

Company:

"SOPHARMA" AD

Board of Directors:

**Ognian Donev, PhD
Vessela Stoeva
Alexander Tchaushev
Ognian Palaveev
Ivan Badinski**

Executive Director:

Ognian Donev, PhD

Finance Director:

Boris Borisov

Chief Accountant:

Jordanka Petkova

Registered Office:

**Sofia
16, Iliensko Shousse Str.**

Lawyers:

**Adriana Baleva
Venelin Gachev
Ventsislav Stoev
Boiko Botev
Elena Golemanova
Petar Kalpakchiev**

Servicing Banks:

**Raiffeisenbank (Bulgaria) EAD
DSK Bank EAD
Eurobank Bulgaria AD
ING Bank N.V. - Sofia Branch
UniCredit Bulbank AD
Citibank N.A.
Cibank EAD**

Auditors:

Baker Tilly Clitou and Partners OOD

"SOPHARMA" AD**INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME**

for the period ended on 31 December 2020

	Notes	2020 BGN'000	2019 BGN'000
Revenues	3	206 185	230 691
Other operating income/(losses), net	4	4 189	4 134
Changes in inventories of finished goods and work in progress		5 376	(6 183)
Raw materials and consumables used	5	(70 095)	(75 486)
Hired services expense	6	(36 329)	(34 974)
Employee benefits expense	7	(49 804)	(49 203)
Depreciation and amortization expense	15,16	(18 230)	(18 347)
Other operating expenses	8,9	(8 887)	(4 594)
Profit from operations		32 405	46 038
Impairment of non-current assets outside the scope of IFRS 9	10	(7 373)	(15 135)
Finance income	11	13 032	16 966
Finance costs	12	(7 079)	(2 611)
Finance income / (costs), net		5 953	14 355
Profit before income tax		30 985	45 258
Income tax expense	13	(3 020)	(4 876)
Net profit for the year		27 965	40 382
Other comprehensive income:			
<i>Items that will not be reclassified to profit or loss:</i>			
Net change in the fair value of other long-term equity investments	20	(637)	(60)
Subsequent estimates of liabilities of defined benefit pension plans	34	(158)	16
Subsequent revaluations of property, plant and equipment	15	(41)	196
Income tax relating to items of other comprehensive income that will not be reclassified	13	4	(20)
Other comprehensive income for the year, net of tax	14	(832)	132
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		27 133	40 514
Basic net earnings per share	28	0,22	0,32

The accompanying notes on pages 5 to 140 form an integral part of the individual financial statements.

Executive Director:

Ognian Donev, PhD

Finance Director:

Boris Borisov

Chief Accountant: :

Jordanka Petkova

"SOPHARMA" AD**INDIVIDUAL STATEMENT OF FINANCIAL POSITION**

as at 31 December 2020

	Notes	31 December 2020 BGN'000	31 December 2019 BGN'000
ASSETS			
Non-current assets			
Property, plant and equipment	15	211 681	224 654
Intangible assets	16	4 134	8 524
Investment property	17	44 759	39 329
Investments in subsidiaries	18	86 809	87 146
Investments in associates	19	6 062	6 062
Other long-term equity investments	20	11 607	9 621
Long-term receivables from related parties	21	59 725	91 794
Other long-term receivables	22	11 105	9 897
		435 882	477 027
Current assets			
Inventories	23	68 163	61 365
Receivables from related parties	24	113 209	97 014
Trade receivables	25	18 632	27 212
Loans granted to third parties	26 (a)	3 903	6 044
Other receivables and prepayments	26 (b)	6 064	6 144
Cash and cash equivalents	27	3 956	3 959
		213 927	201 738
TOTAL ASSETS		649 809	678 765
EQUITY AND LIABILITIES			
EQUITY			
Share capital		134 798	134 798
Treasury shares		(33 656)	(34 142)
Reserves		408 807	382 549
Retained earnings	28	26 340	39 439
		536 289	522 644
LIABILITIES			
Non-current liabilities			
Long-term bank loans	29	15	2 398
Deferred tax liabilities	30	5 349	6 209
Government grants	31	4 427	4 858
Lease liabilities to related parties	32	-	1 610
Lease liabilities to third parties	33	1 533	954
Retirement benefit obligations	34	4 758	4 638
		16 082	20 667
Current liabilities			
Short-term bank loans	35	73 327	100 359
Current portion of long-term bank loans	29	2 403	7 181
Trade payables	36	7 288	6 074
Payables to related parties	37	1 273	6 664
Tax payables	38	2 026	2 329
Payables to personnel and for social security	39	7 507	7 266
Other current liabilities	40	3 614	5 581
		97 438	135 454
TOTAL LIABILITIES		113 520	156 121
TOTAL EQUITY AND LIABILITIES		649 809	678 765

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"SOPHARMA" AD**INDIVIDUAL STATEMENT OF CASH FLOWS**

for the period ended on 31 December 2020

	Notes	2020 BGN'000	2019 BGN'000
Cash flows from operating activities			
Cash receipts from customers		207 344	232 058
Cash paid to suppliers		(119 126)	(122 956)
Cash paid to employees and for social security		(48 807)	(46 835)
Taxes paid (except income taxes)		(8 803)	(9 439)
Taxes refunded (except income taxes)		3 583	1 786
(Paid) / refunded income taxes, net		(4 268)	(4 570)
Interest and bank charges paid on working capital loans		(1 654)	(1 656)
Foreign currency exchange, net		(235)	(187)
Other proceeds/(payments), net		(742)	(610)
Net cash flows from operating activities		27 292	47 591
Cash flows from investing activities			
Purchases of property, plant and equipment		(7 414)	(8 817)
Proceeds from sales of property, plant and equipment		1 257	117
Purchases of intangible assets		(178)	-
Purchased of investment property		(5 417)	(193)
Purchases of shares in associates		-	(192)
Proceeds from sales of shares in associates		1	4 799
Purchases of equity investments		(2 708)	(2 170)
Proceeds from sales of equity investments		56	90
Purchases of stocks/shares in subsidiaries		(3 485)	(11 193)
Proceeds from sales of hares in subsidiaries		617	1 627
Loans granted to related parties		9 138	9 114
Loan repayments by related parties		302	160
Loans granted to other companies		(5 290)	(94 040)
Loan repayments by other companies		38 509	26 104
Interest received on granted loans		(978)	(8 523)
Dividend proceeds from investments in subsidiaries		1 840	2 405
Dividend proceeds from equity investments		2 045	3 264
Net cash flows used in investing activities		-	-
Cash flows from financing activities			
Proceeds from long - term bank loans			
Repayment of long-term bank loans		28	24
Proceeds/ (Repayment) from / (on) short-term bank loans (overdraft), net		(7 212)	(7 207)
Interest and charges paid under investment purpose loans		(27 001)	34 685
Proceeds from sales of treasury shares		(117)	(240)
Treasury shares		805	-
Dividends paid		(463)	(805)
Lease payments to related parties		(19 944)	(28)
Lease payments to third parties		-	(1 038)
Government grants		(1 928)	(672)
Net cash flows from (used in) financing activities		242	126
Net decrease in cash and cash equivalents		(3)	(5 012)
Cash and cash equivalents at 1 January		3 959	8 971
Cash and cash equivalents at 31 December	27	3 956	3 959

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"SOPHARMA" AD

INDIVIDUAL STATEMENT OF CHANGES IN EQUITY

for the period ended on 31 December 2020

	Notes	Share capital	Treasury shares	Statutory reserves	Revaluation reserve - property, plant and equipment	Reserve from financial assets at fair value through other comprehensive income	Additional reserves	Retained earnings	Total equity
		BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Balance at 1 January 2019	28	134 798	(33 337)	55 967	22 433	2 933	275 977	30 448	489 219
Changes in equity for 2019									
Effect of pay back treasury shares incl:		-	(805)	-	-	-	-	-	(805)
- acquisition of treasury shares		-	(805)	-	-	-	-	-	(805)
Distribution of profit for:		-	-	3 330	-	-	22 362	(31 976)	(6 284)
- reserves		-	-	3 330	-	-	22 362	(25 692)	-
- 6-month dividends from profit for 2019		-	-	-	-	-	-	(6 284)	(6 284)
Total comprehensive income for the year, including:		-	-	-	176	(60)	-	40 398	40 514
- net profit for the year		-	-	-	-	-	-	40 382	40 382
- other comprehensive income, net of taxes		-	-	-	176	(60)	-	16	132
Transfer to retained earnings		-	-	-	(569)	-	-	569	-
Balance at 31 December 2019	28	134 798	(34 142)	59 297	22 040	2 873	298 339	39 439	522 644
Changes in equity for 2020									
Effects from sold and repurchased treasury shares, including:		-	486	-	-	-	-	(144)	342
- sale of treasury shares		-	949	-	-	-	-	(144)	805
- acquisition of treasury shares		-	(463)	-	-	-	-	-	(463)
Distribution of profit for:		-	-	4 038	-	-	23 257	(41 125)	(13 830)
- reserves		-	-	4 038	-	-	23 257	(27 295)	-
- dividends from profit for 2019		-	-	-	-	-	-	(8 798)	(8 798)
- 6-month dividends from profit for 2020		-	-	-	-	-	-	(5 032)	(5 032)
Total comprehensive income for the year, including:		-	-	-	(37)	(637)	-	27 807	27 133
- net profit for the year		-	-	-	-	-	-	27 965	27 965
- other comprehensive income, net of taxes		-	-	-	(37)	(637)	-	(158)	(832)
Transfer to retained earnings		-	-	-	(409)	46	-	363	-
Balance at 31 December 2020	28	134 798	(33 656)	63 335	21 594	2 282	321 596	26 340	536 289

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