

Out. number: 194-00-27/29.07.2022

**Sopharma AD extends a tender offering to
the shareholders of Sopharma properties REIT**

Sofia, Bulgaria, July 29, 2022 – According to the requirements of art. 154, para 1 of LPOS and art. 36 from Ordinance 13 as of 22.12.2003, “**Sopharma**” AD (SFA: “BSE-Sofia” AD, SPH: Warsaw Stock Exchange) notifies that at with letter 15-00-6/28.07.2022 the Financial Supervision Commission advised “Sopharma” AD that the Commission does not issue a final prohibition on the publication of a corrected tender offering by “Sopharma” AD, for the purchase through investment intermediary MK Brokers AD of 14,632,655 shares (66.66%) of the capital of "Sopharma Properties" REIT from the remaining shareholders of the company.

In connection with the above and in accordance with the provisions of Art. 154, para. 1 of the LPOS, Sopharma AD publishes the Tender Offering to the shareholders of "Sopharma Properties" REIT, the essential conditions of which in summary are as follows:

1. Information about offeror

The offeror is "Sopharma" AD, a company with public status within the meaning of Art. 110, para. 1 of the Law on the Public Offering of Securities, established in the Republic of Bulgaria and entered in the Commercial Register maintained by the Registration Agency, with the company name "Sopharma" AD, EIK 831902088, with headquarters and management address: Sofia, district Nadezhda, ul. Iliensko shose No. 16, LEI code 097900BGGW0000048796.

According to Art. 5 of the Articles of Association of the Company, the subject of activity of "Sopharma" AD is: production of medicines and chemical-pharmaceutical preparations, commercial activity in the country and abroad, scientific and research activity in the field of phytochemistry, chemistry and pharmaceuticals.

As of the date of registration of the Tender Offering, Sopharma AD has capital in the amount of BGN 134,797,899, which is fully paid.

2. The offered price per share from the offeror is BGN 8.20.

3. The number of shares that the offeror does not own and is obliged to request to acquire is 14,632,655 shares, representing 66.66% of the capital and votes in the general meeting of "Sopharma Properties" REIT.

4. The Offeror has no intention of changing the capital of the Company within three years from the completion of the Tender Offering. The intentions of the offeror are to preserve the main activity of "Sopharma Properties" REIT in the next 5-8 years. The offeror does not declare any intention to make changes in the structure of the Company. No changes are foreseen in the composition of the Board of Directors or the personnel of the Company three years after the completion of the tender offer.

5. The evaluation of the price per share in summary is as follows:

a. The price offered by the offeror is BGN 8.20 per share.

b. The calculated fair price of the shares is BGN 6.23 per share.

c. The value, according to the valuation methods used, is as follows:

Table No 1 Evaluation methods

Evaluation method	Value	Weight
Discounted dividends	4.66	20.0%

Net asset value	3.42	20.0%
Peers	5.09	60.0%
Value per share	4.67	100.0%

Source: "Mane Capital"

Table No. 2 Evaluation according to Art. 5 of Ordinance No. 41

Method	Value	Weight
Value according to the evaluation methods	4.67	20.0%
Weighted Average price for the last 6 months	6.62	80.0%
Value per share	6.23	100.0%

Source: "Mane Capital"

d. According to a report issued by the Bulgarian Stock Exchange AD, the weighted average market price in the last six months was BGN6,616 per share.

e. Information on whether the company is actively traded

Table No3 Trade data

Place of trade	BSE Sofia
Six month period before date of justification	6/12/2021 - 6/6/2022
Weighted average price per share for the period, BGN	6,616
Total traded volume in the period (shares)	2,795,450
Total turnover for the period (BGN)	18,494,566
Number of trading sessions for the last 6 months	118
Number of issued shares of the company	21,951,320%
Number of sessions for the period with transactions of the comp	98

Source : "Bulgarian Stock Exchange" AD

In accordance with art. 36, para 3 of Ordinance 13 as of 22.12.2003, Sopharma AD advises all interested parties that the final version of the Tender offering can be found on the platform <https://www.x3news.com/> and on the Company's websied www.sopharmagroup.bg, section Investors, News for investors.

Please, on the basis of art. 100k, para. 1 of the LPOS give publicity to the above information.

Attachments:

1. PART I of the TENDER OFFERING pursuant to Art. 149, para. 1 of the LPOS for the purchase of up to 14,632,655 shares, representing 66.66% of the capital and votes in the general meeting of "Sopharma Properties" REIT, BASIC INFORMATION

2. PART II of the TENDER OFFERING pursuant to Art. 149, para. 1 of the LPOS for the purchase of up to 14,632,655 shares, representing 66.66% of the capital and votes in the general meeting of "Sopharma Properties" REIT, JUSTIFICATION OF THE PROPOSED PRICE

3. Statement of the management body of "Sopharma properties" REIT




Pelagia Viatcheva, Investor Relations
Director

Information about the company

Sopharma AD

More than 85 years of tradition and modernity - modern production, European standards and quality of production, best practices in the field of corporate responsibility.

Sopharma AD is the most successful Bulgarian company after the privatization, as from 2000 to today, the company realized 10 times growth in market capitalization and 25 times revenue growth. Over the past 10 years, Sopharma AD has been the first in revenue in the pharmaceutical sector in Bulgaria.

Sopharma AD produces active substances and medicinal products; conducts activities related to research, development and implementation in the field of phytochemistry, chemistry and pharmacy, provides services related to production and other related services.

With 8 pharmaceutical plants in the country and the only ampoule factory in Bulgaria the company produces 3 billion tablets, 20 million syrup forms, has an authorization for over 200 generic products, 15 traditional products, 12 of which are plant-based, and uses more than 1500 tons of medicinal plants in their products.

Sopharma AD has an active and key role in raising the standard of living, in making people healthier, happier and protected. Sopharma AD is constantly investing in new technologies, innovations and research. The company maintains a constant and effective dialogue with all members in the pharmaceutical industry that contribute to improving the healthcare system.

Sopharma Group

Sopharma Group is a vertically integrated healthcare business that operates in important sectors such as pharmaceuticals, hospital supplies, drug distribution and many others. "Sopharma" AD and its production subsidiaries have 8 pharmaceutical plants in Bulgaria, complying with the requirements of EU-GMP.