

**Company:**

**"SOPHARMA" AD**

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**Board of Directors:**

**Ognian Donev, PhD  
Vessela Stoeva  
Alexander Tchaoushev  
Bissera Lazarova  
Ivan Badinski**

**Executive Director:**

**Ognian Donev, PhD**

**Procurator:**

**Simeon Donev**

**Finance Director:**

**Boris Borisov**

**Chief Accountant:**

**Jordanka Petkova**

**Head of Legal Department**

**Alexander Yotov**

**Registered Office:**

**Sofia  
16, Iliensko Shousse Str.**

**Lawyers:**

**Ventsislav Stoev  
Stefan Vachev**

**Servicing Banks:**

**KBS Bank  
DSK Bank EAD  
Eurobank and FG Bulgaria AD  
ING Bank N.V.  
UniCredit AD  
Citibank N.A.  
Municipal Bank AD**

**Auditors:**

**Baker Tilly Clitou and Partners OOD**

**"SOPHARMA" AD****INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME****for the period ended on 31 March 2023**

	Notes	2023 BGN'000	2022 BGN'000
Revenue	3	64 625	44 557
Other operating income/(losses), net	4	950	740
Changes in inventories of production and work in progress		2478	5 392
Raw materials and consumables used	5	(18 894)	(19 206)
Hired services expense	6	(9 319)	(6 924)
Employee benefits expense	7	(16 324)	(12 116)
Depreciation and amortisation expense	14,15	(4 728)	(4 468)
Other operating expenses	8	(696)	(653)
<b>Profit from operations</b>		<b>18 092</b>	<b>7 322</b>
Finance income	9	1 017	771
Finance costs	10	(820)	(188)
<b>Finance income / (costs), net</b>		<b>197</b>	<b>583</b>
<b>Profit before income tax</b>		<b>18 289</b>	<b>7 905</b>
Income tax expense		1844	(829)
<b>Net profit for the year</b>		<b>16445</b>	<b>7 076</b>
<b>Other comprehensive income:</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Net change in fair value of other long-term equity investments	17	(1 957)	156
<b>Other comprehensive income for the year, net of tax</b>	11	<b>(1 957)</b>	<b>156</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>14 488</b>	<b>7 232</b>
Basic earnings per share	25	<b>0,14</b>	<b>0,06</b>
Net earnings per diluted share	25	<b>0,13</b>	<b>0,06</b>

*The accompanying notes on pages 5 to 131 from an integral part of the individual financial statements.*

**Executive Director:**

**Ognian Donev**

**Finance Director:**

**Boris Borisov**

**Chief Accountant:**

**Jordanka Petkova**

**"SOPHARMA" AD**  
**INDIVIDUAL STATEMENT OF FINANCIAL POSITION**  
**as at 31 March 2023**

	Notes	31 March 2023 BGN'000	31 December 2021 BGN'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	12	217 806	217 894
Intangible assets	13	4 218	4 247
Investment property	14	49 267	49 267
Investments in subsidiaries	15	90 235	90 235
Investments in associates and joint ventures	16	69 372	69 372
Other long-term equity investments	17	3 366	4 706
Long-term receivables from related parties	18	70 012	67 471
Other long-term receivables	19	3 455	3 526
		<b>507 731</b>	<b>506 718</b>
<b>Current assets</b>			
Inventories	20	93 816	82 618
Receivables from related parties	21	82 720	74 682
Trade receivables	22	28 232	18 095
Loans granted to third parties	23 (a)	11 117	8 317
Other receivables and prepayments	23 (6)	6 003	6 057
Cash and cash equivalents	24	4 118	4 761
		<b>226 006</b>	<b>194 530</b>
<b>TOTAL ASSETS</b>		<b>733 737</b>	<b>701 248</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Basic share capital		134 798	134 798
Treasury shares		(52 203)	(52 203)
Reserves		459 370	461 449
Other capital components		12 488	12 488
Retained earnings		60 410	43 843
	28	<b>614 863</b>	<b>600 375</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term bank loans	26	4 345	-
Deferred tax liabilities	27	4 419	4 728
Government grants	28	3 482	3 587
Liabilities under leasing contracts to related parties	29	16 057	14 739
Liabilities under leasing contracts to third parties	30	658	594
Long-term liabilities to staff	31	4 312	4 192
		<b>33 273</b>	<b>27 840</b>
<b>Current liabilities</b>			
Short-term bank loans	32	30 076	11 734
Trade payables	33	29 327	40 031
Payables to related parties	34	3 034	2 632
Tax payables	35	3 754	885
Payables to personnel and for social security	36	10 324	9 410
Other current liabilities	37	9 086	8 341
		<b>85 601</b>	<b>73 033</b>
<b>TOTAL LIABILITIES</b>		<b>118 874</b>	<b>100 873</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>733 737</b>	<b>701 248</b>

*The accompanying notes on pages 5 to 131 form an integral part of the individual financial statements.*

*Executive Director:*

*Ognian Donev*

*Finance Director:*

*Boris Borisov*

*Chief Accountant:*

*Jordanka Petkova*

**"SOPHARMA" AD****INDIVIDUAL STATEMENT OF CASH FLOWS****for the period ended on 31 March 2023**

	Notes	2023 BGN'000	2022 BGN'000
<b>Cash flows from operating activities</b>			
Cash receipts from customers		47 603	56 140
Cash paid to suppliers		(44 682)	(34 150)
Cash paid to employees and for social security		(14 780)	(11 338)
Taxes paid (except income taxes)		(1 992)	(1 409)
Taxes refunded (except income taxes)		881	850
Paid interest and bank charges on working capital loans		(210)	(208)
Exchange rate differences, net		(121)	(61)
Other proceeds/(payments), net		(121)	(292)
<b>Net cash flows from operating activities</b>		<b>(13 422)</b>	<b>9 532</b>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment		(2 883)	(1 997)
Proceeds from sales of property, plant and equipment		7	9
Purchases of intangible assets		(228)	-
Purchases of shares in associates		-	(692)
Purchases of equity investments		(657)	(341)
Proceeds from sales of equity investments		40	426
Proceeds from sale of shares and stakes in subsidiaries		-	200
Loans granted to related parties		(22 920)	(1 500)
Loan repayments by related parties		20 000	-
Loans granted to other companies		(2 740)	-
Interest received on loans granted		-	-
Interest received on granted loans		109	-
Proceeds from charges under guarantees		49	100
<b>Net cash flows from / (used in) investment activities</b>		<b>(9 223)</b>	<b>(3 795)</b>
<b>Cash flows from financing activities</b>			
Proceeds/ Repayment from long-term bank loans		-	7 430
(Repayment) / Proceeds from short-term bank loans (overdraft), net		22 756	(24 378)
Dividends paid and unexercised warrants		(2)	(4)
Lease payments to related parties		(482)	(276)
Payments under leasing contracts to third parties		(274)	(202)
Received government funding for agricultural land		4	4
Proceeds / (payments), net, related to other capital components (warrants)		-	101
<b>Net cash flows (used in) / from financial activities</b>		<b>22 002</b>	<b>(17 325)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(643)</b>	<b>(11 588)</b>
Cash and cash equivalents at 1 January		4 761	15 618
<b>Cash and cash equivalents at 31 December</b>	24	<b>4 118</b>	<b>4 030</b>

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"SOPHARMA" AD

INDIVIDUAL STATEMENT OF CHANGES IN EQUITY

for the period ended on 31 March 2023

Notes	Share capital	Treasury shares	Statutory reserves	Revaluation reserve - property, plant and equipment	Reserve from financial assets at fair value through other comprehensive income	Additional reserves	Other capital components (reserve for issued warrants)	Retained earnings	Total equity
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
25	134 798	(50 284)	66 201	28 614	1 644	342 581	12 512	28 137	564 203
<b>Changes in equity for 2022</b>									
Effects of sold and repurchased treasury shares, incl:	-	(1 919)	-	-	-	-	-	-	(1 919)
- sold treasury shares	-	-	-	-	-	-	-	-	-
Other capital components, incl.	-	-	-	-	-	-	-	103	103
- emission value	-	-	-	-	-	-	(24)	-	(24)
- transaction costs	-	-	-	-	-	-	(24)	-	(24)
Distribution of profit for:	-	-	2 427	-	-	22 574	-	(25 001)	-
- reserves	-	-	2 427	-	-	22 574	-	(25 001)	-
<b>Total comprehensive income for the year, incl:</b>	-	-	-	(892)	(1 047)	-	-	39 951	38 012
- net profit for the year	-	-	-	-	-	-	-	39 429	39 429
- other comprehensive income, net of taxes	-	-	-	(892)	(1 047)	-	-	522	(1 417)
Transfer to retained earnings	-	-	-	(616)	(37)	-	-	653	-
25	134 798	(52 203)	68 628	27 106	560	365 155	12 488	43 843	600 375
<b>Changes in equity for 2023</b>									
Effects of acquisition of treasury shares	-	-	-	-	-	-	-	-	-
Other capital components, incl.	-	-	-	-	-	-	-	-	-
- transaction costs	-	-	-	-	-	-	-	-	-
Distribution of profits for:	-	-	-	-	-	-	-	-	-
- reserves	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the year, incl:</b>	-	-	-	-	(1 957)	-	-	16 445	14 488
- net profit for the year	-	-	-	-	(1 957)	-	-	16 445	16 445
- other comprehensive income, net of taxes	-	-	-	-	-	-	-	-	(1 957)
Transfer to retained earnings	-	-	-	(124)	2	-	-	122	-
25	134 798	(52 203)	68 628	26 982	(1 395)	365 155	12 488	60 410	614 863

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