

SOPHARMA GROUP
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2014

	Notes	2014 BGN'000	2013 BGN'000 <i>Restated</i>
Revenue	4	840,517	761,136
Other operating income/(losses), net	5	5,465	4,893
Changes in inventories of finished goods and work in progress		12,279	(3,307)
Raw materials and consumables used	6	(96,334)	(87,148)
Hired services expense	7	(67,207)	(58,682)
Employee benefits expense	8	(80,880)	(74,763)
Depreciation and amortisation expense	17, 18	(27,802)	(23,272)
Carrying amount of goods sold		(530,842)	(448,854)
Other operating expenses	9, 10	(15,172)	(14,112)
Profit from operations		40,024	55,891
Impairment of non-current assets	11	(494)	(2,898)
Finance income	12	5,392	6,553
Finance costs	13	(17,594)	(22,489)
Finance income / (costs), net		(12,202)	(15,936)
Gain on net monetary position from restatements for hyperinflationary economies	2.33.1	-	1,565
Gain/(Loss) from associates and joint ventures	14	310	(673)
Gain/(Loss) on disposal of subsidiaries	45.1	1,561	(11)
Profit before income tax		29,199	37,938
Income tax expense	15	(5,082)	(5,159)
Net profit for the year		24,117	32,779
Other comprehensive income:			
<i>Items that will not be reclassified to profit or loss:</i>			
Loss on revaluation of property, plant and equipment	17,19	(46)	(353)
Remeasurements of defined benefit pension plans	32	(479)	(117)
Income tax relating to items of other comprehensive income that will not be reclassified	15	3	35
		(522)	(435)
<i>Items that may be reclassified to profit or loss:</i>			
Net change in fair value of available-for-sale financial assets		274	(217)
Exchange differences on translating foreign operations		(274)	(1,393)
		-	(1,610)
Other comprehensive income for the year, net of tax	16	(522)	(2,045)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		23,595	30,734
Net profit for the year attributable to:			
Equity holders of the parent		20,178	29,392
Non-controlling interests		3,939	3,387
Total comprehensive income for the year attributable to:			
Equity holders of the parent		20,238	28,023
Non-controlling interests		3,357	2,711
Basic earnings per share	29	BGN 0.16	0.23

The accompanying notes on pages 5 to 138 form an integral part of the consolidated financial statements.

Executive Director:

Ognian Donev, PhD

Finance Director:

Boris Borisov

Preparer:

Lyudmila Bondjova

AUDITED BY AEA
29/04/2015

SOPHARMA GROUP

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2014

	Notes	31 December 2014 BGN'000	31 December 2013 BGN'000 <i>Restated</i>	1 January 2013 BGN'000 <i>Restated</i>
ASSETS				
Non-current assets				
Property, plant and equipment	17	299,037	306,728	292,027
Intangible assets	18	13,270	15,504	13,219
Goodwill	18	10,918	12,843	12,917
Investment property	19	10,606	10,526	7,110
Investments in associates and joint ventures	3, 20	12,387	1,640	837
Available-for-sale investments	21	6,968	8,187	23,425
Long-term receivables from related parties	22	33,150	25,649	1,183
Other long-term receivables	23	353	488	1,344
Deferred tax assets	31	3,849	3,027	2,537
		390,538	384,592	354,599
Current assets				
Inventories	24	155,910	140,352	132,053
Trade receivables	25	196,330	191,127	160,555
Receivables from related parties	26	25,318	29,149	60,946
Other receivables and prepayments	27	22,445	11,609	22,516
Cash and cash equivalents	28	26,822	27,134	15,748
		426,825	399,371	391,818
TOTAL ASSETS		817,363	783,963	746,417
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent				
Share capital		132,000	132,000	132,000
Reserves		36,069	32,026	35,979
Retained earnings	3, 29	203,260	195,896	178,787
		371,329	359,922	346,766
Non-controlling interests		60,308	54,350	45,474
TOTAL EQUITY	29	431,637	414,272	392,240
LIABILITIES				
Non-current liabilities				
Long-term bank loans	30	45,820	55,992	56,844
Deferred tax liabilities	31	5,728	4,695	5,878
Retirement benefit obligations	32	3,786	3,557	2,614
Finance lease liabilities	33	2,103	2,382	2,509
Government grants	34	7,558	5,612	2,567
Other non-current liabilities		35	51	45
		65,030	72,289	70,457
Current liabilities				
Short-term bank loans	35	217,360	208,643	203,994
Current portion of long-term bank loans	30	10,772	7,083	9,559
Trade payables	36	71,752	61,433	54,998
Payables to related parties	37	1,634	3,822	1,560
Payables to personnel and for social security	38	7,514	6,731	6,613
Tax payables	39	6,023	4,408	2,406
Other current liabilities	40	5,641	5,282	4,590
		320,696	297,402	283,720
TOTAL LIABILITIES		385,726	369,691	354,177
TOTAL EQUITY AND LIABILITIES		817,363	783,963	746,417

The accompanying notes on pages 5 to 138 form an integral part of the consolidated financial statements.

The consolidated financial statements on pages 1 to 138 were approved for issue by the Board of Directors of Sopharma AD and signed on its behalf on 29 April 2015 by:

Executive Director:

Ognian Donev, PhD

Finance Director:

Boris Borisov

Preparer:

Lyudmila Boudjova

AUDITED BY AEA
29/04/2015

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2014

	Notes	2014 BGN'000	2013 BGN'000 <i>Restated</i>
Cash flows from operating activities			
Cash receipts from customers		963,409	856,285
Cash paid to suppliers		(774,750)	(677,942)
Cash paid to employees and for social security		(76,081)	(70,594)
Taxes paid (except income taxes)		(58,627)	(46,936)
Taxes refunded (except income taxes)		5,406	8,705
Income taxes paid		(8,005)	(6,747)
Income taxes refunded		-	1,311
Interest and bank charges paid on working capital loans		(7,704)	(7,429)
Foreign currency exchange gains/(losses), net		(3,425)	(963)
Other proceeds/(payments), net		(2,570)	(3,088)
Net cash flows from operating activities		37,653	52,602
Cash flows from investing activities			
Purchases of property, plant and equipment		(23,737)	(35,960)
Proceeds from sales of property, plant and equipment		4,106	427
Purchases of intangible assets		(2,336)	(990)
Purchases of investment property		(1,005)	-
Purchases of available-for-sale investments		(2,886)	(2,169)
Proceeds from sale of available-for-sale investments		482	4,934
Proceeds from dividends under available-for-sale investments		59	206
Consideration paid on acquisition of subsidiaries, net of cash received	44.1	(7)	(3,146)
Proceeds from disposal of a subsidiary, net of cash granted	45.1	370	-
Purchases of investments in associates and joint ventures	20	(4,854)	(1,531)
Proceeds/(payments) on transactions with non-controlling interests, net	44.2, 45.2	5,158	3,814
Loans granted to related parties		(18,635)	(15,212)
Loan repayments by related parties		12,305	22,192
Loans granted to third parties		(1,025)	(1,719)
Loan repayments by third parties		864	1,706
Interest received on loans and deposits		3,715	2,453
Net cash flows used in investing activities		(27,426)	(24,995)
Cash flows from financing activities			
Proceeds from short-term bank loans (overdraft), net		22,739	57,550
Repayment of short-term bank loans (overdraft), net		(14,624)	(56,723)
Proceeds from long-term bank loans		4,106	11,689
Repayment of long-term bank loans		(10,160)	(15,147)
Loans received from third parties		483	726
Repayment of loans to third parties		(710)	-
Interest and charges paid under investment purpose loans		(2,043)	(2,606)
Payment of finance lease liabilities		(1,287)	(1,498)
Proceeds from issued capital		-	2,424
Treasury shares		(1,264)	(5,964)
Proceeds from sale of treasury shares		2,784	430
Dividends paid		(11,769)	(10,942)
Government grants		210	3,787
Net cash flows used in financing activities		(11,535)	(16,274)
Effect of restatements for hyperinflationary economies		-	(493)
Net (decrease)/increase in cash and cash equivalents		(1,308)	10,840
Cash and cash equivalents at 1 January		26,607	15,767
Cash and cash equivalents at 31 December	28	25,299	26,607

The accompanying notes on pages 5 to 138 form an integral part of the consolidated financial statements.

Executive Director:

Ognian Donev, PhD

Finance Director:

Boris Borisov

Preparer:

Lyudmila Bondjeva

AUDITED BY AEA
29/04/2015

Notes	Attributable to equity holders of the parent					Total	Non-controlling interests	Total equity
	Share capital	Treasury shares	Statutory reserves	Revaluation reserve - property, plant and equipment	Available-for-sale financial assets reserve	Translation of foreign operations reserve	Retained earnings	
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
3	132,000	(13,594)	25,934	26,395	1,048	(3,804)	345,596	391,070
	-	-	-	-	-	-	1,170	1,170
	132,000	(13,594)	25,934	26,395	1,048	(3,804)	346,766	392,240
	-	(5,401)	-	-	-	-	(5,527)	(5,527)
	-	-	4,117	-	-	-	(13,047)	(8,930)
	-	-	4,117	-	-	-	(8,930)	(8,930)
3	-	-	-	-	-	-	(410)	5,582
	-	-	-	-	-	-	-	173
	-	-	-	-	-	-	(410)	5,755
	-	-	-	-	-	-	(410)	181
	-	-	-	-	-	-	(120)	(1,897)
	-	-	-	-	-	-	-	4,509
	-	-	-	-	-	-	181	(503)
	-	-	-	-	-	-	(684)	3,462
	-	-	-	-	-	-	(471)	30,580
3	-	-	-	(318)	(87)	(857)	29,131	154
	-	(18,095)	30,051	24,657	961	(4,661)	191,585	1,097
	-	-	-	-	-	-	131	30,734
29	-	(18,095)	30,051	24,657	961	(4,661)	29,272	32,779
	-	-	-	(318)	(87)	(844)	29,392	3,387
	-	-	-	(1,420)	-	-	(1,369)	(2,045)
	-	-	-	-	-	-	1,420	-
	-	-	-	-	-	-	358,598	412,715
	-	-	-	-	-	-	1,107	1,170
	-	-	-	-	-	-	359,922	414,272
	-	900	-	-	-	-	619	1,519
	-	-	3,504	-	-	(12,394)	(8,890)	(8,890)
	-	-	3,504	-	-	-	(8,890)	(8,890)
	-	-	-	-	-	-	(1,460)	1,441
	-	-	-	-	-	-	(827)	1,894
	-	-	-	-	-	-	(2,651)	(2,651)
44	-	-	-	-	-	-	-	4,708
	-	-	-	-	-	-	2,469	(3,926)
	-	-	-	-	-	-	(3,102)	(526)
45	-	-	-	(3)	229	313	19,699	21,595
	-	-	-	-	-	-	20,178	24,117
	-	-	-	(3)	229	313	(479)	(522)
	-	-	-	-	-	-	900	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
29	132,000	(18,095)	33,555	23,754	1,190	(4,335)	371,329	431,637

The accompanying notes on pages 5 to 138 form an integral part of the consolidated financial statements.

Executive Director:

Finance Director:

Prenarer:

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29/04/2015

