

**Additional information under art. 12, par. 1, item 4  
of Ordinance №2 from 09 November 2021 of  
“Sopharma” AD 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 individual financial statements of “Sopharma” AD 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 on 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 individual financial statements in the notes to the individual 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 87,699 thousand (31.12.2021: BGN 75,383 thousand);
- Land of BGN 48,385 thousand (31.12.2021: BGN 43,388 thousand).

The company's other tangible fixed assets as at 31 December include:

- Vehicles with carrying amount of BGN 2,626 thousand (31.12.2021: BGN 2,489 thousand);
- Inventory with carrying amount of BGN 1,283 thousand (31.12.2021: BGN 1,462 thousand);
- Biological assets (carriers) with carrying amount of BGN 525 thousand (31.12.2021: BGN 416 thousand).

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

- Advances granted for the purchase of machinery and equipment – BGN 2,366 thousand (31 December 2021: BGN 1,978 thousand);
- Expenses on new buildings construction - BGN 1,495 thousand (31.12.2021: BGN 909 thousand);
- Reconstruction of buildings - BGN 511 thousand. (31.12.2021: BGN 1,001 thousand);
- Biological assets (unfruitful) - BGN 138 thousand (31.12.2021: BGN 138 thousand);
- Other - BGN 428 thousand (31.12.2021: BGN 144 thousand).

As at 31 December the carrying amount of property, plant and equipment includes machinery and equipment, purchased using grant agreements under Operational Programme "Development of the Competitiveness of the Bulgarian Economy 2007–2013" and operational program "Energy Efficiency" (*Note 31*), as follows:

- for tablet production facility at the amount of BGN 6,021 thousand (31.12.2021: BGN 6,798 thousand);
- for ampoule production at the amount of BGN 3,032 thousand (31.12.2021: BGN 3,436 thousand);
- exchange installations for ventilation and climatization for the production of medical products at the amount of BGN 474 thousand (31.12.2021: BGN 534 thousand);
- for the production of innovative "artificial tears" eye drops of value BGN 133 thousand (31.12.2021: BGN 159 thousand).

The carrying amount of the investments by company is as follows:

|                                |            | <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>        |
| "Sopharma Trading" AD          | Bulgaria   | 63,248            | 87.25           | 52,428            | 81.34           |
| "Sopharma Ukraine" EOOD        | Ukraine    | 9,669             | 100.00          | 9,669             | 100.00          |
| "Biopharm Engineering" AD      | Bulgaria   | 7,111             | 97.15           | 7,111             | 97.15           |
| "Veta Pharma" AD               | Bulgaria   | 6,754             | 99.98           | 6,754             | 99.98           |
| "Vitamini" AD                  | Ukraine    | 1,283             | 100.00          | 1,283             | 100.00          |
| "Pharmalogistica" AD           | Bulgaria   | 961               | 89.39           | 961               | 89.39           |
| "Sopharma Kazakhstan" EOOD     | Kazakhstan | 502               | 100.00          | 502               | 100.00          |
| "Electroncommerce" EOOD        | Bulgaria   | 384               | 100.00          | 384               | 100.00          |
| "Sopharma Warsaw" EOOD         | Poland     | 323               | 100.00          | 323               | 100.00          |
| "Rap Pharma International" OOD | Moldova    | -                 | -               | 1,183             | 80.00           |
| <b>Total</b>                   |            | <b>90,235</b>     |                 | <b>80,598</b>     |                 |

**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**

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**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:**

| SHAREHOLDERS                                                               | 31.12.2022 |        | 31.12.2021 |        |
|----------------------------------------------------------------------------|------------|--------|------------|--------|
|                                                                            | Shares     | %      | Shares     | %      |
| „Donev Investments Holding“ AD,<br>UIC 831915121, Sofia, Positano Str. №12 | 37 600 000 | 27.89% | 35 559 169 | 27.86% |
| „Telecomplect Invest“ AD,<br>UIC 201653294, Sofia, Slaveikov Square № 9    | 27 881 287 | 20.68% | 27 881 287 | 20.68% |
| CUPF „Alianz Bulgaria“,<br>UIC 130477720 Sofia, Damyan Gruev Str.<br>№42   | 7 054 547  | 5.23%  | 7 054 547  | 5.23%  |
| “Telso” AD<br>UIC 131176385 Positano Str. №12                              | 6 935 350  | 5.14%  | 6 561 144  | 4.87%  |
| “Sopharma” AD,<br>UIC 831902088 Sofia, Iliensko Shosse Str.<br>№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 | 30.09.2022       | 31.12.2021       |
|-----------------------------------|------------------|------------------|
|                                   | Number of shares | 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          |

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|                            |         |         |
|----------------------------|---------|---------|
| 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:**

The information is contained in Note 18, 19, 21 and 23 to the preliminary annual financial statements.

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