

<b>Board of Directors:</b>	<b>Ognian Donev, PhD Vessela Stoeva Alexandar Tchaoushev Bissera Lazarova Ivan Badinski</b>
<b>Executive Director:</b>	<b>Ognian Donev, PhD</b>
<b>Procurators:</b>	<b>Simeon Donev</b>
<b>Finance Director:</b>	<b>Boris Borisov</b>
<b>Preparer:</b>	<b>Lyudmila Bondzhova</b>
<b>Head of Legal Department:</b>	<b>Alexandar Yotov</b>
<b>Address of Management:</b>	<b>Sofia 16, Iliensko Shosse Str.</b>
<b>Lawyers:</b>	<b>Ventsislav Stoev</b>
<b>Servicing Banks:</b>	<b>KBS Bank DSK Bank EAD Eurobank and FG Bulgaria AD ING Bank N.V. UniCredit AD Citibank N.A. Municipal Bank AD</b>
<b>Auditor:</b>	<b>Baker Tilly Klitou and Partners OOD</b>

**SOPHARMA GROUP**
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
**for the period ending December 31, 2023**

	Notes	2023 BGN'000	2022 BGN'000
Revenue from contracts with customers	3	1 874 422	1 663 016
Other operating income / (losses), net	4	20 969	13 042
Changes in inventories of finished goods and work in progress		12 868	9 713
Raw materials and consumables used	5	(103 841)	(99 129)
Hired services expense	6	(87 528)	(70 126)
Employee benefits expense	7	(170 712)	(147 829)
Depreciation and amortization expense	15, 16	(55 882)	(52 099)
Carrying amount of goods sold		(1 378 539)	(1 214 333)
Other operating expenses	8	(14 218)	(14 374)
<b>Profit from operations</b>		<b>97 539</b>	<b>87 881</b>
Impairment of non-current assets outside the scope of IFRS 9		(1 890)	(20 783)
Finance income	11	4 404	3 304
Finance costs	12	(13 895)	(9 417)
<b>Finance income/(costs), net</b>		<b>(9 491)</b>	<b>(6 113)</b>
Profit from associates and joint ventures, net	13	24 740	22 635
Profit/(Loss) on acquisition and disposal of and from subsidiaries		0	1456
<b>Profit before tax</b>		<b>110 898</b>	<b>85 076</b>
Income tax expense		(11 821)	(8 743)
<b>Net profit for the period</b>		<b>99 077</b>	<b>76 333</b>
<b>Other components of comprehensive income:</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Subsequent revaluations of property, plant and equipment		33	(991)
Subsequent evaluations of defined benefit plans		(1 475)	1 498
Net change in fair value of other long-term equity investments	14	1 766	(1 047)
Income tax related to components of other comprehensive income that will not be reclassified		(3)	99
		<b>321</b>	<b>(441)</b>
<i>Components that can be reclassified to profit or loss:</i>			
Exchange rate differences from translation of foreign operations		(1 325)	(4 637)
Share of other comprehensive income of associates		4 897	(790)
<b>Other comprehensive income for the period, net of tax</b>	14	<b>3 572</b>	<b>(5 427)</b>
		<b>3 893</b>	<b>(5 868)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>102 970</b>	<b>70 465</b>
<b>Net profit for the year attributable to:</b>			
The owners of the parent company		95 207	71 121
Non-controlling interest		3 870	5 212
<b>Total comprehensive income for the period relating to:</b>			
The owners of the parent company		99 183	65 110

**SOPHARMA GROUP****CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

---

Non-controlling interest

3 787 5 355

Basic net profit per share

**BGN 0.73 0.59**

Net earnings per diluted share

**BGN 0.68 0.57**

*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 period ending December 31, 2023

	Notes	December 31, 2023 BGN'000	December 31, 2023 BGN'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	15	357 363	376 407
Intangible assets	16	57 720	48 151
Goodwill	16	3 439	3 522
Investment properties	17	11 198	10 568
Investments in associated and joint ventures	18	231 563	162 844
Other long - term equity investments	19	3 942	4 778
Long-term receivables from related parties	20	53 353	67 471
Other long-term receivables	21	7 133	5 694
Deferred tax assets		2 287	2 052
		<b>727 998</b>	<b>681 487</b>
<b>Current assets</b>			
Inventories	22	331 438	278 583
Commercial receivables	23	268 949	224 442
Receivables from related parties	24	14 905	12 909
Other short-term receivables and assets	25	37 719	36 702
Cash and cash equivalents	26	128 883	19 855
		<b>781 894</b>	<b>572 491</b>
<b>TOTAL ASSETS</b>		<b>1 509 892</b>	<b>1 253 978</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		172 591	134 798
Reserves		158 182	47 503
Other capital components (reserve for issued warrants)		11 697	12 488
Retained earnings	27	395 069	509 869
		<b>737 539</b>	<b>704 658</b>
<b>Non-controlling interests</b>		<b>15 269</b>	<b>11 976</b>
<b>TOTAL EQUITY</b>	27	<b>752 808</b>	<b>716 634</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term bank loans	28	55 529	27 759
Deferred tax liabilities		3 670	6 397
Long-term liabilities to related parties	29	16 914	24 494
Long-term payables to personnel	30	8 352	6 541
Lease liabilities	31	54 435	52 058
Government grants	32	4 931	6 155
Other non-current liabilities	33	5 543	6 594
		<b>149 374</b>	<b>129 998</b>
<b>Current liabilities</b>			
Short-term bank loans	34	200 478	158 355
Short-term part of long-term bank loans	28	7 024	9 758
Trade payables	35	188 190	175 567
Payables to related parties	36	101 048	4 904
Factoring agreement liabilities	37	-	1 875
Short-term part of leasing liabilities	31	13 431	12 874
Payables to personnel and social security	38	24 336	21 780
Tax payables	39	10 244	8 436
Other current liabilities	40	62 959	13 797
		<b>607 710</b>	<b>407 346</b>
<b>TOTAL LIABILITIES</b>		<b>757 084</b>	<b>537 344</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1 509 892</b>	<b>1 253 978</b>

The notes on pages 5 to 142 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 period ending December 31, 2023**

	Notes	2023 BGN'000	2022 BGN'000
<b>Cash flows from operating activities</b>			
Revenue from contracts with customers		2 131 046	1 930 323
Payments to suppliers		(1 832 583)	(1 603 177)
Payments for wages and social security		(165 524)	(141 810)
Taxes paid (profit tax excluded)		(65 713)	(65 217)
Taxes refunded (profit tax excluded)		5 933	8 796
Income taxes paid		(13 416)	(9 905)
Income taxes refunded		-	49
Interest and bank charges paid on working capital loans		(10 147)	(5 921)
Exchange rate differences, net		(1 658)	(1 599)
Other proceeds/(payments), net		(2 905)	(1 457)
<b>Net cash flows used in operating activities</b>		<b>45 033</b>	<b>110 082</b>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment		(24 390)	(19 347)
Proceeds from sales of property, plant and equipment		15 029	1 923
Purchases of intangible assets		(18 897)	(4 309)
Purchases of capital investments		(13 440)	(675)
Proceeds from sale of capital investments		578	628
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		(9 347)	(2 338)
Proceeds from release of subsidiaries, net of cash provided		-	399
Purchases of investments in associated companies and joint ventures		(27 933)	(16 480)
Proceeds from sale of investments in associates and joint ventures		2 845	-
Proceeds/(payments) from non-controlling interest transactions, net		(903)	(10 859)
Предоставени заеми на свързани предприятия		(5 689)	(13 500)
Reimbursed loans granted to related enterprises		19 039	684
Loans granted to other enterprises		(4 696)	(1 962)
Reimbursed loans to other businesses		-	4
Received interest on loans and deposits		3 440	965
Proceeds from suretyship fees		-	13
<b>Net cash flows from / (used in) investment activities</b>		<b>(62 850)</b>	<b>(63 606)</b>
<b>Cash flows from financial activities</b>			
Proceeds from short-term bank loans (including increases in overdrafts)		43 371	12
Repayment of short-term bank loans (including decreases in overdrafts)		(1 187)	(59 072)
Proceeds from long-term bank loans		36 565	2 163
Repayment of long-term bank loans		(11 542)	(20 029)
Proceeds under factoring agreement		700	30 950
Interest paid under factoring agreement		(79)	(114)
Interest and charges paid under investment purpose loans		(379)	(354)
Proceeds from issued capital		156 084	-
Lease payments		(18 792)	(16 081)
Own shares repurchased		(5 252)	(1 919)
Dividends paid		(71 889)	(11)
Government grants		36	34
Proceeds / (payments) related to other capital components (warrants), net		(791)	79
<b>Net cash flows from financial activities</b>		<b>126 845</b>	<b>(64 342)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>109 028</b>	<b>(17 866)</b>
Cash and cash equivalents at 1 January		19 851	37 717
<b>Cash and cash equivalents at December 31, 2023</b>	27	<b>128 879</b>	<b>19 851</b>

The notes on pages 5 to 142 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 CHANGES IN EQUITY  
for the six-month period ending December 31, 2023

Приложения	Relating to the equity holders of the parent company									Non-controlling interest	Total Equity	
	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
<b>Balance at 1 January 2022</b>	27	134 798	(50 284)	66 201	36 788	1 644	682	12 512	444 634	646 975	11 893	658 868
<b>Changes in equity for 2022</b>												
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:		-	-	-	-	-	-	(24)	-	(24)	-	(24)
* transaction costs		-	-	-	-	-	-	(24)	-	(24)	-	(24)
Profit sharing for:		-	-	2 427	-	-	-	-	(2 427)	-	-	-
* statutory reservations		-	-	2 427	-	-	-	-	(2 427)	-	-	-
Effects assumed by non-controlling interests on:		-	-	-	-	-	-	-	(5 587)	(5 587)	(5 272)	(10 859)
* increase in the interest in subsidiaries		-	-	-	-	-	-	-	(5 587)	(5 587)	(5 272)	(10 859)
<b>Total comprehensive income for the period, including:</b>		-	-	-	(892)	(1 047)	(5 427)	-	72 476	65 110	5 355	70 465
* net profit for the period		-	-	-	-	-	-	-	71 121	71 121	5 212	76 333
* other comprehensive income, net of taxes		-	-	-	(892)	(1 047)	(5 427)	-	1 355	(6 011)	143	(5 868)
Transfer to retained earnings		-	-	-	(633)	(37)	-	-	670	-	-	-
<b>Balance at December 31, 2022</b>	27	134 798	(52 203)	68 628	35 263	560	(4 745)	12 488	509 869	704 658	11 976	716 634
<b>Balance at 1 January 2023</b>		134 798	(52 203)	68 628	35 263	560	(4 745)	12 488	509 869	704 658	11 976	716 634
<b>Changes in equity for 2023</b>												
Issue of capital		37 793	-	118 291	-	-	-	-	-	156 084	-	156 084
Effect of repurchased treasury shares		-	(5 252)	-	-	-	-	-	-	-	-	-
Restructuring effects		-	3	-	(131)	-	-	-	94	(34)	34	-
Other capital components, including:		-	-	-	-	-	-	(791)	-	(791)	-	(791)
* transaction costs		-	-	-	-	-	-	(791)	-	(791)	-	(791)
Allocation of accumulated profits from previous years to:		-	-	-	-	-	-	-	(138 625)	(138 625)	-	(138 625)
* Dividends from profit for 2022		-	-	-	-	-	-	-	(32 604)	(32 604)	-	(32 604)
* Six-monthly advance dividends		-	-	-	-	-	-	-	(106 021)	(106 021)	-	(106 021)
Profit sharing for:		-	-	-	-	-	-	-	(77 308)	(77 308)	-	(77 308)
* Dividends		-	-	-	-	-	-	-	(40 187)	(40 187)	-	(40 187)
* Six-monthly advance dividend sfrom profit for 2023		-	-	-	-	-	-	-	(37 121)	(37 121)	-	(37 121)
Effects assumed by the non-controlling interest on:		-	-	-	-	-	-	-	(376)	(376)	(528)	(904)
* increase in holdings in subsidiaries		-	-	-	-	-	-	-	(376)	(376)	(528)	(904)
<b>Total comprehensive income for the period, incl:</b>		-	-	-	30	1 766	3 571	-	93 816	99 183	3 787	102 970
* net profit for the period		-	-	-	-	-	-	-	95 207	95 207	3 870	99 077
* other components of comprehensive income, net of taxes		-	-	-	30	1 766	3 571	-	(1 391)	3 976	(83)	3 893
Transfer to retained earnings		-	-	-	(5 779)	(1 820)	-	-	7 599	-	-	-
<b>Balance at Декемвeр 31, 2023</b>	27	172 591	(57 452)	186 919	29 383	506	(1 174)	11 697	395 069	737 539	15 269	752 808

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