ones from a subsidiary with principal activities in the field of trade in pharmaceuticals. They amounted to – 67,551 thousand BGN as at 31 March 2013 or 66,27% of all receivables on sales of finished products and materials to related parties (31 December 2012: 64,524 thousand BGN - 61,65%).

The terms of the granted loans to related companies are as follows:

Currency	Contracted amount '000	Maturity	Interest %	31.03.2013		31.12.2012	
				BGN'000	BGN'000 including interest	BGN'000	BGN'000 including interest
<i>to companies under common indirect control through key managing personnel</i>							
BGN	18 478	31.12.2013	8.30%	17 773	645	14 932	324
EUR	8 630	31.12.2013	4.50%	12 393	197	12 257	62
BGN	25 550	31.08.2013	8.08%	9 414	184	9 230	-
BGN	2 500	31.12.2013	8.30%	2 511	11	-	-
BGN	1 300	31.12.2013	8.08%	520	19	510	9
BGN	190	31.12.2013	8.08%	231	41	227	37
<i>to companies under common indirect control</i>							
EUR	7 556	31.12.2013	4.50%	10 121	111	10 010	-
BGN	1 375	31.12.2013	8.08%	-	-	710	-
<i>to companies – main shareholders</i>							
EUR	4 035	31.12.2013	4.80%	7 310	4	8 170	278
<i>to subsidiaries</i>							
EUR	2 770	20.01.2013	6.10%	6 144	726	6 062	645
USD	110	31.12.2013	3.50%	235	6	167	4
BGN	600	31.12.2013	7.00%	101	-	101	-
USD	25	31.12.2013	3.50%	41	3	40	2
USD	20	31.12.2013	3.50%	33	3	32	3
EUR	3	07.11.2013	13.00%	6	-	6	-
				66 833	1 950	62 454	1 364

As at 31 March 2013 there are pledges on receivables from related parties amounting to 10,500 thousand BGN (31 December 2012: 10,500 thousand BGN) as collateral for bank loans.

The Company is a co-debtor under received bank loans and lease contracts and a guarantor of the following pharmaceutical trading companies before banks:

	Maturity	Currency	Amount Original currency	BGN'000	Status of the debt 31.03.2013 BGN'000
Sopharma Properties REIT	29.12.2020	EUR	30 000	58 675	53 296
Sopharma Trading AD	31.01.2014	EUR	10 000	19 558	19 558
Sopharma Trading AD	31.01.2014	EUR	8 434	16 495	16 495
Sopharma Trading AD	30.06.2013	EUR	5 500	10 757	7 858
Sopharma Trading AD	25.04.2013	EUR	3 000	5 867	5 859
SIA BRIZ	06.09.2013	EUR	2 500	4 890	3 796
Sopharma Trading AD	25.03.2015	EUR	2 000	3 912	3 266
Sopharma Trading AD	31.12.2017	EUR	1 448	2 832	2 613
Sopharma Trading AD	31.01.2013	BGN	3 732	3 732	2 591
Sopharma Trading AD	31.07.2013	EUR	2 050	4 009	2 301
Sopharma Trading AD	31.01.2018	EUR	1 050	2 054	1 985
Bulgarian Rose Sevtopolis AD	31.01.2015	EUR	1 617	3 163	878
Sopharma Trading AD	31.12.2017	EUR	450	881	822
Sopharma Trading AD	25.10.2016	EUR	432	846	635
Energoinvestment AD	28.08.2013	BGN	2 018	2 018	518
Sopharma Trading AD	30.11.2015	EUR	113	221	181
Mineralcommerce AD	20.09.2017	EUR	100	196	176
Sopharma Trading AD	25.11.2017	EUR	87	170	163
Sopharma Trading AD	31.03.2014	EUR	66	129	129
Sopharma Trading AD	25.05.2016	EUR	89	174	117
Sopharma Trading AD	25.07.2016	EUR	63	124	87
Sopharma Trading AD	25.05.2016	EUR	41	80	65
Mineralcommerce AD	19.12.2013	EUR	25	49	48
Sopharma Trading AD	25.09.2016	EUR	22	42	37
Sopharma Trading AD	25.06.2016	EUR	23	45	31
Sopharma Trading AD	25.06.2016	EUR	22	43	30
Sopharma Trading AD	30.06.2013	EUR	1 675	3 276	14
Sopharma Trading AD	25.09.2016	EUR	15	29	21
				144 267	123 570

The Company has provided inventories amounting 2,583 thousand BGN to a bank as collateral for a bank loan received by a subsidiary.

The accounts and balances with related parties are disclosed in Notes 18, 21 and 30.

Ognian Donev, PhD
Executive Director