

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 nine-month period ending on 30 September 2022

	Notes	1 January - 30 September 2022 BGN'000	1 January - 30 September 2021 BGN'000
Revenue from contracts with customers	3	1 218 800	1 179 329
Other operating income / (losses), net	4	9 171	9 640
Changes in inventories of finished goods and work in progress		9 601	(4 494)
Raw materials and consumables used	5	(72 488)	(57 444)
Hired services expense	6	(50 097)	(50 823)
Employee benefits expense	7	(108 540)	(111 209)
Depreciation and amortization expense	15, 16	(38 635)	(40 559)
Carrying amount of goods sold		(891 664)	(864 214)
Other operating expenses	8	(11 132)	(5 035)
Profit from operations		65 016	55 191
Impairment of non-current assets outside the scope of IFRS 9		-	(2 050)
Finance income	11	2 864	6 340
Finance costs	12	(6 860)	(9 631)
Finance income/(costs), net		(3 996)	(3 291)
Profit from associates and joint ventures, net	13	17 808	7 837
Profit from acquisition and disposal of subsidiaries		-	1 249
Profit before tax		78 828	58 936
Income tax expense		(6 572)	(5 439)
Net profit for the period		72 256	53 497
Other components of comprehensive income:			
Items that will not be reclassified to profit or loss:			
Subsequent revaluations of property, plant and equipment		-	(68)
Net change in the fair value of other long-term equity investments	14	(1 167)	66
		(1 167)	(2)
Items that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations		(3 260)	232
Share of other comprehensive income of associates		5 300	1 731
		2 040	1 963
Other comprehensive income for the period, net of tax	14	873	1 961
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		73 129	55 458
Net profit for the year attributable to:			
Equity holders of the parent		67 884	50 528
Non-controlling interests		4 372	2 969
Total comprehensive income for the year attributable to:			
Equity holders of the parent		68 757	52 501
Non-controlling interests		4 372	2 957
Basic net profit per share	BGN	0,56	0,40

The notes on pages 5 to 149 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 nine-month period ending on 30 September 2022

	Notes	30 September 2022 BGN'000	31 December 2021 BGN'000
ASSETS			
Non-current assets			
Property, plant and equipment	15	376 356	362 393
Intangible assets	16	49 616	54 421
Goodwill	16	13 267	13 420
Investment properties	17	9 446	9 446
Investments in associated and joint ventures	18	154 486	127 320
Other long - term equity investments	19	4 498	5 778
Long-term receivables from related parties	20	51 318	49 696
Other long-term receivables	21	10 958	10 222
Deferred tax assets		1 171	1 050
		671 116	633 746
Current assets			
Inventories	22	272 917	255 949
Commercial receivables	23	248 256	227 832
Receivables from related parties	24	13 031	14 479
Other short-term receivables and assets	25	30 315	35 250
Cash and cash equivalents	26	17 875	37 722
		582 394	571 232
TOTAL ASSETS		1 253 510	1 204 978
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		134 798	134 798
Reserves		56 156	55 031
Other capital components (reserve for issued warrants)		12 488	12 512
Retained earnings		506 885	444 634
	27	710 327	646 975
Non-controlling interests		11 420	11 893
TOTAL EQUITY	27	721 747	658 868
LIABILITIES			
Non-current liabilities			
Long-term bank loans	28	47 537	42 907
Deferred tax liabilities		5 917	8 472
Long-term liabilities to related parties	29	25 767	10 210
Long-term payables to personnel	30	8 045	7 622
Lease liabilities	31	39 896	38 589
Government grants	32	6 505	6 783
Other non-current liabilities	33	7 626	7 635
		141 293	122 218
Current liabilities			
Short-term bank loans	34	173 956	217 392
Short-term part of long-term bank loans	28	9 232	9 467
Trade payables	35	152 163	143 480
Payables to related parties	36	4 871	3 700
Factoring agreement liabilities	37	2 867	6 370
Short-term part of leasing liabilities	31	12 208	11 583
Payables to personnel and social security	38	19 258	17 888
Tax payables	39	7 228	7 039
Other current liabilities	40	8 687	6 973
		390 470	423 892
TOTAL LIABILITIES		531 763	546 110
TOTAL EQUITY AND LIABILITIES		1 253 510	1 204 978

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CONSOLIDATED STATEMENT OF CASH FLOWS
for the nine-month period ending on 30 September 2022

	Notes	1 January- 30 September 2022 BGN'000	1 January- 30 September 2021 BGN'000
Cash flows from operating activities			
Revenue from contracts with customers		1 365 498	1 187 535
Payments to suppliers		(1 166 895)	(1 087 152)
Payments for wages and social security		(104 675)	(108 355)
Taxes paid (profit tax excluded)		(51 177)	(58 026)
Taxes refunded (profit tax excluded)		5 940	8 517
Income taxes paid		(4 758)	(6 233)
Income taxes refunded		49	39
Interest and bank charges paid on working capital loans		(4 341)	(5 604)
Exchange rate differences, net		(1 200)	537
Other proceeds/(payments), net		(1 785)	(1 699)
Net cash flows used in operating activities		36 656	(70 441)
Cash flows from investing activities			
Purchases of property, plant and equipment		(12 187)	(15 093)
Proceeds from sales of property, plant and equipment		1 335	486
Proceeds from sales of investment properties		-	1 073
Purchases of intangible assets		(2 926)	(4 079)
Purchases of equity investments		(486)	(2 085)
Proceeds from sales of equity investments		599	2 008
Proceeds from dividends on investments in associates		1 215	-
Proceeds from dividends on capital investments		33	451
Proceeds from the exemption of subsidiaries, net of cash provided		417	454
Purchases of investments in associates and joint ventures		(5 265)	(3 100)
Proceeds from the sale of investments in associates and joint ventures		-	213
Proceeds/(payments) from non-controlling interest transactions, net		(8 411)	(313)
Loans granted to related parties		(1 500)	(3 200)
Loan repayments by related parties		684	9 088
Loans granted to other enterprises		(6)	(1 367)
Reimbursed loans to other enterprises		3	3 713
Interest received on loans and deposits granted		905	2 411
Proceeds from suretyship fees		12	21
Net cash flows used in investment activities		(25 578)	(9 319)
Cash flows from financial activities			
Proceeds from short-term bank loans (including increases in overdrafts)		-	193
Repayment of short-term bank loans (including decreases in overdrafts)		(38 838)	(68 626)
Proceeds from long-term bank loans		4 842	14 736
Repayment of long-term bank loans		(8 492)	(16 881)
Loans received from related parties		-	-
Loans received from other parties		-	122
Repayment of loans to other parties		-	(136)
Proceeds under factoring agreement		25 800	169 542
Interest paid under factoring agreement		(56)	(433)
Interest and charges paid under investment purpose loans		(263)	(1 706)
Lease payments		(12 086)	(15 957)
Treasury shares		(1 919)	(4 079)
Dividends paid		(8)	(32)
Government grants		17	64
Proceeds from sold rights under warrants		103	-
Proceeds / (payments), net, related to other capital components (warrants)		(24)	-
Net cash flows from financial activities		(30 924)	76 807
Net increase/(decrease) in cash and cash equivalents		(19 846)	(2 953)
Cash and cash equivalents at 1 January		37 717	25 139
Cash and cash equivalents at 31 December	26	17 871	22 186

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SOPHARMA GROUP

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the nine-month period ending on 30 September 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	BGN'000	BGN'000
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
Effect of treasury shares acquisition	-	(4 079)	-	-	-	-	-	-	(4 079)	-	(4 079)
Restructuring effects	-	-	-	-	-	-	-	-	-	-	-
Distribution of profit for:	-	-	2 866	-	-	-	-	(2 866)	-	-	-
* statutory reserves	-	-	2 866	-	-	-	-	(2 866)	-	-	-
* dividends	-	-	-	-	-	-	-	-	-	-	-
Effects assumed by non-controlling interests on:	-	-	-	-	-	-	-	(267)	(267)	(2 186)	(2 453)
* acquisition/(disposal) of subsidiaries	-	-	-	-	-	-	-	-	-	(1 892)	(1 892)
* distribution of dividends	-	-	-	-	-	-	-	-	-	-	-
* issue of capital in subsidiaries	-	-	-	-	-	-	-	-	-	-	-
* increase in the interest in subsidiaries	-	-	-	-	-	-	-	(267)	(267)	(294)	(561)
* decrease in the interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year, including:	-	-	-	(52)	66	1 959	-	50 528	52 501	2 957	55 458
* net profit for the year	-	-	-	-	-	-	-	50 528	50 528	2 969	53 497
* other comprehensive income, net of taxes	-	-	-	(52)	66	1 959	-	-	1 973	(12)	1 961
Transfer to retained earnings	-	-	-	(755)	(1 262)	-	-	2 017	-	-	-
Balance at 30 September 2021	134 798	(37 735)	66 201	27 618	1 086	(726)	-	410 182	601 424	14 097	615 521
Balance at 1 January 2022	134 798	(50 284)	66 201	36 788	1 644	682	12 512	444 634	646 975	11 893	658 868
Effect of treasury shares acquisition	-	(1 919)	-	-	-	-	-	-	(1 919)	-	(1 919)
Effects of rights sold under issued warrants	-	-	-	-	-	-	-	103	103	-	103
Other capital components, including:	-	-	-	-	-	-	(24)	-	(24)	-	(24)
* transaction costs	-	-	-	-	-	-	(24)	-	(24)	-	(24)
Profit distribution for:	-	-	2 427	-	-	-	-	(2 427)	-	-	-
* legal reserves	-	-	2 427	-	-	-	-	(2 427)	-	-	-
* dividends	-	-	-	-	-	-	-	-	-	-	-
Effects assumed by non-controlling interests on:	-	-	-	-	-	-	-	(3 565)	(3 565)	(4 845)	(8 410)
* acquisition/(disposal) of subsidiaries	-	-	-	-	-	-	-	-	-	-	-
* distribution of dividends	-	-	-	-	-	-	-	-	-	-	-
* issue of capital in subsidiaries	-	-	-	-	-	-	-	-	-	-	-
* increase in the interest in subsidiaries	-	-	-	-	-	-	-	(3 565)	(3 565)	(4 845)	(8 410)
* decrease in the interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year, incl:	-	-	-	-	(1 167)	2 040	-	67 884	68 757	4 372	73 129
* net profit for the year	-	-	-	-	-	-	-	67 884	67 884	4 372	72 256
* other comprehensive income, net of taxes	-	-	-	-	(1 167)	2 040	-	-	873	-	873
Transfer to retained earnings	-	-	-	(214)	(42)	-	-	256	-	-	-
Balance at 30 September 2022	134 798	(52 203)	68 628	36 574	435	2 722	12 488	506 885	710 327	11 420	721 747

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