

Board of Directors: **Ognian Donev, PhD**
Vessela Stoeva
Alexandar Tchaoushev
Bissera Lazarova
Ivan Badinski

Executive Director: **Ognian Donev, PhD**

Procurators: **Simeon Donev**
Ivan Badinski

Finance Director: **Boris Borisov**

Preparer: **Lyudmila Bondzhova**

Head of Legal Department: **Alexandar Yotov**

Address of Management: **Sofia**
16, Iliensko Shosse Str.

Lawyers: **Ventsislav Stoev**

Servicing Banks: **Raiffeisenbank (Bulgaria) EAD**
DSK Bank EAD
Eurobank Bulgaria AD
ING Bank N.V.
Unicredit Bulbank AD

Auditor: **Baker Tilly Klitou and Partners OOD**

SOPHARMA GROUP
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the six-month period ending on 30 June 2022

	Notes	<i>1 January - 30 June 2022</i> BGN'000	<i>1 January - 30 June 2021</i> BGN'000
Revenue from contracts with customers	3	802 919	759 044
Other operating income / (losses), net	4	5 420	6 615
Changes in inventories of finished goods and work in progress		3 182	3 143
Raw materials and consumables used	5	(48 113)	(39 093)
Hired services expense	6	(32 929)	(33 378)
Employee benefits expense	7	(73 052)	(74 341)
Depreciation and amortization expense	14,15	(25 653)	(26 929)
Carrying amount of goods sold		(585 362)	(557 930)
Other operating expenses	8	(2 591)	(3 234)
Profit from operations		43 821	33 897
Finance income	10	2 124	4 283
Finance costs	11	(3 690)	(6 753)
Finance income/(costs), net		(1 566)	(2 470)
Profit from associates and joint ventures, net	12	9 968	4 579
Profit from acquisition and disposal of subsidiaries		-	1 249
Profit before tax		52 223	37 255
Income tax expense		(5 953)	(3 399)
Net profit for the period		46 270	33 856
Other components of comprehensive income:			
<i>Items that will not be reclassified to profit or loss:</i>			
Subsequent revaluations of property, plant and equipment		-	(69)
Net change in the fair value of other long-term equity investments	13	(340)	(82)
		(340)	(151)
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations		157	185
Share of other comprehensive income of associates		(127)	(876)
		30	(691)
Other comprehensive income for the period, net of tax	13	(310)	(842)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		45 960	33 014
Net profit for the year attributable to:			
Equity holders of the parent		43 365	32 192
Non-controlling interests		2 905	1 664
Total comprehensive income for the year attributable to:			
Equity holders of the parent		43 047	31 370
Non-controlling interests		2 913	1 644
Basic net profit per share	BGN	0,36	0,26

The notes on pages 5 to 147 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 six-month period ending on 30 June 2022

	Notes	30 June 2022 BGN'000	31 December 2021 BGN'000
ASSETS			
Non-current assets			
Property, plant and equipment	14	358 261	362 393
Intangible assets	15	50 946	54 421
Goodwill	15	13 439	13 420
Investment properties	16	9 446	9 446
Investments in associated and joint ventures	17	136 989	127 320
Other long - term equity investments	18	5 207	5 778
Long-term receivables from related parties	19	50 444	49 696
Other long-term receivables	20	10 582	10 222
Deferred tax assets		1 291	1 050
		636 605	633 746
Current assets			
Inventories	21	269 529	255 949
Commercial receivables	22	244 109	227 832
Receivables from related parties	23	15 998	14 479
Other short-term receivables and assets	24	30 632	35 250
Cash and cash equivalents	25	19 016	37 722
		579 284	571 232
TOTAL ASSETS		1 215 889	1 204 978
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		134 798	134 798
Reserves		55 023	55 031
Other capital components (reserve for issued warrants)		12 512	12 512
Retained earnings	26	484 614	444 634
		686 947	646 975
Non-controlling interests		12 892	11 893
TOTAL EQUITY	26	699 839	658 868
LIABILITIES			
Non-current liabilities			
Long-term bank loans	27	41 998	42 907
Deferred tax liabilities		7 754	8 472
Long-term liabilities to related parties	28	10 962	10 210
Long-term payables to personnel	29	8 051	7 622
Lease liabilities	30	37 995	38 589
Government grants	31	6 615	6 783
Other non-current liabilities	32	7 626	7 635
		121 001	122 218
Current liabilities			
Short-term bank loans	33	175 968	217 392
Short-term part of long-term bank loans	27	9 402	9 467
Trade payables	34	156 016	143 480
Payables to related parties	35	3 816	3 700
Factoring agreement liabilities	36	5 878	6 370
Short-term part of leasing liabilities	30	11 415	11 583
Payables to personnel and social security	37	19 577	17 888
Tax payables	38	5 528	7 039
Other current liabilities	39	7 449	6 973
		395 049	423 892
TOTAL LIABILITIES		516 050	546 110
TOTAL EQUITY AND LIABILITIES		1 215 889	1 204 978

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SOPHARMA GROUP
CONSOLIDATED STATEMENT OF CASH FLOWS
for the six-month period ending on 30 June 2022

	Notes	<i>1 January- 30 June 2022 BGN'000</i>	<i>1 January- 30 June 2021 BGN'000</i>
Cash flows from operating activities			
Revenue from contracts with customers		896 510	775 978
Payments to suppliers		(760 656)	(708 413)
Payments for wages and social security		(69 550)	(72 108)
Taxes paid (profit tax excluded)		(34 906)	(38 223)
Taxes refunded (profit tax excluded)		3 267	4 244
Income taxes paid		(4 134)	(4 440)
Income taxes refunded		-	8
Interest and bank charges paid on working capital loans		(2 533)	(3 868)
Exchange rate differences, net		(240)	(175)
Other proceeds/(payments), net		(422)	(164)
Net cash flows used in operating activities		27 336	(47 161)
Cash flows from investing activities			
Purchases of property, plant and equipment		(7 672)	(11 007)
Proceeds from sales of property, plant and equipment		1 148	193
Proceeds from sales of investment properties		-	675
Purchases of intangible assets		(1 904)	(2 214)
Purchases of equity investments		(363)	(2 004)
Proceeds from sales of equity investments		595	30
Proceeds from dividends on capital investments		-	183
Proceeds from the exemption of subsidiaries, net of cash provided		417	455
Purchases of investments in associates and joint ventures		(1 041)	(52)
Proceeds from the sale of investments in associates and joint ventures		-	196
Proceeds/(payments) from non-controlling interest transactions, net		(3 174)	(277)
Loans granted to related parties		(1 500)	(2 660)
Loan repayments by related parties		684	1 500
Loans granted to other enterprises		-	(186)
Reimbursed loans to other enterprises		-	28
Interest received on loans and deposits granted		859	121
Proceeds from suretyship fees		12	-
Net cash flows used in investment activities		(11 939)	(15 019)
Cash flows from financial activities			
Proceeds from short-term bank loans (including increases in overdrafts)		-	191
Repayment of short-term bank loans (including decreases in overdrafts)		(41 350)	(40 344)
Proceeds from long-term bank loans		4 106	12 939
Repayment of long-term bank loans		(5 091)	(12 553)
Loans received from other parties		-	87
Repayment of loans to other parties		-	(83)
Proceeds under factoring agreement		18 850	109 479
Interest paid under factoring agreement		(33)	(292)
Interest and charges paid under investment purpose loans		(176)	(1 308)
Lease payments		(8 602)	(10 608)
Treasury shares		(1 918)	-
Dividends paid		(6)	(12)
Government grants		16	61
Proceeds / (payments), net, related to other capital components (warrants)		102	-
Net cash flows from financial activities		(34 102)	57 557
Net increase/(decrease) in cash and cash equivalents		(18 705)	(4 623)
Cash and cash equivalents at 1 January		37 717	25 139
Cash and cash equivalents at 31 December	25	19 012	20 516

The notes on pages 5 to 147 are an integral part of the present consolidated financial statement.

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SOPHARMA GROUP

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six-month period ending on 30 June 2022

Notes	Attributable to owners of the parent company								Non-controlling	Total	
	Share capital	Treasury shares	Statutory reserves	Revaluation reserve - property, plant and equipment	Reserve from financial assets at fair value through other comprehensive income	Translation of foreign operations reserve	Other capital components (reserve for issued warrants)	Retained earnings			Total
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000			BGN'000
Balance at 1 January 2021	26	134 798	(33 656)	63 335	28 425	2 282	(2 685)	360 770	553 269	13 326	566 595
Changes in equity for 2021											
Effect of treasury shares acquisition		-	-	-	-	-	-	-	-	-	-
* acquisition of repurchased own shares		-	-	-	-	-	-	-	-	-	-
* sale of repurchased own shares		-	-	-	-	-	-	-	-	-	-
Restructuring effects		-	-	-	-	-	-	-	-	-	-
Distribution of profit for:		-	-	2 866	-	-	-	(2 866)	-	-	-
* statutory reserves		-	-	2 866	-	-	-	(2 866)	-	-	-
* dividends		-	-	-	-	-	-	-	-	-	-
Effects assumed by non-controlling interests on:		-	-	-	-	-	-	(254)	(254)	(2 185)	(2 439)
* acquisition/(disposal) of subsidiaries		-	-	-	-	-	-	-	-	(1 891)	(1 891)
* distribution of dividends		-	-	-	-	-	-	-	-	-	-
* issue of capital in subsidiaries		-	-	-	-	-	-	-	-	-	-
* increase in the interest in subsidiaries		-	-	-	-	-	-	(254)	(254)	(294)	(548)
* decrease in the interest in subsidiaries		-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year, including:		-	-	-	(53)	(82)	(687)	32 192	31 370	1 644	33 014
* net profit for the year		-	-	-	(53)	(82)	(687)	32 192	32 192	1 664	33 856
* other comprehensive income, net of taxes		-	-	-	-	-	-	-	(822)	(20)	(842)
Transfer to retained earnings		-	-	-	(753)	1	-	752	-	-	-
Balance at 30 June 2021	26	134 798	(33 656)	66 201	27 619	2 201	(3 372)	390 594	584 385	12 785	597 170
Balance at 1 January 2022		134 798	(50 284)	66 201	36 788	1 644	682	444 634	646 975	11 893	658 868
Changes in equity for 2022											
Effect of treasury shares acquisition		-	(1 918)	-	-	-	-	-	(1 918)	-	(1 918)
Effects of rights sold under issued warrants		-	-	-	-	-	-	103	103	-	103
Distribution of profit for:		-	-	2 427	-	-	-	(2 427)	-	-	-
* statutory reserves		-	-	2 427	-	-	-	(2 427)	-	-	-
* dividends		-	-	-	-	-	-	-	-	-	-
Effects assumed by non-controlling interests on:		-	-	-	-	-	-	(1 260)	(1 260)	(1 914)	(3 174)
* acquisition/(disposal) of subsidiaries		-	-	-	-	-	-	-	-	-	-
* distribution of dividends		-	-	-	-	-	-	-	-	-	-
* issue of capital in subsidiaries		-	-	-	-	-	-	-	-	-	-
* increase in the interest in subsidiaries		-	-	-	-	-	-	(1 260)	(1 260)	(1 914)	(3 174)
* decrease in the interest in subsidiaries		-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year, incl:		-	-	-	-	(340)	22	43 365	43 047	2 913	45 960
* net profit for the year		-	-	-	-	-	-	43 365	43 365	2 905	46 270
* other comprehensive income, net of taxes		-	-	-	-	(340)	22	-	(318)	8	(310)
Transfer to retained earnings		-	-	-	(157)	(42)	-	199	-	-	-
Balance at 30 June 2022	26	134 798	(52 202)	68 628	36 631	1 262	704	484 614	686 947	12 892	699 839

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