

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 year ending on 31 December 2022

	Notes	2022 BGN'000	2021 BGN'000
Revenue from contracts with customers	3	1 662 992	1 603 310
Other operating income / (losses), net	4	13 650	13 830
Changes in inventories of finished goods and work in progress		10 081	(8 721)
Raw materials and consumables used	5	(99 040)	(83 122)
Hired services expense	6	(69 941)	(75 927)
Employee benefits expense	7	(147 638)	(150 061)
Depreciation and amortization expense	15, 16	(52 068)	(53 187)
Carrying amount of goods sold		(1 214 227)	(1 166 508)
Other operating expenses	8	<u>(14 242)</u>	<u>(16 095)</u>
Profit from operations		<u>89 567</u>	<u>63 519</u>
Impairment of non-current assets outside the scope of IFRS 9		<u>(20 783)</u>	<u>(10 476)</u>
Finance income	11	3 233	6 632
Finance costs	12	<u>(8 950)</u>	<u>(11 797)</u>
Finance income/(costs), net		<u>(5 717)</u>	<u>(5 165)</u>
Profit from associates and joint ventures, net	13	22 504	12 092
Profit from acquisition and disposal of subsidiaries		<u>1 456</u>	<u>37 604</u>
Profit before tax		<u>87 027</u>	<u>97 574</u>
Income tax expense		<u>(9 153)</u>	<u>(5 871)</u>
Net profit for the period		<u>77 874</u>	<u>91 703</u>
Other components of comprehensive income:			
<i>Items that will not be reclassified to profit or loss:</i>			
Subsequent valuations of property, plant and equipment		(991)	10 616
Subsequent valuations of defined benefit pension plan liabilities		1 472	(25)
Net change in the fair value of other long-term equity investments	14	(1 047)	(355)
Income tax related to components of other comprehensive income that will not be reclassified		<u>99</u>	<u>(1 150)</u>
		<u>(467)</u>	<u>9 086</u>
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations		(4 644)	(799)
Share of other comprehensive income of associates		<u>(799)</u>	<u>3 708</u>
Other comprehensive income for the period, net of tax	14	<u>(5 443)</u>	<u>2 909</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>71 964</u>	<u>103 698</u>
Net profit for the year attributable to:			
Equity holders of the parent		72 554	89 496
Non-controlling interests		5 320	2 207
Total comprehensive income for the year attributable to:			
Equity holders of the parent		66 499	101 970
Non-controlling interests		5 465	1 728
Basic net profit per share	BGN	0,60	0,71
Net earnings per diluted share	BGN	0,58	-

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

SOPHARMA GROUP
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Preparer:

Lyudmila Bondzhova

SOPHARMA GROUP
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
for the year ending on 31 December 2022

	Notes	31 December 2022 BGN'000	31 December 2021 BGN'000
ASSETS			
Non-current assets			
Property, plant and equipment	15	376 263	362 393
Intangible assets	16	48 151	54 421
Goodwill	16	3 522	13 420
Investment properties	17	10 568	9 446
Investments in associated and joint ventures	18	162 704	127 320
Other long - term equity investments	19	4 778	5 778
Long-term receivables from related parties	20	63 714	49 696
Other long-term receivables	21	6 153	10 222
Deferred tax assets		1 569	1 050
		677 422	633 746
Current assets			
Inventories	22	279 086	255 949
Commercial receivables	23	226 100	227 832
Receivables from related parties	24	16 595	14 479
Other short-term receivables and assets	25	36 740	35 250
Cash and cash equivalents	26	19 856	37 722
		578 377	571 232
TOTAL ASSETS		1 255 799	1 204 978
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		134 798	134 798
Reserves		47 502	55 031
Other capital components (reserve for issued warrants)		12 488	12 512
Retained earnings		511 285	444 634
	27	706 073	646 975
Non-controlling interests		12 057	11 893
TOTAL EQUITY	27	718 130	658 868
LIABILITIES			
Non-current liabilities			
Long-term bank loans	28	39 488	42 907
Deferred tax liabilities		5 831	8 472
Long-term liabilities to related parties	29	24 137	10 210
Long-term payables to personnel	30	6 556	7 622
Lease liabilities	31	52 346	38 589
Government grants	32	6 155	6 783
Other non-current liabilities	33	6 594	7 635
		141 107	122 218
Current liabilities			
Short-term bank loans	34	146 629	217 392
Short-term part of long-term bank loans	28	9 754	9 467
Trade payables	35	176 555	143 480
Payables to related parties	36	4 782	3 700
Factoring agreement liabilities	37	1 875	6 370
Short-term part of leasing liabilities	31	12 912	11 583
Payables to personnel and social security	38	21 293	17 888
Tax payables	39	8 489	7 039
Other current liabilities	40	14 273	6 973
		396 562	423 892
TOTAL LIABILITIES		537 669	546 110
TOTAL EQUITY AND LIABILITIES		1 255 799	1 204 978

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 CASH FLOWS
for the year ending on 31 December 2022

	Notes	2022 <i>BGN'000</i>	2021 <i>BGN'000</i>
Cash flows from operating activities			
Revenue from contracts with customers		1 930 324	1 656 161
Payments to suppliers		(1 603 663)	(1 504 805)
Payments for wages and social security		(141 810)	(146 239)
Taxes paid (profit tax excluded)		(65 217)	(74 454)
Taxes refunded (profit tax excluded)		8 796	9 434
Income taxes paid		(9 905)	(7 937)
Income taxes refunded		49	43
Interest and bank charges paid on working capital loans		(5 921)	(6 600)
Exchange rate differences, net		(1 599)	(548)
Other proceeds/(payments), net		(1 455)	(1 018)
Net cash flows used in operating activities		109 599	(75 963)
Cash flows from investing activities			
Purchases of property, plant and equipment		(19 084)	(20 349)
Proceeds from sales of property, plant and equipment		1 922	1 055
Purchases of intangible assets		(4 135)	(6 761)
Purchased of investment property		-	1 952
Proceeds from sales of investment property		(675)	(22 338)
Purchases of shares in associates		628	2 040
Proceeds from sale of shares in associates		(2 338)	(2 338)
Purchases of equity investments		1 215	-
Proceeds from sales of equity investments		33	451
Purchases of shares and stakes in subsidiaries		399	(1 152)
Proceeds from sale of shares and stakes in subsidiaries		(16 480)	(20 800)
Loans granted to related parties		-	213
Loan repayments by related parties		(10 860)	(8 421)
Loans granted to other companies		(13 500)	(8 010)
Interest received on loans granted		684	10 795
Dividend proceeds from investments in subsidiaries		(1 962)	(1 367)
Dividend proceeds from investments in associates		4	4 129
Dividend proceeds from long-term capital investments		965	2 806
Interest received on granted loans		-	-
Proceeds from charges under guarantees		13	30
Net cash flows from / (used in) investment activities		(63 171)	(68 065)
Cash flows from financial activities			
Proceeds from short-term bank loans (including increases in overdrafts)		12	19 554
Repayment of short-term bank loans (including decreases in overdrafts)		(83 321)	(27 145)
Proceeds from long-term bank loans		18 999	16 834
Repayment of long-term bank loans		(12 616)	(19 405)
Loans received from related parties		-	-
Proceeds under factoring agreement		30 950	193 905
Interest paid under factoring agreement		(114)	(568)
Interest and charges paid under investment purpose loans		(354)	(1 994)
Lease payments		(16 032)	(20 477)
Treasury shares		(1 919)	(16 628)
Dividends paid		(11)	(63)
Government grants		34	81
Proceeds / (payments), net, related to other capital components (warrants)		79	12 512
Net cash flows from financial activities		(64 293)	156 606
Net increase/(decrease) in cash and cash equivalents		(17 865)	12 578
Cash and cash equivalents at 1 January		37 717	25 139
Cash and cash equivalents at 31 December	26	19 852	37 717

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