

# **„Sopharma“ AD** **Individual financial results** **for the first half of 2025**





# What we do?

„Sopharma“ AD is a leading Bulgarian pharmaceutical producer and exporter with strong regional presence. The product portfolio of the company consists of more than 200 products. The company produces and markets medicinal substances and dosage forms; conducts research, engineering and implementation activities in the field of phytochemistry, chemistry and pharmaceuticals.

The Company operates in the following areas:

- Production of pharmaceutical products including medicines, CHC products, herbal-based substances and food supplements;
- production of medical products and cosmetics, incl. - plasters, bandages, sanitary-hygiene products, herbal cosmetics;
- production and trade of veterinary-medicinal products and performance of laboratory services related to the examination of animal blood samples;
- provides services related to production, as well as to ancillary and supporting activities;

# Who are we?

## Sopharma Group

## Subsidiaries

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**Sopharma AD** – production and trade of medicinal substances (active ingredients) and medicinal forms; scientific-research and engineering-implementation activity in the field of medicinal products;

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**Sopharma Trading AD** – trade in health-related products in Bulgaria and Serbia

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**Sopharma Trading D.O.O.** – wholesale trade in medicinal products

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**Sopharmacy group** – franchising, know-how, property rental, trade and others

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**PAO Vitamini Ukraine** – production and trade of pharmaceutical products

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**Sopharma Warsaw SP. Z.O.O** – distribution of health-related products

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**OOO Sopharma Ukraine** – distribution of health-related products

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**T00 Sopharma Kazakhstan** – trade in pharmaceutical products

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**Farmahim EOOD** – consulting activity

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**Sopharma Rus OOO** – wholesale trade in pharmaceutical products and market and public opinion research

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**Pharmanova D.o.o** – production of pharmaceuticals

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**Brititrade Group Belarus** – wholesale and retail trade in pharmaceutical products, consulting activity

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**SofTech Services EOOD** – provision of software services

# Who are we?

## Sopharma Group

## Associated companies

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**Doverie Obedinen Holding AD** – acquisition, management, evaluation and sale of shares and/or shareholdings in Bulgarian and foreign companies (financial institutions, wineries, hospitals, medical centers and others)

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**Sopharma Imoti REIT** – investment of funds raised through the issuance of securities in real estate

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**Sopharma Buildings REIT** – investing money raised by issuing securities in real estate

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**ODO Alenfarm-plus** – retail trade in medicinal products.

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**ODO Medzhel** – retail trade in medicinal products.

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**OOO Galenafarm** – retail trade in medicinal products

## Joint venture

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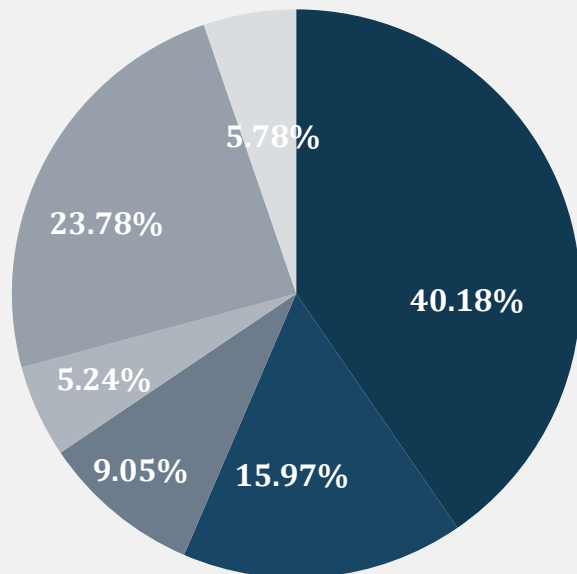
**Momina Krepost AD** – development, implementation and production of medical devices for human and veterinary medicine

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**ZAO Kompaniya Interfarm** – retail trade in medicinal products.

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# Shareholder structure as at June 30th, 2025



- "Donev Investments Holding" AD
- "Telecomplex Invest" AD
- Ognian Donev
- "Sopharma" AD (treasury shares)
- Other legal persons
- Other physical persons

## Shares held by the members of the Board of Directors as of 30.06.2025 :

- **Ognian Donev**- 16 263 700 shares, **9.05%** of capital
- **Alexander Tchaoushev** – 458 042 shares, **0.25%** of capital
- **Vessela Stoeva** – 150 shares, **0%** of the capital
- **Ivan Badinski** – 2 030 shares, **0%** of the capital
- **Bissera Lazarova** – 37 200 shares, **0.02%** of the capital

**As of June 30th, 2025 "Sopharma" AD has 9 420 082 shares**



# Board of Directors



**Ognian Donev, PhD**  
Chairman of the BoD and Executive Director

He studied in Hamburg, Vienna, and graduated in "International Economic Relations" in Sofia University of Economics. Mr. Donev obtained a Doctor's degree in Economics in 1986 in Berlin. Ognian Donev is a Executive director of "Sopharma" AD since 2000.



**Vessela Stoeva**  
Deputy-chairman of the BoD

Completes her higher education in the Economic University in Sofia with "Finance and credit". She has been an economic advisor to the CEO and Deputy-chairman of the Board of directors in "Sopharma" AD since 2000.



**Ivan Badinski**  
Member of the BoD

Mr. Badinski owns an "Organization and Economics of Distribution and Pharmacy Practice" and professional qualification as a "Health manager". In 2000 Mr. Badinski worked in the company as a director of co-operation and licenses.



**Bissera Lazarova**  
Member of the BoD

Mrs. Lazarova has completed her higher economic education, specialty "International Economic Relations" at HIE "Karl Marx" Sofia. Mrs. Lazarova's professional experience includes several management positions in the field of international trade, accounting and control, organization.



**Alexandar Tchaoushev**  
Independent Member of the BoD

He graduated from the English Language School in Sofia and later completed his higher education at the Moscow State Institute of International Relations. Mr. Chaushev is a member of the Board of Directors of "Sopharma" AD since 2011.

# Shares of “Sopharma” AD



# Data on the trading of “Sopharma” AD on the Bulgarian Stock Exchange

Volume of traded shares for the period 01.01 – 30.06.2025

Volume of traded shares  
**BGN 13 805 229**

Turnover of traded shares  
**BGN 29 819 563**

Maximum price of traded shares  
**BGN 2.40**

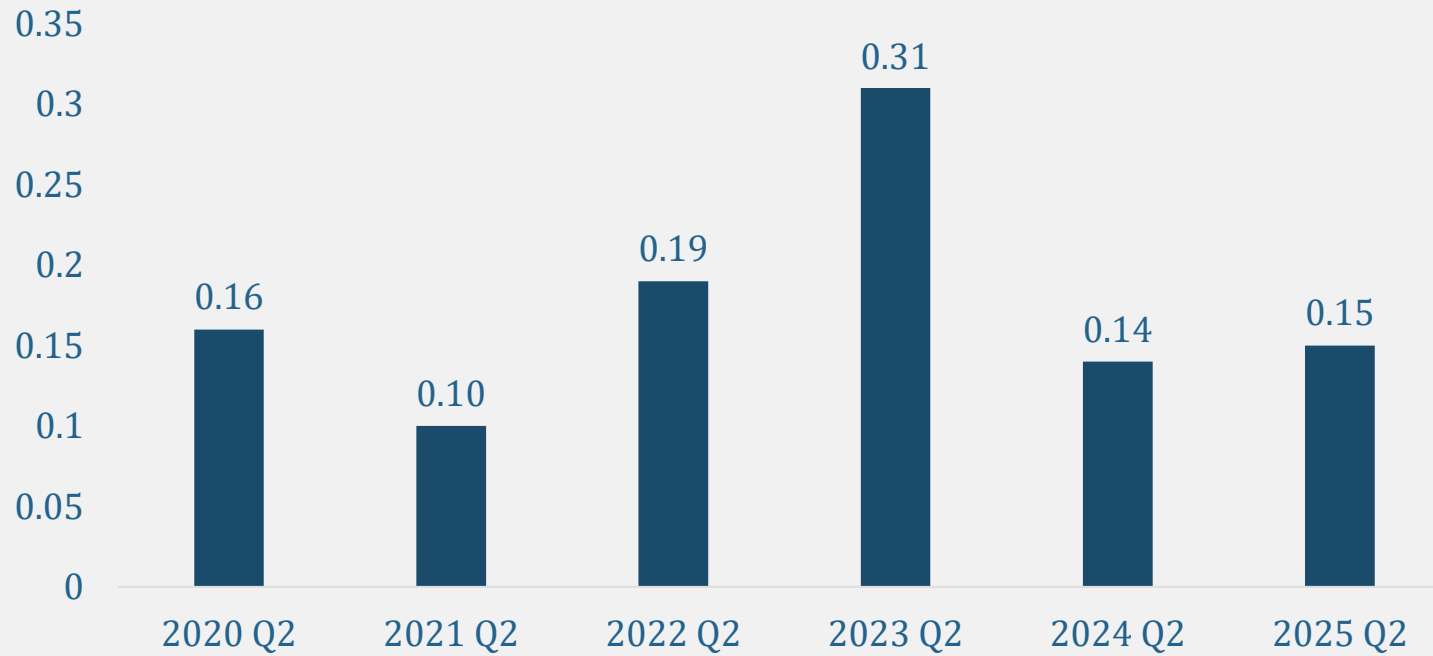
Minimum price of traded shares  
**BGN 1.84**

The shares are traded on the Bulgarian Stock Exchange, on PREMIUM Share Segment and the official market of the Warsaw Stock Exchange.



# Trading data of “Sopharma” AD on the Bulgarian Stock Exchange

## Income per share



# Dividends

History on dividends paid by the public companies in the Sopharma Group

## Dividend for 1 share in BGN

Year	“Sopharma” AD	“Sopharma Trading” AD	“Sopharma Imoti” REIT
2024	0.08	none	0.37
2024- H1	0.075	none	none
2023	0.09	none	0.160
2023-H1	0.90	none	none
2022	0.60	none	0.165
2021	none	none	0.166
2020	0.04	none	0.164

# Individual financial results for the first half of 2025



# Key financial indicators

*Revenues from contracts with customers* are from sales of manufactured medicinal products in the first six months of 2025 and increased by BGN 10.5 million, to BGN 125.7 million, compared to BGN 115.2 million in the first six months of 2024.

Indicators	30.06.2025	30.06.2024	Change
	BGN '000	BGN '000	%
Sales revenue	127 047	116 564	9.0%
EBITDA	33 931	31 887	6.4%
Operating profit	23 876	22 226	7.4%
Net profit	25 080	22 239	12.8%
CAPEX	10 743	5 698	88.5%
	30.06.2025	30.12.2024	Change
	BGN '000	BGN '000	%
Non-current assets	713 749	678 401	5.2%
Current assets	248 495	263 827	-5.8%
Owners' equity	643 575	608 557	5.8%
Non-current liabilities	125 411	51 205	144.9%
Current liabilities	193 258	282 466	-31.6%

\*acquired tangible and intangible long-term assets



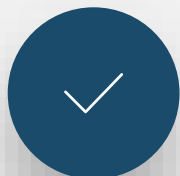
# Revenues from sales of products by market



Sales of “Sopharma” AD on the domestic market decreased by BGN 1.4 million or 2.8% in the first six months of 2025, to 47.4 million compared to BGN 48.8 million in the first six months of 2024. According to IQVIA data, at the end of the first six months of 2025 the Company occupies 1.75% (seventeenth position) on the Bulgarian pharmaceutical market in value and 6.23% (second position) of sales in volume.



Sales revenues for the first six months of 2025 for European countries increased by BGN 10.3 million or 19.6% compared to the first six months of 2024 mainly due to the increase in sales in Russia by 34%, as well as the increase in sales in Poland, Serbia and Moldova. On other traditional markets more significant change was registered in Ukraine, with sales revenue decreasing by 8%.



Revenues from other markets in the first six months of 2025 increased by BGN 1.5 million or 10.9% compared to the first six months of 2024 as a result of the increase in sales in the countries of Uzbekistan.

# Key financial indicators

Indicators	1-6/2025	1-6/2024
EBITDA/Sales revenues	29,2%	36,8%
Operating profit/Sales revenues	18,8%	19,1%
Net profit/Sales revenue	19,7%	19,1%
	<b>30.06.2025</b>	<b>31.12.2024</b>
Borrowed capital/Owners' equity	0,50	0,55
Net debt/EBITDA on annual basis*	5,0x	3,8x

\* net debt includes bank loans and leasing and factoring liabilities less cash, taking into account the effects of the adoption of IFRS 16 Leasing, effective from 1 January 2019.

# Operating expenses

For the current period, the costs for materials decrease by BGN 2.5 million compared to the first six months of 2024 due to the decrease in the costs of basic materials for production. External service costs decreased by BGN 1.7 million due to the decrease in the costs of consulting services, marketing and advertising. Personnel costs increased by BGN 1.9 million, as a result of an increase in current remunerations. Other operating expenses increased by BGN 0.6 million.

Indicators	2025	2024
	BGN'000	BGN'000
Raw materials and consumables used	(41 682)	(44 206)
Hired services expense	(24 123)	(25 774)
Employee benefits expense	(41 429)	(39 551)
Depreciation expense	(10 055)	(9 661)
Other operating expenses	(3 059)	(2 461)

# Financial income

**Financial income** increased by BGN 1.1 million to BGN 4.7 million in the first six months of 2025 due to the increase in income from equity participation.

<b>Financial income</b>	<b>2025 BGN '000</b>	<b>2024 BGN '000</b>	<b>Change %</b>
Income from equity participations	3 748	1 643	128.1%
Interest income on loans granted	301	878	-65.7%
Income from fees on guarantees provided	271	318	-14.8%
Interest income on refundable share contributions (Note. 21)	255	369	-30.9%
Interest income from assignment contracts (Note 21)	63	63	0.0%
Net profit from exchange rate differences on leasing contracts	51	-	-
Net gain from exchange rate differences on receipt of replacement share contributions from a subsidiary	48	66	-27.3%
Net gain from operations with debt securities held for trading	-	123	-
Net gain from exchange rate differences on receivable from sale of subsidiary	-	114	-
Interest income on term deposits	-	97	-
<b>Total</b>	<b>4 737</b>	<b>3 671</b>	<b>29.0%</b>



# Financial expenses

**Financial expenses** increased by BGN 1.8 million to BGN 4.1 million in the first six months of 2025, as a result of the growth of interest costs on loans received.

Financial expenses
Interest expense on loans received
Net gain from exchange differences on receivable from sale of subsidiary
Bank fees on loans and guarantees
Interest expenses on leasing contracts
Impairment for credit losses on receivables under trade loans granted
Recovered impairment for credit losses on receivables under trade loans granted
Impairment for credit losses on receivables under trade loans granted, net
Expenses related to dividend payments
Net loss from exchange rate differences on leasing contracts
Total

2025	2024	Change %
3 339	1 304	156.1%
428	-	-
191	215	-11.2%
119	137	-13.1%
100	610	-83.6%
(75)	-	-
25	610	-95.9%
13	21	-38.1%
-	5	-
4 115	3 637	13.1%

# Assets

**Non-current assets** at the end of the first six months of 2025 increased by BGN 35.3 million, to BGN 713.7 million, and the most significant increase was influenced by the change in investments in subsidiaries as a result of the increase in the investment through additional cash contributions in the amount of BGN 43.6 million in the subsidiary “Sopharma Rus”. The aim is to provide an operational opportunity for growth and increase the Group’s sales, following its strategy after the acquisition at the end of 2024 of 68 marketing authorizations with 14 well-known brands in 10 of the Company’s traditional markets.

**Current assets** decreased by BGN 15.3 million to BGN 248.5 million. A decrease was registered in receivables from related parties and trade receivables that decreased by BGN 3.2 million and by BGN 8.3 million, respectively. Cash and cash equivalents decreased by BGN 4.8 million.

Assets	30.06.2025 BGN '000	31.12.2024 BGN '000	Change %
<b>Non-current assets</b>			
Property, plant and equipment	210 042	211 216	-0.6%
Intangible assets	178 855	176 533	1.3%
Investment property	50 444	50 512	-0.1%
Investments in subsidiaries	139 754	96 668	44.6%
Investments in associates and joint ventures	107 657	107 672	0.0%
Other long-term equity investments	6 200	11 976	-48.2%
Long-term receivables from related parties	14 120	16 771	-15.8%
Other long-term receivables	6 677	7 053	-5.3%
	<b>713 749</b>	<b>678 401</b>	<b>5.2%</b>
<b>Current assets</b>			
Inventories	115 930	115 011	0.8%
Receivables from related parties	80 393	83 633	-3.9%
Trade receivables	17 724	25 991	-31.8%
Loans granted to third parties	11 097	11 552	-3.9%
Other receivables and prepayments	15 345	14 786	3.8%
Financial assets held for trading	-	1	-
Cash and cash equivalents	8 006	12 853	-37.7%
	<b>248 495</b>	<b>263 827</b>	<b>-5.8%</b>
<b>TOTAL ASSETS</b>	<b>962 244</b>	<b>942 228</b>	<b>2.1%</b>

# Owner's equity

*The equity* of “Sopharma” AD increased by BGN 35 million to BGN 643.6 million as a result of the sold repurchased shares, the increase in retained earnings as well as the increase of the share capital after its increase as a result of the final stage of the exercise of the warrants issued in 2021, thus finalizing the procedure..

EQUITY	30.06.2025	31.12.2024
	BGN'000	BGN'000
Basic share capital	179 719	179 100
Treasury shares	(37 773)	(53 559)
Reserves	469 917	465 322
Other capital components	-	260
Retained earnings	31 712	17 434
Total	634 575	608 557

# LIABILITIES

*Non-current liabilities* increased by BGN 74.2 million, to BGN 125.4 million, as a result of the reclassification of part of the short-term part of long-term bank loans into long-term.

*Current liabilities* increased by BGN 89.2 million, to BGN 193.3 million, as a change, along with the above-mentioned reclassification, an additional impact is exerted by the growth of short-term bank loans in the amount of BGN 45,3 million. The most significant contribution was the decrease in trade payables by BGN 89.2 million, due exclusively to the full repayment of the remaining liability under the contract for the acquisition of 68 trading permits with 14 brands, signed in 2024.

## LIABILITIES

### Non-current liabilities

Long-term bank loans

Deferred tax liabilities

Government grants

Liabilities under leasing contracts to related parties

Liabilities under leasing contracts to third parties

Long-term liabilities to staff

Tax liabilities

### Total

### Current liabilities

Short-term bank loans

Short-term part of long-term bank loans

Trade payables

Payables to related parties

Tax payables

Payables to personnel and for social security

Other current liabilities

## TOTAL LIABILITIES

## TOTAL EQUITY AND LIABILITIES

	30.06.2025 BGN'000	31.12.2024 BGN'000	Change %
	94 467	19 904	374.6%
	4 278	3 262	31.1%
	4 070	4 358	-6.6%
	14 157	15 006	-5.7%
	2 136	1 873	14.0%
	6 303	6 094	3.4%
	-	708	-
	<b>125 411</b>	<b>51 205</b>	<b>144.9%</b>
	93 739	48 390	93.7%
	47 915	108 597	-55.9%
	14 572	103 739	-86.0%
	13 510	2 607	418.2%
	2 557	914	179.8%
	11 828	10 438	13.3%
	9 137	7 781	17.4%
	<b>193 258</b>	<b>282 466</b>	<b>-31.6%</b>
	<b>318 669</b>	<b>333 671</b>	<b>-4.5%</b>
	<b>962 244</b>	<b>942 228</b>	<b>2.1%</b>

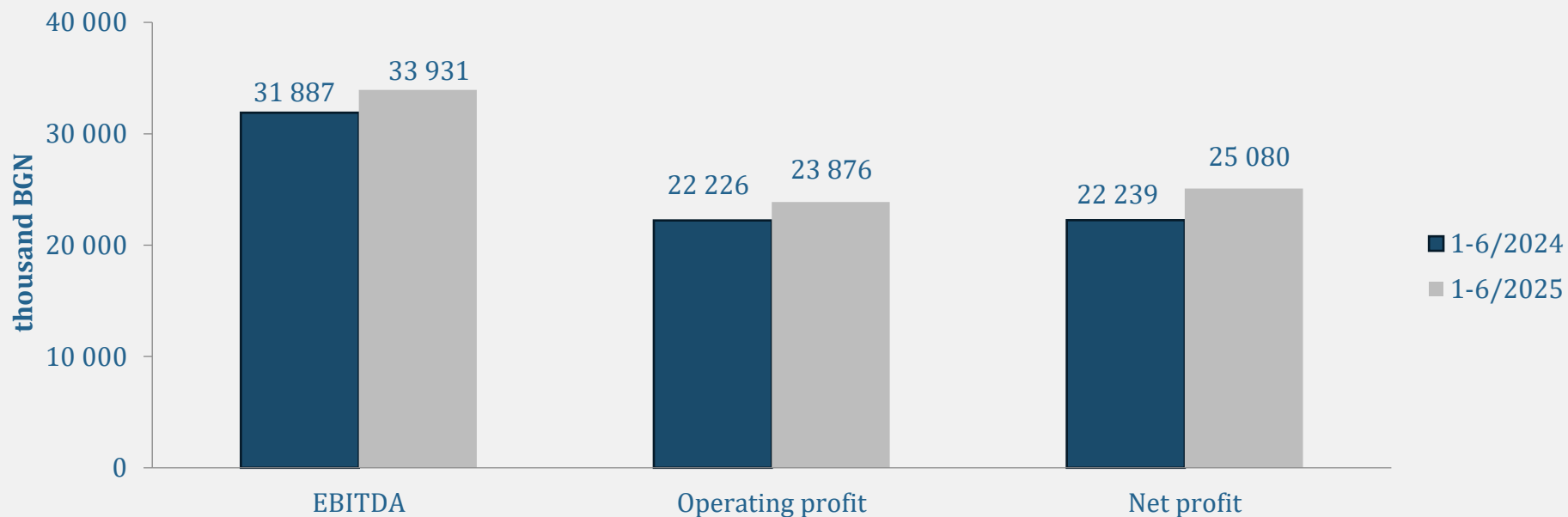


# Financial results for the first half of 2025

**Profit before interest, taxes, depreciation and amortization (EBITDA)** in the first six months of 2025 increased by BGN 2 million or by 6.4% to BGN 33.9 million compared to BGN 31.9 million in the first six months of 2024. The main factors for the increase are the increase of other operating income.

**Operating profit** in the first six months of 2025 increased by BGN 1.7 million or by 7.4% to BGN 23.9 million compared to BGN 22.2 million in the first six months of 2024.

**Net profit** for the first six months of 2025 increased by BGN 2.8 million or by 12.8%, to BGN 25.1 million compared to BGN 22.2 million in the first six months of 2024.



# Main Risks review





### Business Risk

The Company faces significant competition. Part of the Group's revenues, in particular in Bulgaria, depends on the inclusion of the Company's medicines in reimbursement lists. The Company is subject to multiple laws and regulations on environmental protection and health and safety work conditions and is exposed to potential environmental liabilities.



### Currency risk

The Company perform their activities in active exchange with foreign suppliers and customers and are therefore exposed to currency risk. The Company sells some of its finished products in Russia in EUR and thus eliminates the currency risk associated with the depreciation of the Russian ruble. In EUR are also dominated the balances with the subsidiaries in Ukraine.



### Risks related to other markets

The macroeconomic environment, particularly in Bulgaria, Russia and Ukraine, has a significant effect on the Company's operations. The political environment in Bulgaria and in the export markets, especially Russia and Ukraine, has a significant effect on the Company's operations and financial position. Risks relating to exchange rates and the Currency Board in Bulgaria.



### Legal risk

Developing legislation in some of the countries in which the Company sells its products, in particular Russia and Ukraine, may negatively affect its operations in those countries. Interpretation of tax regulations may be unclear and tax laws and regulations applicable to the Company may change. Litigation or other out-of-court procedures or actions can have an adverse effect on business.



**Thank you  
for your  
attention!**

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