

**Additional information under art. 12, par. 1, item 4  
of Ordinance №2 from 09 November 2021 of  
Sopharma Group as at 30 June 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 – 30 June 2023.

***2. Information about changes in the economic group of the issuer as at 30 June 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 30 June 2023 the tangible fixed assets of the company include:

As at 30 June the lands and buildings of the Company are as follows:

- Buildings with carrying amount of BGN 183,209 thousand (31.12.2022: BGN 183,604 thousand);
- Land of BGN 54,200 thousand (31.12.2022: BGN 60,252 thousand).

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

- Expenses on new buildings construction – BGN 1,030 thousand (31 December 2022: BGN 1,495 thousand);
- Buildings reconstruction – BGN 1,102 thousand (31 December 2022: BGN 813 thousand);
- Supply of equipment – BGN 367 thousand (31 December 2022: BGN 488 thousand);
- Advances granted – BGN 3,868 thousand (31 December 2022: BGN 2,567 thousand);
- Other – BGN 153 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 30.06.2023.*

*In case of divergence Bulgarian text should prevail.*

The total cash outflow from leases in 2023 amounts to BGN 9,166 thousand (2022: BGN 8,602 thousand).

As at 30 June 2023, the Group has leased tangible fixed assets to third parties with a carrying amount of BGN 1,218 thousand (31 December 2022: BGN 1,260 thousand).

As at 30 June 2023 Property, plant and equipment include right-of-use assets with carrying amounts respectively: in the group of “land and buildings” – BGN 80,737 thousand (31 December 2022: BGN 78,470 thousand), within “others” – BGN 7,374 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>30.06.2023</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>					
Sopharma Buildings REIT	Bulgaria	3,377	10.25	111	10.25
Lavena AD	Bulgaria	2,393	13.22	3,788	13.22
Chimimport AD	Bulgaria	293	0.20	367	0.19
MFG Invest AD	Bulgaria	129	0.46	169	0.46
Achieve Life Sciences Inc. – USA	USA	17	0.01	8	0.01
Bulgarian Stock Exchange AD	Bulgaria	-	-	202	0.34
		<u>6,209</u>		<u>4,645</u>	
<b>Non-traded securities</b>					
Balkanpharma Razgrad AD	Bulgaria	70	0.33	70	-
Imventure 1 KDA	Bulgaria	50	1.36	50	1.36
Other		13	-	13	-
		<u>133</u>		<u>133</u>	
		<u>6,342</u>		<u>4,778</u>	

As at 30 June 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:**

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SHAREHOLDERS	30.06.2023		31.12.2022	
	Shares	%	Shares	%
„Donev Investments Holding“ AD, UIC 831915121, Sofia, Positano Str. №12	47 500 092	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	30.06.2023 Number of shares	31.12.2022 Number of shares
1. Ognian Ivanov Donev	6 363 657	6 608 350
2. Vessela Liubenova Stoeva	150	150
3. Bissera Nikolaeva Lazarova	-	-
4. Alexander Viktorov Tchaoushev	353 442	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.

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