

Board of Directors:	Ognian Donev, PhD Vessela Stoeva Alexandar Tchaoushev Bissera Lazarova Ivan Badinski
Executive Director:	Ognian Donev, PhD
Procurators:	Simeon Donev
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:	KBS Bank DSK Bank EAD Eurobank and FG Bulgaria AD ING Bank N.V. UniCredit AD Citibank N.A. Municipal Bank AD
Auditor:	Baker Tilly Klitou and Partners OOD

SOPHARMA GROUP
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the six-month period ending 30 September 2023

	Notes	1 January - 30 September 2023 BGN'000	1 January - 30 September 2022 BGN'000
Revenue from contracts with customers	3	1,374,982	1,218,800
Other operating income / (losses), net	4	13,000	9,171
Changes in inventories of finished goods and work in progress		4,706	9,601
Raw materials and consumables used	5	(76,967)	(72,488)
Hired services expense	6	(60,305)	(50,097)
Employee benefits expense	7	(124,593)	(108,540)
Depreciation and amortization expense	14,15	(42,181)	(38,635)
Carrying amount of goods sold		(1,004,649)	(891,664)
Other operating expenses	8	(3,889)	(11,132)
Profit from operations		80,104	65,016
Impairment of non-current assets outside the scope of IFRS 9		(1,726)	-
Finance income	10	2,581	2,864
Finance costs	11	(9,589)	(6,860)
Finance income/(costs), net		(7,008)	(3,996)
Profit from associates and joint ventures, net	12	18,305	17,808
Profit before tax		89,675	78,828
Income tax expense		(8,746)	(6,572)
Net profit for the period		80,929	72,256
Other components of comprehensive income:			
<i>Items that will not be reclassified to profit or loss:</i>			
Subsequent revaluations of property, plant and equipment		32	-
Subsequent evaluations of defined benefit plans доходи		(14)	-
Net change in fair value of other long-term equity investments	13	168	(1,167)
Income tax related to components of other comprehensive income that will not be reclassified		(3)	-
		183	(1,167)
<i>Components that can be reclassified to profit or loss:</i>			
Exchange rate differences from translation of foreign operations		328	(3,260)
Share of other comprehensive income of associates		6,530	5,300
		6,858	2,040
Other comprehensive income for the period, net of tax	13	7,041	873
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		87,970	73,129
Net profit for the year attributable to:			
a The owners of the company - mother		77,741	67,884
Non-controlling interest		3,188	4,372
Total comprehensive income for the period relating to:			
The owners of the company - mother		84,781	68,757
Non-controlling interest		3,189	4,372
Basic net profit per share	BGN	0.64	0.56
Net earnings per diluted share	BGN	0.60	0.57

SOPHARMA GROUP
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

The notes on pages 5 to 141 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 30 September 2023**

	Notes	30 June 2023 BGN'000	31 December 2022 BGN'000
ASSETS			
Non-current assets			
Property, plant and equipment	14	363,220	376,407
Intangible assets	15	45,350	48,151
Goodwill	15	3,533	3,522
Investment properties	16	10,752	10,568
Investments in associated and joint ventures	17	223,598	162,844
Other long - term equity investments	18	2,482	4,778
Long-term receivables from related parties	19	51,553	67,471
Other long-term receivables	20	7,723	5,694
Deferred tax assets		1,872	2,052
		710,083	681,487
Current assets			
Inventories	21	311,599	278,583
Commercial receivables	22	272,688	224,442
Receivables from related parties	23	14,952	12,909
Other short-term receivables and assets	24	112,825	36,702
Cash and cash equivalents	25	17,427	19,855
		729,491	572,491
TOTAL ASSETS		1,439,574	1,253,978
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		134,798	134,798
Reserves		48,322	47,503
Other capital components (reserve for issued warrants)		12,479	12,488
Retained earnings		520,824	509,869
	26	716,423	704,658
Non-controlling interests		14,962	11,976
TOTAL EQUITY	26	731,385	716,634
LIABILITIES			
Non-current liabilities			
Long-term bank loans	27	37,766	27,759
Deferred tax liabilities		5,392	6,397
Long-term liabilities to related parties	28	17,540	24,494
Long-term payables to personnel	29	6,745	6,541
Lease liabilities	30	53,778	52,058
Government grants	31	5,076	6,155
Other non-current liabilities	32	6,595	6,594
		132,892	129,998
Current liabilities			
Short-term bank loans	33	278,589	158,355
Short-term part of long-term bank loans	27	7,315	9,758
Trade payables	34	154,254	175,567
Payables to related parties	35	53,513	4,904
Factoring agreement liabilities	36	-	1,875
Short-term part of leasing liabilities	30	12,998	12,874
Payables to personnel and social security	37	21,307	21,780
Tax payables	38	8,396	8,436
Other current liabilities	39	38,925	13,797
		575,297	407,346
TOTAL LIABILITIES		708,189	537,344
TOTAL EQUITY AND LIABILITIES		1,439,574	1,253,978

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Lyudmila Bondzhova

SOPHARMA GROUP

CONSOLIDATED STATEMENT OF CASH FLOWS

for the six-month period ending 30 September 2023

	Notes	1 January - 30 September 2023 BGN'000	1 January - 30 September 2022 BGN'000
Cash flows from operating activities			
Revenue from contracts with customers		1,537,592	1,365,498
Payments to suppliers		(1,350,059)	(1,166,895)
Payments for wages and social security		(123,182)	(104,675)
Taxes paid (profit tax excluded)		(48,393)	(51,177)
Taxes refunded (profit tax excluded)		4,041	5,940
Income taxes paid		(8,506)	(4,758)
Income taxes refunded		-	49
Interest and bank charges paid on working capital loans		(6,947)	(4,341)
Exchange rate differences, net		(954)	(1,200)
Other proceeds/(payments), net		(74,220)	(1,785)
Net cash flows used in operating activities		(70,628)	36,656
Cash flows from investing activities			
Purchases of property, plant and equipment		(19,473)	(12,187)
Proceeds from sales of property, plant and equipment		7,736	1,335
Purchases of intangible assets		(4,956)	(2,926)
Purchases of capital investments		(13,439)	(486)
Proceeds from sale of capital investments		440	599
Dividend income from investments in associates		1,488	1,215
Dividend income from other long-term capital investments		26	33
Payments for acquisition of subsidiaries, net of cash received		(8,178)	-
Proceeds from release of subsidiaries, net of cash provided		-	417
Purchases of investments in associated companies and joint ventures		(21,947)	(5,265)
Proceeds from sale of investments in associates and joint ventures		70	-
Proceeds/(payments) from non-controlling interest transactions, net		(419)	(8,411)
Предоставени заеми на свързани предприятия		(4,350)	(1,500)
Reimbursed loans granted to related enterprises		19,039	684
Loans granted to other enterprises		(4,696)	(6)
Reimbursed loans to other businesses		-	3
Received interest on loans and deposits		2,418	905
Proceeds from suretyship fees		-	12
Net cash flows from / (used in) investment activities		(46,241)	(25,578)
Cash flows from financial activities			
Proceeds from short-term bank loans (including increases in overdrafts)		136,582	-
Repayment of short-term bank loans (including decreases in overdrafts)		(1,185)	(38,838)
Proceeds from long-term bank loans		-	4,842
Repayment of long-term bank loans		(7,316)	(8,492)
Proceeds under factoring agreement		700	25,800
Interest paid under factoring agreement		(71)	(56)
Interest and charges paid under investment purpose loans		(304)	(263)
Lease payments		(13,986)	(12,086)
Own shares repurchased		-	(1,919)
Dividends paid		(10)	(8)
Government grants		36	17
Постъпления от продадени права по варианти		-	103
Плащания, свързани с други капиталови компоненти (варианти)		(9)	(24)
Net cash flows from financial activities		114,437	(30,924)
Net increase/(decrease) in cash and cash equivalents		(2,432)	(19,846)
Cash and cash equivalents at 1 January		19,851	37,717
Cash and cash equivalents at 30 September	25	17,419	17,871

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SOPHARMA GROUP
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the six-month period ending 30 September 2023

Attributable to owners of the parent company										Non-controlling interest	Total Equity	
Notes	Share capital	Own shares repurchased	Statutory reserves	Revaluation reserve - property, machinery and equipment	Reserve for financial assets at fair value through other comprehensive income	Reserve from recalculations of foreign operations in the presentation currency	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 2022	26	134,798	(50,284)	66,201	36,788	1,644	682	12,512	444,634	646,975	11,893	658,868
Changes in equity for 2022												
Effect of treasury shares acquisition		-	(1,919)	-	-	-	-	-	-	(1,919)	-	(1,919)
Effects of sold rights under issued warrants		-	-	-	-	-	-	103	103	-	-	103
Other capital components, including:		-	-	-	-	-	-	-	-	-	-	-
* transaction costs		-	-	-	-	-	(24)	-	(24)	-	-	(24)
		-	-	-	-	-	(24)	-	(24)	-	-	(24)
Profit sharing for:												
* statutory reservations		-	-	2,427	-	-	-	(2,427)	-	-	-	-
		-	-	2,427	-	-	-	(2,427)	-	-	-	-
Effects assumed by non-controlling interests on:		-	-	-	-	-	-	(3,565)	(3,565)	(4,845)	(8,410)	(8,410)
* increase in the interest in subsidiaries		-	-	-	-	-	-	(3,565)	(3,565)	(4,845)	(8,410)	(8,410)
Total comprehensive income for the period, including:		-	-	-	-	(1,167)	2,040	-	67,884	68,757	4,372	73,129
* net profit for the period		-	-	-	-	-	-	-	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	26	134,798	(52,203)	68,628	36,574	435	2,722	12,488	506,885	710,327	11,420	721,747
Balance at 1 January 2023		134,798	(52,203)	68,628	35,263	560	(4,745)	12,488	509,869	704,658	11,976	716,634
Changes in equity for 2023												
Restructuring effects		-	3	-	(131)	-	-	-	94	(34)	34	-
Other capital components, including:		-	-	-	-	-	-	(9)	-	(9)	-	(9)
* transaction costs		-	-	-	-	-	-	(9)	-	(9)	-	(9)
Profit sharing for:		-	-	-	-	-	-	-	(40,187)	(40,187)	-	(40,187)
* dividends		-	-	-	-	-	-	-	(40,187)	(40,187)	-	(40,187)
Allocation of accumulated profits from previous years to:		-	-	-	-	-	-	-	(32,604)	(32,604)	-	(32,604)
* dividends		-	-	-	-	-	-	-	(32,604)	(32,604)	-	(32,604)
Effects assumed by the non-controlling interest on:		-	-	-	-	-	-	-	(182)	(182)	(237)	(419)
* increase in holdings in subsidiaries		-	-	-	-	-	-	-	(182)	(182)	(237)	(419)
Total comprehensive income for the period, incl:		-	-	-	29	168	6,857	-	77,727	84,781	3,189	87,970
* net profit for the period		-	-	-	-	-	-	-	77,741	77,741	3,188	80,929
* other components of comprehensive income, net of taxes		-	-	-	29	168	6,857	-	(14)	7,040	1	7,041
Transfer to retained earnings		-	-	-	(4,229)	(1,878)	-	-	6,107	-	-	-
		-	-	-	(4,229)	(1,878)	-	-	-	-	-	-
Balance at 30 September 2023	26	134,798	(52,200)	68,628	30,932	(1,150)	2,112	12,479	520,824	716,423	14,962	731,385

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