

## SEPARATE STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2015

	Notes	2015 BGN'000	2014 BGN'000	
Revenue	3	173,803	201,461	
Other operating income/(losses), net	4	3,651	3,560	
Changes in inventories of finished goods and work in progress		6,667	14,039	
Raw materials and consumables used	5	(61,619)	(73,507)	
Hired services expense	6	(41,275)	(56,396)	
Employee benefits expense	7	(35,331)	(37,605)	
Depreciation and amortisation expense	15,16	(14,549)	(16,989)	
Other operating expenses	8,9	(6,210)	(9,865)	
<b>Profit from operations</b>		<b>25,137</b>	<b>24,698</b>	
Impairment of non-current assets	10	(8,567)	(3,252)	
Finance income	11	17,922	13,001	
Finance costs	12	(6,312)	(4,727)	
<b>Finance income/(costs), net</b>		<b>11,610</b>	<b>8,274</b>	
<b>Profit before income tax</b>		<b>28,180</b>	<b>29,720</b>	
Income tax expense	13	(2,826)	(2,429)	
<b>Net profit for the year</b>	41	<b>25,354</b>	<b>27,291</b>	
<b>Other comprehensive income:</b>				
<i>Items that will not be reclassified to profit or loss:</i>				
Remeasurements of defined benefit pension plans	32	(51)	(310)	
Loss on revaluation of property, plant and equipment	15	-	(6)	
Income tax relating to items of other comprehensive income that will not be reclassified	13	-	1	
		(51)	(315)	
<i>Items that may be reclassified to profit or loss:</i>				
Net change in fair value of available-for-sale financial assets		193	113	
		193	113	
<b>Other comprehensive income for the year, net of tax</b>	14	<b>142</b>	<b>(202)</b>	
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	41	<b>25,496</b>	<b>27,089</b>	
Earnings per share	BGN	28	0.20	0.21

The accompanying notes on pages 5 to 107 form an integral part of these financial statements.

Executive Director:

Ognian Donev, PhD

Finance Director:

Boris Borisov

Chief Accountant (preparer):

Yordanka Petkova



AUDITED BY AEA  
25/03/2016

\*Combined indicators; Note 2.3

SOPHARMA AD  
SEPARATE STATEMENT OF FINANCIAL POSITION  
as at 31 December 2015

	Notes	31 December 2015 BGN'000	31 December 2014 BGN'000 <i>Restated *</i>	1 January 2014 BGN'000 <i>Restated *</i>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	15	211,943	211,056	216,905
Intangible assets	16	2,507	3,210	4,429
Investment property	17	22,160	22,368	22,555
Investments in subsidiaries	18	132,899	94,434	92,573
Investments in associates	19	-	7,015	-
Available-for-sale investments	20	5,510	4,439	6,862
Long-term receivables from related parties	21	20,505	33,150	25,649
Other long-term receivables	22	3,257	6	17
		<u>398,781</u>	<u>375,678</u>	<u>368,990</u>
<b>Current assets</b>				
Inventories	23	61,701	57,360	53,713
Receivables from related parties	24	78,035	99,505	103,350
Trade receivables	25	21,466	23,397	22,221
Other receivables and prepayments	26	6,881	11,901	8,198
Cash and cash equivalents	27	3,745	4,076	9,220
		<u>171,828</u>	<u>196,239</u>	<u>196,702</u>
<b>TOTAL ASSETS</b>		<u><b>570,609</b></u>	<u><b>571,917</b></u>	<u><b>565,692</b></u>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Share capital		134,798	132,000	132,000
Treasury shares		(17,597)	(17,203)	(18,105)
Reserves		284,227	246,243	220,935
Retained earnings		30,198	45,484	51,974
	28,41	<u>431,626</u>	<u>406,524</u>	<u>386,804</u>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Long-term bank loans	29	30,819	37,972	48,763
Deferred tax liabilities	30	4,697	4,124	4,112
Government grants	31	6,371	3,968	4,264
Retirement benefit obligations	32	2,426	2,387	1,999
Finance lease liabilities	33	3	34	49
		<u>44,316</u>	<u>48,485</u>	<u>59,187</u>
<b>Current liabilities</b>				
Short-term bank loans	34	68,961	90,761	98,878
Current portion of long-term bank loans	29	7,380	7,431	4,301
Trade payables	35	8,014	7,909	6,296
Payables to related parties	36	3,070	4,154	3,595
Tax payables	37	965	938	1,425
Payables to personnel and for social security	38	4,769	4,564	4,049
Other current liabilities	39	1,508	1,151	1,157
		<u>94,667</u>	<u>116,908</u>	<u>119,701</u>
<b>TOTAL LIABILITIES</b>		<u><b>138,983</b></u>	<u><b>165,393</b></u>	<u><b>178,888</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>570,609</b></u>	<u><b>571,917</b></u>	<u><b>565,692</b></u>

The accompanying notes on pages 5 to 107 form an integral part of these financial statements.

The financial statements on pages 1 to 107 were approved for issue by the Board of Directors and signed on its behalf on 25 March 2016 by:

Executive Director:

Ognian Donev, PhD

Finance Director:

Boris Borisov

Chief Accountant (preparer):

Yordanka Petkova



AUDITED BY AIA  
25/03/2016

\*Combined indicators; Note 2.3

**SEPARATE STATEMENT OF CASH FLOWS**  
**for the year ended 31 December 2015**

	Notes	2015 BGN'000	2014 BGN'000 <i>Restated *</i>
<b>Cash flows from operating activities</b>			
Cash receipts from customers		185,756	217,550
Cash paid to suppliers		(119,466)	(138,665)
Cash paid to employees and for social security		(34,090)	(35,583)
Taxes paid (except income taxes)		(5,892)	(6,310)
Taxes refunded (except income taxes)		4,727	3,615
Income taxes paid		(758)	(4,938)
Interest and bank charges paid on working capital loans		(2,519)	(3,015)
Foreign currency exchange gains/(losses), net		45	(132)
Other proceeds/(payments), net		595	(989)
<b>Net cash flows from operating activities</b>		<b>28,398</b>	<b>31,533</b>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment		(9,126)	(8,766)
Proceeds from sales of property, plant and equipment		134	335
Purchases of intangible assets		(29)	(50)
Purchases of investment property		-	(1,005)
Purchases of shares in associates		(14,818)	(3,136)
Purchases of available-for-sale investments		(1,451)	(1,425)
Proceeds from sales of available-for-sale investments		474	133
Purchases of shares in subsidiaries		(2,673)	(5,988)
Proceeds from sales of shares in subsidiaries		3,399	5,046
Loans granted to related parties		(14,297)	(19,480)
Loan repayments by related parties		28,787	12,555
Loans granted to other companies		(2,232)	(518)
Loan repayments by other companies		856	362
Dividends received from investments in subsidiaries		7,831	6,274
Dividends received from available-for-sale investments		8	58
Interest received on granted loans and deposits		2,727	3,587
<b>Net cash flows used in investing activities</b>		<b>(410)</b>	<b>(12,018)</b>
<b>Cash flows from financing activities</b>			
Repayment of long-term bank loans		(7,226)	(7,683)
Proceeds from short-term bank loans (overdraft), net		3,361	5,327
Repayment of short-term bank loans (overdraft), net		(25,175)	(13,328)
Interest and charges paid under investment purpose loans		(1,208)	(1,661)
Government grants received		3,000	-
Proceeds from sale of treasury shares		-	2,784
Treasury shares		(394)	(1,263)
Dividends paid		(10)	(8,811)
Payments of finance lease liabilities		(69)	(95)
<b>Net cash flows used in financing activities</b>		<b>(27,721)</b>	<b>(24,730)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	41	<b>267</b>	<b>(5,215)</b>
Cash and cash equivalents at 1 January	41	3,478	8,693
Cash and cash equivalents at 31 December	27	<b>3,745</b>	<b>3,478</b>

The accompanying notes on pages 5 to 107 form an integral part of these financial statements.

Executive Director:

Ognian Donev, PhD

Finance Director:

Boris Borisov

Chief Accountant (preparer):

Yordanka Petkova



AUDITED BY AEA  
25/03/2016

\*Combined indicators; Note 2.3

SOPHARMA AD  
SEPARATE STATEMENT OF CHANGES IN EQUITY  
for the year ended 31 December 2015

Notes	Share capital	Treasury shares	Statutory reserves	Revaluation reserve - property, plant and equipment	Available-for-sale financial assets reserve	Additional reserves	Retained earnings	Total equity
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Balance at 1 January 2014 (originally stated)	132,000	(18,105)	30,051	23,392	984	166,508	35,905	370,735
Effects of a subsidiary merger	-	-	-	-	-	-	16,069	16,069
Balance at 1 January 2014 (restated)	132,000	(18,105)	30,051	23,392	984	166,508	51,974	386,804
<b>Changes in equity for 2014</b>								
Effect of treasury shares acquisition	-	902	-	-	-	-	619	1,521
Distribution of profit for:	-	-	3,504	-	-	22,649	(35,043)	(8,890)
* reserves	-	-	3,504	-	-	22,649	(26,153)	-
* dividend	-	-	-	-	-	-	(8,890)	(8,890)
<b>Total comprehensive income for the year (originally stated)</b>				(5)	113	-	26,232	26,340
Effects of a subsidiary merger	-	-	-	-	-	-	749	749
<b>Total comprehensive income for the year (restated), including:</b>				(5)	113	-	26,981	27,089
* net profit for the year	-	-	-	-	(5)	-	27,291	27,291
* other comprehensive income, net of taxes	-	-	-	(953)	113	-	(310)	(202)
Transfer to retained earnings	-	-	-	-	-	-	953	-
Balance at 31 December 2014 (originally stated)	132,000	(17,203)	33,555	22,434	1,097	189,157	28,666	389,706
Effects of a subsidiary merger	-	-	-	-	-	-	16,818	16,818
Balance at 31 December 2014 (restated)	132,000	(17,203)	33,555	22,434	1,097	189,157	45,484	406,524
<b>Changes in equity for 2015</b>								
Effects of a subsidiary merger	2,798	-	8,785	344	-	-	(11,927)	-
Effect of treasury shares acquisition	-	(394)	-	-	-	-	-	(394)
Distribution of profit for:	-	-	2,916	-	-	26,238	(29,154)	-
* reserves	-	-	2,916	-	-	26,238	(29,154)	-
<b>Total comprehensive income for the year, including:</b>					193	-	25,303	25,496
* net profit for the year	-	-	-	-	-	-	25,354	25,354
* other comprehensive income, net of taxes	-	-	-	(492)	193	-	(51)	142
Transfer to retained earnings	-	-	-	-	-	-	492	-
Balance at 31 December 2015	134,798	(17,597)	45,256	22,286	1,290	215,395	30,198	431,626

The accompanying notes on pages 5 to 107 form an integral part of these financial statements.

Executive Director:

Ogniy Dobrev, PhD  
BULGARIA  
SOPHARMA AD

Finance Director:  
Boris Borisov

Chief Accountant (preparer):  
Yordanka Petkova

AUDITED BY AFA  
25/03/2016