

## **Additional information under art. 12, par. 1, item 4 of Ordinance №2 from 09 November 2021 of Sopharma Group as at 31 December 2022**

### ***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 2022 – 31 December 2022.

### ***2. Information about changes in the economic group of the issuer as at 31 December 2022:***

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 31 December 2022 the tangible fixed assets of the company include:

As at 31 December the lands and buildings of the Company are as follows:

- Buildings with carrying amount of BGN 183,534 thousand (31.12.2021: BGN 166,135 thousand);
- Land of BGN 60,252 thousand (31.12.2021: BGN 60,904 thousand).

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

- Expenses on new buildings construction – BGN 1,580 thousand (31 December 2021: BGN 909 thousand);
- Buildings reconstruction – BGN 649 thousand (31 December 2021: BGN 1,278 thousand);
- Supply of equipment – BGN 499 thousand (31 December 2021: BGN 41 thousand);
- Expenses for acquisition of biological assets – none (31 December 2021: BGN 138 thousand);
- Advances granted – BGN 2,619 thousand (31 December 2021: BGN 2,258 thousand);
- Other – BGN 166 thousand (31 December 2021: BGN 174 thousand).

*This is a translation from Bulgarian of the Consolidated financial statements of Sopharma Group  
from 01.01.2022 to 31.12.2022.*

*In case of divergence Bulgarian text should prevail.*

The total cash outflow from leases in 2022 amounts to BGN 16,032 thousand (2021: BGN 20,477 thousand).

As at 31 December 2022, the Group has leased tangible fixed assets to third parties with a carrying amount of BGN 1,465 thousand (31 December 2021: BGN 1,294 thousand).

As at 31 December 2022 Property, plant and equipment include right-of-use assets with carrying amounts respectively: in the group of “land and buildings” – BGN 78,400 thousand (31 December 2021: BGN 48,126 thousand), within “others” – BGN 6,486 thousand (31 December 2021: BGN 6,297 thousand). Right-of-use assets are disclosed in detail in Note 31.

Other long-term equity investments include shares in the following companies:

	<b>Country</b>	<b>31.12.2022</b>	<b>Interest</b>	<b>31.12.2021</b>	<b>Interest</b>
		<b>BGN '000</b>	<b>%</b>	<b>BGN '000</b>	<b>%</b>
<b>Traded securities</b>					
Lavena AD	Bulgaria	3,788	13.22	4,919	13.23
Chimimport AD	Bulgaria	367	0.19	548	0.27
Bulgarian Stock Exchange AD	Bulgaria	202	0.34	-	-
MFG Invest AD	Bulgaria	169	0.46	-	-
Sopharma Buildings REIT	Bulgaria	111	10.25	85	10.25
Achieve Life Sciences Inc. – USA	USA	8	0.01	23	0.02
Central Cooperative Bank AD	Bulgaria	-	-	70	0.06
		<b>4,645</b>		<b>5,645</b>	
<b>Non-traded securities</b>					
Balkanpharma Razgrad AD	Bulgaria				
Imventure 1 KDA	Bulgaria	70	-	70	-
Other		50	1.36	50	1.36
		<b>13</b>	<b>-</b>	<b>13</b>	<b>-</b>
<b>Total</b>		<b>133</b>		<b>133</b>	

As at 31 December 2022, within “others” are stated long-term equity investments at the amount of BGN 13 thousand (31 December 2021: BGN 13 thousand) in Group’s non-controlling interest in a total of four companies (31 December 2021: 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**

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**those voting rights for the period from the beginning of the current financial year to the end of the reporting period:**

SHAREHOLDERS	31.12.2022		31.12.2021	
	Shares	%	Shares	%
„Donev Investments Holding“ AD, UIC 831915121, Sofia, Positano Str. №12	37 600 000	27.89%	35 559 169	27.86%
„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%
“Telso” AD, UIC 131176385 Sofia, Positano Str. №12	6 935 350	5.14%	6 561 144	4.87%
“Sopharma” AD, UIC 831902088 Sofia, Iliensko Shosse Str. №16	13 479 188	10.00%	13 055 000	9.68%

**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	31.12.2022 Number of shares	31.12.2021 Number of shares
1. Ognian Ivanov Donev	6 608 350	6 608 350
2. Vessela Liubenova Stoeva	150	150
3. Bissera Nikolaeva Lazarova	-	-
4. Alexander Viktorov Tchaoushev	262 442	262 442
5. Ivan Venetskov Badinski	2 030	350
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:**

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The information is contained in Note 19, 20 and 23 to the preliminary annual consolidated financial statements.

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