

Company:

"SOPHARMA" AD

Board of Directors:

**Ognian Donev, PhD
Vessela Stoeva
Alexander Tchaoushev
Bissera Lazarova
Ivan Badinski**

Executive Director:

Ognian Donev, PhD

Procurator:

Simeon Donev

Finance Director:

Boris Borisov

Chief Accountant:

Jordanka Petkova

Head of Legal Department

Alexander Yotov

Registered Office:

**Sofia
16, Iliensko Shousse Str.**

Lawyers:

**Ventsislav Stoev
Stefan Vachev**

Servicing Banks:

**KBS Bank
DSK Bank EAD
Eurobank and FG Bulgaria AD
ING Bank N.V.
UniCredit AD
Citibank N.A.
Municipal Bank AD**

Auditors:

Baker Tilly Clitou and Partners OOD

"SOPHARMA" AD**INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME****for the period ended on 30 June 2023**

	Notes	2023 BGN'000	2022 BGN'000
Revenue	3	124 826	110 050
Other operating income/(losses), net	4	2 887	2 182
Changes in inventories of production and work in progress		15 148	3 408
Raw materials and consumables used	5	(41 721)	(39 687)
Hired services expense	6	(19 880)	(14 815)
Employee benefits expense	7	(32 853)	(26 762)
Depreciation and amortisation expense	14,15	(9 463)	(8 877)
Other operating expenses	8	202	(907)
Profit from operations		39 146	24 592
Finance income	9	3 778	3 271
Finance costs	10	(1 222)	(656)
Finance income / (costs), net		2 556	2 615
Profit before income tax		41 702	27 207
Income tax expense		(4 581)	(3 589)
Net profit for the year		37 121	23 618
Other comprehensive income:			
<i>Items that will not be reclassified to profit or loss:</i>			
Net change in fair value of other long-term equity investments	17	520	(340)
Subsequent revaluations of property, plant and equipment		33	-
Income tax related to components of other comprehensive income that will not be reclassified		(3)	-
Other comprehensive income for the year, net of tax	11	550	(340)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		37 671	23 278
Basic earnings per share	25	0,31	0,19
Net earnings per diluted share	25	0,30	0,20

The accompanying notes on pages 5 to 135 form an integral part of the individual financial statements.

Executive director:

Ognian Donew

Finance Director:

Boris Borisov

Chief Accountant:

Jordanka Petkova

"SOPHARMA" AD
INDIVIDUAL STATEMENT OF FINANCIAL POSITION
as at 30 June 2023

	Notes	30 June 2023 BGN'000	31 December 2021 BGN'000
ASSETS			
Non-current assets			
Property, plant and equipment	12	209 325	217 894
Intangible assets	13	4 461	4 247
Investment property	14	49 487	49 267
Investments in subsidiaries	15	90 777	90 235
Investments in associates and joint ventures	16	69 468	69 372
Other long-term equity investments	17	6 270	4 706
Long-term receivables from related parties	18	72 179	67 471
Other long-term receivables	19	3 458	3 526
		<u>505 425</u>	<u>506 718</u>
Current assets			
Inventories	20	107 225	82 618
Receivables from related parties	21	88 194	74 682
Trade receivables	22	27 351	18 095
Loans granted to third parties	23 (a)	11 177	8 317
Other receivables and prepayments	23 (6)	5 416	6 057
Cash and cash equivalents	24	5 012	4 761
		<u>244 375</u>	<u>194 530</u>
TOTAL ASSETS		<u>749 800</u>	<u>701 248</u>
EQUITY AND LIABILITIES			
EQUITY			
Basic share capital		134 798	134 798
Treasury shares		(52 203)	(52 203)
Reserves		425 426	461 449
Other capital components		12 480	12 488
Retained earnings		44 746	43 843
	25	<u>565 247</u>	<u>600 375</u>
LIABILITIES			
Non-current liabilities			
Long-term bank loans	26	-	-
Deferred tax liabilities	27	4 485	4 728
Government grants	28	3 377	3 587
Liabilities under leasing contracts to related parties	29	15 629	14 739
Liabilities under leasing contracts to third parties	30	916	594
Long-term liabilities to staff	31	4 460	4 192
		<u>28 867</u>	<u>27 840</u>
Current liabilities			
Short-term bank loans	32	42 061	11 734
Trade payables	33	17 031	40 031
Payables to related parties	34	52 050	2 632
Tax payables	35	4 249	885
Payables to personnel and for social security	36	10 390	9 410
Other current liabilities	37	29 905	8 341
		<u>155 686</u>	<u>73 033</u>
TOTAL LIABILITIES		<u>184 553</u>	<u>100 873</u>
TOTAL EQUITY AND LIABILITIES		<u>749 800</u>	<u>701 248</u>

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"SOPHARMA" AD

INDIVIDUAL STATEMENT OF CASH FLOWS

for the period ended on 30 June 2023

	Notes	2023 BGN'000	2022 BGN'000
Cash flows from operating activities			
Cash receipts from customers		100 691	129 535
Cash paid to suppliers		(77 574)	(67 757)
Cash paid to employees and for social security		(30 750)	(23 804)
Taxes paid (except income taxes)		(4 080)	(3 884)
Taxes refunded (except income taxes)		1 629	850
Profit taxes paid		(3 205)	(1 800)
Paid interest and bank charges on working capital loans		(489)	(340)
Exchange rate differences, net		(273)	(33)
Other proceeds/(payments), net		(181)	(149)
Net cash flows from operating activities		(14 232)	32 618
Cash flows from investing activities			
Purchases of property, plant and equipment		(10 244)	(5 229)
Proceeds from sales of property, plant and equipment		5 711	17
Purchases of intangible assets		(735)	(63)
Purchases of equity investments		(43)	-
Purchases of shares in associates		(101)	(1 041)
Proceeds from the sale of shares in associates		28	-
Purchases of other long-term capital investments		(1 345)	(363)
Proceeds from the sale of other long-term capital investments		301	595
Proceeds from sales of equity investments		(544)	(3 174)
Proceeds from sale of shares and stakes in subsidiaries		6	417
Loans granted to related parties		(25 142)	(1 500)
Loan repayments by related parties		20 000	684
Loans granted to other companies		(2 740)	-
Interest received on loans granted		129	816
Interest received on granted loans		197	272
Proceeds from charges under guarantees		112	134
Net cash flows from / (used in) investment activities		(14 410)	(8 435)
Cash flows from financing activities			
Proceeds/ Repayment from long-term bank loans		-	4 106
(Repayment) / Proceeds from short-term bank loans (overdraft), net		30 366	(36 649)
Treasury shares		-	(1 918)
Dividends paid and unexercised warrants		(5)	(7)
Lease payments to related parties		(964)	(552)
Payments under leasing contracts to third parties		(532)	(431)
Received government funding for agricultural land		36	16
Proceeds / (payments), net, related to other capital components (warrants)		(8)	103
Net cash flows (used in) / from financial activities		28 893	(35 332)
Net decrease in cash and cash equivalents		251	(11 149)
Cash and cash equivalents at 1 January		4 761	15 618
Cash and cash equivalents at 31 December	24	5 012	4 469

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"SOPHARMA" AD

INDIVIDUAL STATEMENT OF CHANGES IN EQUITY

for the period ended on 30 June 2023

Notes	Share capital	Treasury shares	Statutory reserves	Revaluation reserve - property, plant and equipment	Reserve from financial assets at fair value through other comprehensive income	Additional reserves	Other capital components (reserve for issued warrants)	Retained earnings	Total equity	
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	
Balance at 1 January 2022	25	134 798	(50 284)	66 201	28 614	1 644	342 581	12 512	28 137	564 203
Changes in equity for 2022										
Effects of sold and repurchased treasury shares, incl:	-	(1 919)	-	-	-	-	-	-	-	(1 919)
- sold treasury shares	-	-	-	-	-	-	-	-	-	-
Other capital components, incl.	-	-	-	-	-	-	-	103	103	103
- emission value	-	-	-	-	-	-	(24)	-	-	(24)
- transaction costs	-	-	-	-	-	-	(24)	-	-	(24)
Distribution of profit for:	-	-	2 427	-	-	22 574	-	(25 001)	-	-
- reserves	-	-	2 427	-	-	22 574	-	(25 001)	-	-
Total comprehensive income for the year, incl:	-	-	-	(892)	(1 047)	-	-	39 951	38 012	38 012
- net profit for the year	-	-	-	-	-	-	-	39 429	39 429	39 429
- other comprehensive income, net of taxes	-	-	-	(892)	(1 047)	-	-	522	(1 417)	(1 417)
Transfer to retained earnings	-	-	-	(616)	(37)	-	-	653	-	-
Balance at 31 December 2022	25	134 798	(52 203)	68 628	27 106	560	365 155	12 488	43 843	600 375
Changes in equity for 2023										
Effects of acquisition of treasury shares	-	-	-	-	-	-	-	-	-	-
Other capital components, incl.	-	-	-	-	-	-	(8)	-	(8)	(8)
- transaction costs	-	-	-	-	-	-	(8)	-	-	(8)
Distribution of reserves for:	-	-	-	-	-	(32 604)	-	-	(32 604)	(32 604)
- dividends	-	-	-	-	-	(32 604)	-	-	(32 604)	(32 604)
Distribution of profits for:	-	-	-	-	-	-	-	(40 187)	(40 187)	(40 187)
- dividends	-	-	-	-	-	-	-	(40 187)	(40 187)	(40 187)
Total comprehensive income for the year, incl:	-	-	-	30	520	-	-	37 121	37 671	37 671
- net profit for the year	-	-	-	-	-	-	-	37 121	37 121	37 121
- other comprehensive income, net of taxes	-	-	-	30	520	-	-	-	550	550
Transfer to retained earnings	-	-	-	(3 990)	21	-	-	3 969	-	-
Balance at 30 June 2023	25	134 798	(52 203)	68 628	23 146	1 101	332 551	12 480	44 746	565 247

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