

**Additional information under art. 12, par. 1, item 4  
of Ordinance №2 from 09 November 2021 of  
Sopharma Group as at 31 March 2023**

***1. Information about changes in accounting policies during the reporting period, the reasons for them and how they affect the financial results and equity of the issuer.***

The consolidated financial statements of Sopharma Group have been prepared in accordance with all International Financial Reporting Standards (IFRS), which comprise Financial Reporting Standards and the International Financial Reporting Interpretations Committee (IFRIC) interpretations, approved by the International Accounting Standards Board (IASB), as well as the International Accounting Standards (IAS) and the Standing Interpretations Committee (SIC) interpretations, approved by the International Accounting Standards Committee (IASC), which are effectively in force from 1 January 2016 and have been accepted by the Commission of the European Union.

More detailed information about the Company's accounting policies can be found at 2.1. Basis of preparation of the consolidated financial statements in the notes to the consolidated interim financial statements for the period 1 January 2023 – 31 March 2023.

***2. Information about changes in the economic group of the issuer as at 31 March 2023:***

There are no changes in the Group.

***3. Information about the results of organizational changes within the issuer, such as restructuring, sale of companies from the group, in-kind contributions from companies, rental property, long-term investments, closure of business:***

As of 31 March 2023 the tangible fixed assets of the company include:

As at 31 March the lands and buildings of the Company are as follows:

- Buildings with carrying amount of BGN 181,510 thousand (31.12.2022: BGN 183,604 thousand);
- Land of BGN 60,245 thousand (31.12.2022: BGN 60,245 thousand).

The cost of acquisition of tangible fixed assets as at 31 March include:

- Expenses on new buildings construction – BGN 653 thousand (31 December 2022: BGN 1,495 thousand);
- Buildings reconstruction – BGN 670 thousand (31 December 2022: BGN 813 thousand);
- Supply of equipment – BGN 394 thousand (31 December 2022: BGN 488 thousand);
- Advances granted – BGN 4,267 thousand (31 December 2022: BGN 2,567 thousand);
- Other – BGN 186 thousand (31 December 2022: BGN 150 thousand).

*This is a translation from Bulgarian of the Consolidated financial statements of Sopharma Group  
from 01.01.2023 to 31.03.2023.*

*In case of divergence Bulgarian text should prevail.*

The total cash outflow from leases in 2023 amounts to BGN 4,540 thousand (2022: BGN 4,504 thousand).

As at 31 March 2023, the Group has leased tangible fixed assets to third parties with a carrying amount of BGN 1,245 thousand (31 December 2022: BGN 1,260 thousand).

As at 31 March 2023 Property, plant and equipment include right-of-use assets with carrying amounts respectively: in the group of “land and buildings” – BGN 77,515 thousand (31 December 2022: BGN 78,470 thousand), within “others” – BGN 7,273 thousand (31 December 2022: BGN 6,546 thousand). Right-of-use assets are disclosed in detail in Note 30.

Other long-term equity investments include shares in the following companies:

	<b>Country</b>	<b>31.03.2023</b>	<b>Interest</b>	<b>31.12.2022</b>	<b>Interest</b>
		<b>BGN '000</b>	<b>%</b>	<b>BGN '000</b>	<b>%</b>
<b>Traded securities</b>					
Lavena AD	Bulgaria	1,883	13.22	3,788	13.22
Sopharma Buildings REIT	Bulgaria	731	10.25	111	10.25
Chimimport AD	Bulgaria	354	0.20	367	0
Bulgarian Stock Exchange AD	Bulgaria	179	0.32	202	0
MFG Invest AD	Bulgaria	141	0.46	169	0.46
Achieve Life Sciences Inc. – USA	USA	17	0.01	8	0.01
		<b>3,305</b>		<b>4,645</b>	
<b>Non-traded securities</b>					
Balkanpharma Razgrad AD	Bulgaria	70	-	70	-
Imventure 1 KDA	Bulgaria	50	1.36	50	1.36
Other		13	-	13	-
		<b>133</b>		<b>133</b>	
		<b>3,438</b>		<b>4,778</b>	

As at 31 March 2023, within “others” are stated long-term equity investments at the amount of BGN 13 thousand (31 December 2022: BGN 13 thousand) in Group’s non-controlling interest in a total of four companies (31 December 2022: four companies).

**4. Opinion of the governing body regarding the feasibility of the published estimates of the results for the current financial year, taking into account the results of the current quarter as well as information on the factors and circumstances that will affect the achieving of the projected results for at least the next quarter - management does not provide forecasts.**

**5. For public companies - data on persons holding directly or indirectly at least 5 percent of the voting rights of the General Meeting at the end of the quarter, and changes in ownership of those voting rights for the period from the beginning of the current financial year to the end of the reporting period:**

*This is a translation from Bulgarian of the Consolidated financial statements of Sopharma Group from 01.01.2023 to 31.03.2023.*

*In case of divergence Bulgarian text should prevail.*

SHAREHOLDERS	31.03.2023		31.12.2022	
	Shares	%	Shares	%
„Donev Investments Holding“ AD, UIC 831915121, Sofia, Positano Str. №12	47 502 092	35.24%	37 600 000	27.89%
„Telecomplect Invest“ AD, UIC 201653294, Sofia, Slaveikov Square №9	27 881 287	20.68%	27 881 287	20.68%
CUPF „Alianz Bulgaria“, UIC 130477720 Sofia, Damyan Gruev Str. №42	7 054 547	5.23%	7 054 547	5.23%
“Sopharma” AD, UIC 831902088 Sofia, Iliensko Shosse Str. №16	13 479 188	10.00%	13 479 188	10.00%

**6. For public companies - data about the shares held by the issuer's management and supervisory bodies at the end of the respective quarter as well as the changes that occurred for the period from the beginning of the current financial year to the end of the reporting period for each individual:**

Members of the Board of Directors	31.03.2023 Number of shares	31.12.2022 Number of shares
1. Ognian Ivanov Donev	6 608 350	6 608 350
2. Vessela Liubenova Stoeva	150	150
3. Bissera Nikolaeva Lazarova	-	-
4. Alexander Viktorov Tchaoushev	262 442	262 442
5. Ivan Venetskov Badinski	2 030	2 030
6. Simeon Ognianov Donev	195 450	195 450

**7. Information on pending judicial, administrative or arbitration proceedings relating to liabilities or receivables amounting to at least 10 percent of the equity of the company - none.**

**8. Information on the loans granted by the issuer or its subsidiary, by their subsidiaries, the collateral provided or the liabilities assumed in total to one person or its subsidiary, including related parties, indicating the names or titles and UIC of the person, the nature of the relationship between the issuer or its subsidiaries and the borrower, the amount of outstanding principal, interest rate, date of conclusion of the contract, including additional agreements, repayment period, amount of commitment, specific conditions other than those specified in this provision, as well as the purpose for which they are granted, in case they are concluded as targets:**

The information is contained in Note 19, 20 and 23 to the preliminary annual consolidated financial statements.

*This is a translation from Bulgarian of the Consolidated financial statements of Sopharma Group from 01.01.2023 to 31.03.2023.*

*In case of divergence Bulgarian text should prevail.*