

Company Name: SOPHARMA AD

Board of Directors: Ognian Donev, PhD
Vessela Stoeva
Alexander Tchaushev
Ognian Palaveev
Ivan Badinski

Executive Director: Ognian Donev, PhD

Finance Director: Boris Borisov

Chief Accountant: Iordanka Petkova

Head of Legal Department: Galina Angelova

Address of Management: Sofia
16, Iliensko Shousse Str.

Lawyers: Adriana Baleva
Venelin Gachev
Ventsislav Stoev
Boyko Botev
Elena Golemanova
Petar Kalpakchiev

Servicing Banks: Raiffeisenbank (Bulgaria) EAD
DSK Bank EAD
Eurobank and FG Bulgaria AD
ING Bank N.V.
Unicredit AD
Societe Generale Expressbank AD
Citibank N.A.
SI Bank EAD

Auditor: Backer Tilly Klitou and Partners OOD

SOPHARMA AD
INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME
for the period ended 30 June 2019

	Notes	2019 BGN'000	2018 ** BGN'000 <i>recalculated</i>
Revenues	3	100,951	100,140
Other operating revenue/(loss), net	4	2,040	1,598
Change of available stock of finished goods and work in progress		1,355	10,723
Materials	5	(35,553)	(37,413)
External services	6	(16,107)	(18,979)
Emoloyees	7	(25,532)	(26,913)
Amortization	13,14	(9,134)	(8,963)
Other operating expenses	8,9	(1,049)	(2,022)
Operating profit		16,971	18,171
Financial income	10	10,887	9,603
Financial expenses	11	(870)	(1,010)
Financial income/(expenses), net		10,017	8,593
Profit before tax		26,988	26,764
Profit tax		(2,007)	(1,857)
Net profit for the year		24,981	24,907
Other components of the total income:			
<i>Items that will not be reclassified to profit or loss:</i>			
Net change in the fair value of other long-term equity investments	18	(544)	(549)
Other comprehensive income for the period net of tax	12	(544)	(549)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		24,437	24,358
Earnings per share	26	0.20	0.19

The notes on pages 5 to 119 are an integral part of the present financial statement.

Executive Director:

Ognian Donev, PhD

Finance Director:

Boris Borisov

Chief Accountant (preparer):

Iordanka Petkova

* United indicators (Note 2.3)

** Modified retrospective application of IFRS 16 (Note 30)

SOPHARMA AD
INDIVIDUAL STATEMENT OF FINANCIAL POSITION
for the period ended 30 June 2019

	Notes	30 June 2019 BGN'000	31 December 2018 ** BGN'000
ASSETS			
Non-current assets			
Property, plant and equipment	13	230,458	226,956
Intangible assets	14	11,441	11,881
Investment properties	15	37,676	37,451
Investments in subsidiaries	16	89,598	89,945
Investments in associated companies	17	8,029	7,962
Other long - term equity investments	18	8,582	7,599
Long-term receivables from related parties	19	92,312	23,055
Other long-term receivables	20	7,475	5,760
		485,571	410,609
Current assets			
Inventory	21	70,800	68,499
Receivables from related companies	22	103,146	91,509
Commercial receivables	23	15,148	19,431
Loans granted to third parties	24 (a)	3,735	3,270
Other receivables and prepayments	24 (b)	6,100	5,937
Cash and cash equivalents	25	1,657	8,971
		200,586	197,617
TOTAL ASSETS		686,157	608,226
EQUITY AND LIABILITIES			
EQUITY			
Share capital		134,798	134,798
Treasury shares		(33,339)	(33,337)
Reserves		385,738	357,310
Retained earnings	26	26,457	30,448
		513,654	489,219
LIABILITIES			
Non-current liabilities			
Long-term bank loans	27	5,973	9,556
Deferred taxes	28	6,231	6,235
Government grants	29	5,127	5,397
Operating lease liabilities to related parties	30	2,385	-
Operating lease liabilities to third parties	31	2,480	-
Payables to employees on retirement	32	4,673	4,418
		26,869	25,606
Current liabilities			
Short-term bank loans	33	116,551	65,652
Short-term part of long-term bank loans	27	7,171	7,168
Commercial payables	34	6,461	8,922
Payables to related companies	35	3,200	633
Tax payables	36	665	1,884
Payables to employees and social insurance	37	9,185	7,119
Other current liabilities	38	2,401	2,023
		145,634	93,401
TOTAL LIABILITIES		172,503	119,007
TOTAL EQUITY AND LIABILITIES		686,157	608,226

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Finance Director:

Boris Borisov

Chief Accountant (preparer):

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** *Modified retrospective application of IFRS 16 (Note 30)*

SOPHARMA AD
INDIVIDUAL STATEMENT OF CASH FLOWS
for the period ended 30 June 2019

	Notes	2019 BGN'000	2018 BGN'000 <i>recalculated *</i>
Cash flows from operating activities			
Income from customers		109,025	92,755
Payments to suppliers		(58,201)	(63,883)
Payments for wages and social insurance		(22,703)	(23,214)
Taxes paid (profit tax excluded)		(4,378)	(4,700)
Taxes refunded (profit tax excluded)		891	1,165
(Paid) / refunded taxes on profit, net		(2,557)	(2,653)
Paid interest and bank fees on working capital loans		(728)	(482)
Exchange rate differences, net		(101)	(82)
Other proceeds/(payments), net		(535)	(461)
Net cash flows from/(used in) operating activities		20,713	(1,555)
Cash flows from investing activities			
Purchase of property, plant and equipment		(4,293)	(4,295)
Proceeds from sale of property, plant and equipment		9	364
Purchase of shares in associated companies		(134)	(92)
Proceeds from sale of shares in associated companies		140	3
Purchase of investment properties		(193)	-
Purchases of equity investments		(1,615)	(759)
Proceeds from sale of equity investments		88	751
Purchase of shares in subsidiaries		(698)	(80)
Proceeds from sale of shares in subsidiaries		1,222	1,384
Loans granted to related companies		(91,890)	(20,169)
Repaid loans, granted to related companies		23,570	16,406
Loans granted to third parties		(4,165)	(1,001)
Repaid loans, granted to third parties		2,386	295
Received interest on granted loans		910	680
Proceeds from dividends from other long-term equity investments		266	2
Other proceeds/(payments), net		-	(11)
Net cash flows used in investing activities		(74,397)	(6,522)
Cash flows from finance activities			
Proceeds from long-term bank loans		24	33
Payment of long-term bank loans		(3,599)	(3,733)
Proceeds / (Repayment) from / (of) short-term bank loans (overdraft), net		50,921	11,949
Paid interest and bank fees on investment purpose loans		(135)	(196)
Treasury shares		(2)	(457)
Dividends paid		(14)	(10)
Operating lease payments		(825)	-
Finance lease payments		-	(71)
Net financial cash flows used in financing activities		46,370	7,515
Net increase/(decrease) in cash and cash equivalents		(7,314)	(562)
Cash and cash equivalents at 1 January		8,971	5,764
Cash and cash equivalents at 30 June	25	1,657	5,202

The notes on pages 5 to 119 are an integral part of the present financial statement.

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* *United indicators (Note 2.3)*

INDIVIDUAL STATEMENT OF CHANGES IN EQUITY

for the period ended 30 June 2019

	Notes	Share capital	Treasury shares	Statutory reserves	Revaluation reserve - property, plant and equipment	Reserve of financial assets at fair value through other comprehensive income	Additional reserves	Retained earnings	Total equity
		BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Balance as at 1 January 2018 (originally reported)		134,798	(33,834)	51,666	23,839	4,089	251,089	46,147	477,794
Effects from merger of a subsidiary	2.3	-	-	-	-	-	-	(316)	(316)
Effects of initial application of IFRS 9	2.4	-	-	-	-	-	-	(1,309)	(1,309)
Balance at 1 January 2018 (recalculated)		134,798	(33,834)	51,666	23,839	4,089	251,089	44,522	476,169
Changes in equity in 2018									
Effects from merger of a subsidiary		-	265	-	1,744	20	-	(2,029)	-
Effects of treasury shares including:		-	232	-	-	-	-	141	373
- share-based payments		-	1,082	-	-	-	-	142	1,224
- acquisition of treasury shares		-	(861)	-	-	-	-	-	(861)
- treasury shares sold		-	11	-	-	-	-	(1)	10
Distribution of profit for:		-	-	4,301	-	-	24,888	(49,295)	(20,106)
#NAME?		-	-	4,301	-	-	24,888	(29,189)	-
- dividends from profit for 2017		-	-	-	-	-	-	(13,822)	(13,822)
- six-month dividends from profit for 2018		-	-	-	-	-	-	(6,284)	(6,284)
Total comprehensive income for the year incl.		-	-	-	307	(792)	-	33,268	32,783
- net profit for the year		-	-	-	-	-	-	33,298	33,298
- other component of comprehensive income, net of taxes		-	-	-	307	(792)	-	(30)	(515)
Transfer to retained earnings		-	-	-	(3,457)	(384)	-	3,841	-
Balance at 31 December 2018	26	134,798	(33,337)	55,967	22,433	2,933	275,977	30,448	489,219
Changes in equity in 2019									
Effects of treasury shares incl.:		-	(2)	-	-	-	-	-	(2)
- acquisition of treasury shares		-	(2)	-	-	-	-	-	(2)
- treasury shares sold		-	-	-	-	-	-	-	-
Distribution of profit for:		-	-	3,330	-	-	25,819	(29,149)	-
- reserves		-	-	3,330	-	-	25,819	(29,149)	-
Total comprehensive income for the year, incl.:		-	-	-	-	(544)	-	24,981	24,437
- net profit for the year		-	-	-	-	-	-	24,981	24,981
- other component of comprehensive income, net of taxes		-	-	-	-	(544)	-	-	(544)
Transfer to retained earnings		-	-	-	(178)	1	-	177	-
Balance at 30 June 2019	26	134,798	(33,339)	59,297	22,255	2,390	301,796	26,457	513,654

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