

SOPHARMA GROUP

Board of Directors:	Ognian Donev, PhD Vessela Stoeva Alexandar Tchaoushev Ognian Palaveev Ivan Badinski
Executive Director:	Ognian Donev, PhD
Finance Director:	Boris Borisov
Preparer:	Lyudmila Bondzhova
Head of Legal Department:	Alexandar Yotov
Address of Management:	Sofia 16, Iliensko Shousse Str.
Lawyers:	Law Firm "Gachev, Baleva, Partners" Ventsislav Stoev Stefan Yovkov
Servicing Banks:	Raiffeisenbank (Bulgaria) EAD DSK Bank EAD Eurobank Bulgaria AD ING Bank N.V. Unicredit Bulbank AD Societe Generale Expressbank AD
Auditor:	Baker Tilly Klitou and Partners OOD

SOPHARMA GROUP
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the period ended on 31 March 2021

	Notes	<i>1 January - 31 March 2021</i> <i>BGN'000</i>	<i>1 January - 31 March 2020</i> <i>BGN'000</i>
Revenue from contracts with customers	3	378 857	366 045
Other operating income/(losses), net	4	3 943	1 336
Changes in inventories of finished goods and work in progress		4 094	985
Raw materials and consumables used	5	(19 355)	(22 790)
Hired services expense	6	(16 198)	(19 648)
Employee benefits expense	7	(36 655)	(32 771)
Depreciation and amortization expense	14,15	(13 480)	(10 800)
Carrying amount of goods sold		(279 855)	(264 335)
Other operating expenses	8	(1 427)	(1 644)
Profit from operations		19 924	16 378
Finance income	10	2 205	1 338
Finance costs	11	(3 288)	(7 360)
Finance income /(costs), net		(1 083)	(6 022)
Profit from associates and joint ventures, net	12	1 446	547
Gain on acquisition and disposal of subsidiaries		1 368	-
Profit before tax		21 655	10 903
Income tax expense		(2 207)	(2 485)
Net profit for the period		19 448	8 418
Other components of comprehensive 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	13	(57)	(875)
		(57)	(875)
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations		229	(1 046)
		229	(1 046)
Other comprehensive income for the year, net of tax	13	172	(1 921)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		19 620	6 497
Net profit for the year attributable to:			
Equity holders of the parent		18 136	10 797
Non-controlling interests		1 312	(2 379)
Total comprehensive income for the year attributable to:			
Equity holders of the parent		18 312	9 506
Non-controlling interests		1 308	(3 009)
Basic net profit per share	BGN	0,14	0,09

The notes on pages 5 to 146 are an integral part of the present consolidated financial statement.

Executive Director:

Ognian Donev, PhD

Finance Director:

Boris Borisov

Preparer:

Lyudmila Bondzhova

SOPHARMA GROUP
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
for the period ended on 31 March 2021

	Notes	31 March 2020 2021 BGN'000	31 December 2020 BGN'000
ASSETS			
Non-current assets			
Property, plant and equipment	14	383 748	395 872
Intangible assets	15	57 117	58 272
Goodwill	15	13 343	13 269
Investment properties	16	11 375	11 691
Investments in associated and joint companies	17	66 257	62 811
Other long - term equity investments	18	15 574	14 294
Long-term receivables from related parties	19	60 163	59 726
Other long-term receivables	20	12 159	11 951
Deferred tax assets		205	2 049
		619 941	629 935
Current assets			
Inventories	21	280 824	287 569
Commercial receivables	22	247 523	250 707
Receivables from related parties	23	8 334	6 682
Other short-term receivables and assets	24	40 536	41 926
Cash and cash equivalents	25	22 357	25 293
		599 574	612 177
TOTAL ASSETS		1 219 515	1 242 112
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		134 798	134 798
Reserves		57 464	57 701
Retained earnings		379 212	360 770
	26	571 474	553 269
Non-controlling interests		13 411	13 326
TOTAL EQUITY	26	584 885	566 595
LIABILITIES			
Non-current liabilities			
Long-term bank loans	27	29 550	34 567
Deferred tax liabilities		6 645	7 937
Long-term liabilities to related parties	28	8 815	8 783
Long-term payables to personnel	29	7 325	7 339
Finance lease liabilities	30	48 792	49 593
Government grants	31	8 005	10 422
Other non-current liabilities	32	12 465	12 425
		121 597	131 066
Current liabilities			
Short-term bank loans	33	240 557	255 281
Short-term part of long-term bank loans	27	28 484	31 172
Trade payables	34	157 248	164 919
Payables to related parties	35	3 324	2 367
Factoring agreement liabilities	36	24 804	36 591
Short-term part of leasing liabilities	30	16 868	17 951
Payables to personnel and social security	37	18 374	17 996
Tax payables	38	11 185	6 590
Other current liabilities	39	12 189	11 584
		513 033	544 451
TOTAL LIABILITIES		634 630	675 517
TOTAL EQUITY AND LIABILITIES		1 219 515	1 242 112
		-	-

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SOPHARMA GROUP**PRELIMINARY CONSOLIDATED STATEMENT OF CASH FLOWS**

for the period ended on 31 March 2021

	Notes	<i>1 January - 31 March 2021 BGN'000</i>	<i>1 January - 31 March 2020 BGN'000</i>
Cash flows from operating activities			
Revenue from contracts with customers		388 441	322 205
Payments to suppliers		(353 887)	(310 947)
Payments to staff and social security		(35 276)	(31 132)
Taxes paid (profit tax excluded)		(17 820)	(17 317)
Taxes refunded (profit tax excluded)		2 962	3 415
Profit tax paid		(44)	(679)
Paid interest and bank fees on working capital loans		(2 256)	(2 038)
Exchange rate differences, net		(180)	(1 830)
Other proceeds/(payments), net		(53)	(6 261)
Net cash flows used in operating activities		(18 113)	(44 584)
Cash flows from investing activities			
Purchase of property, plant and equipment		(5 335)	(9 049)
Proceeds from sale of property, plant and equipment		437	154
Purchase of investment properties		-	(379)
Purchases of intangible assets		(1 310)	(486)
Purchases of equity investments		(1 302)	(4 209)
Proceeds from sale of equity investments		7	26
Proceeds from dividends on equity investments		-	-
Payments for the acquisition of subsidiaries, net of received cash		-	(2)
Proceeds from the exemption of subsidiaries, net of cash provided		799	-
Purchases of investments in associates and joint ventures		(52)	-
Proceeds from the sale of investments in associates and joint ventures		64	1
Proceeds/(payments) on transactions with non-controlling interests, net		-	(156)
Loans granted to related enterprises		(620)	(1 047)
Repaid loans, granted to related enterprises		-	-
Loans granted to other enterprises		-	(643)
Repaid loans, granted to other enterprises		14	454
Received interest on granted loans and deposits		80	88
Net cash flows used in investing activities		(7 218)	(15 248)
Cash flows from financial activities			
Proceeds from short-term bank loans (including overdrafts)		622	13 207
Settlement of short-term bank loans (including overdraft reduction)		(16 026)	(3 594)
Proceeds from long-term bank loans		1 325	9 196
Settlement of long-term bank loans		(5 514)	(3 881)
Loans received from related enterprises		-	-
Loans received from other enterprises		41	65
Settlement of loans to other enterprises		(49)	(173)
Proceeds from factoring		48 244	48 450
Interest and taxes for factoring paid		(159)	(91)
Paid interest and bank fees on investment purpose loans		(366)	(304)
Finance lease payments		(5 723)	(3 675)
Treasury share		-	-
Dividends paid		(4)	(512)
Government funding received		4	253
Net cash flows from financial activities		22 395	58 941
Net (decrease)/increase in cash and cash equivalents		(2 936)	(891)
Cash and cash equivalents at 1 January		25 139	27 362
Cash and cash equivalents at 31 March	25	22 203	26 471

The notes on pages 5 to 146 are an integral part of the present consolidated financial statement.

Executive Director:**Ognian Donev, PhD****Finance Director:****Boris Borisov****Preparer:****Lyudmila Bondzhova**

SOPHARMA GROUP
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period ended on 31 March 2021

Notes	Referring to the owners of the equity of the parent							Total	Non-controlling interests	Total equity
	Share capital	Treasury shares	Statutory reserves	Revaluation reserve - property, plant and equipment	Reserve of financial assets at fair value through other comprehensive income	Reserve from recalculation in the currency of presentation of foreign operations	Retained earnings			
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000			
	134 798	(34 142)	59 297	28 871	2 873	4 078	360 656	556 431	19 341	575 772
26										
Balance at 1 January 2020										
Changes in equity in 2020										
Effect of treasury shares	-	-	-	-	-	-	-	-	-	-
<i>Effects of restructuring</i>	-	-	-	-	-	-	-	-	-	-
Distribution of profit for:	-	-	-	-	-	-	-	-	-	-
* <i>Statutory reserves</i>	-	-	-	-	-	-	-	-	-	-
* <i>Dividends</i>	-	-	-	-	-	-	-	-	-	-
Effects assumed by non-controlling interests on:	-	-	-	-	-	-	77	77	2 887	2 964
* <i>acquisition/(disposal) of subsidiaries and joint ventures</i>	-	-	-	-	-	-	-	-	2 929	2 929
* <i>distribution of dividends</i>	-	-	-	-	-	-	-	-	(42)	(42)
* <i>capital issue in subsidiaries</i>	-	-	-	-	-	-	-	-	-	-
* <i>increase in the interest in subsidiaries</i>	-	-	-	-	-	-	-	-	-	-
* <i>decrease in the interest in subsidiaries</i>	-	-	-	-	-	-	77	77	-	77
Total comprehensive income for the year, incl.:	-	-	-	-	(875)	(416)	10 797	9 506	(3 009)	6 497
* <i>net profit for the year</i>	-	-	-	-	-	-	10 797	10 797	(2 379)	8 418
* <i>other components of comprehensive income, net of taxes</i>	-	-	-	-	(875)	(416)	-	(1 291)	(630)	(1 921)
Transfer to retained earnings	-	-	-	(189)	80	-	109	-	-	-
Balance at 31 March 2020	134 798	(34 142)	59 297	28 682	2 078	3 662	371 639	566 014	19 219	585 233
26										
Balance at 1 January 2021	134 798	(33 656)	63 335	28 425	2 282	(2 685)	360 770	553 269	13 326	566 595
Changes in equity in 2021										
Effect of treasury shares	-	-	-	-	-	-	-	-	-	-
Distribution of profit for:	-	-	-	-	-	-	-	-	-	-
* <i>Statutory reserves</i>	-	-	-	-	-	-	-	-	-	-
* <i>Dividends</i>	-	-	-	-	-	-	-	-	-	-
Effects assumed by non-controlling interests on:	-	-	-	-	-	-	(107)	(107)	(1 223)	(1 330)
* <i>acquisition of subsidiaries and joint ventures</i>	-	-	-	-	-	-	-	-	(1 182)	(1 182)
* <i>distribution of dividends</i>	-	-	-	-	-	-	-	-	-	-
* <i>capital issue in subsidiaries</i>	-	-	-	-	-	-	-	-	-	-
* <i>increase in the interest in subsidiaries</i>	-	-	-	-	-	-	(107)	(107)	(41)	(148)
* <i>decrease in the interest in subsidiaries</i>	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period, incl.:	-	-	-	-	(57)	233	18 136	18 312	1 308	19 620
* <i>net profit for the year</i>	-	-	-	-	-	-	18 136	18 136	1 312	19 448
* <i>other components of comprehensive income, net of taxes</i>	-	-	-	-	(57)	233	-	176	(4)	172
Transfer to retained earnings	-	-	-	(410)	(3)	-	413	-	-	-
Balance at 31 March 2021	134 798	(33 656)	63 335	28 015	2 222	(2 452)	379 212	571 474	13 411	584 885
26										

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