

## SEPARATE STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2014

	Notes	2014 BGN'000	2013 BGN'000 <i>Restated</i>
Revenue	4	201,456	216,054
Other operating income/(losses), net	5	4,013	3,079
Changes in inventories of finished goods and work in progress	3	10,296	(7,006) *
Raw materials and consumables used	6	(60,600)	(54,932)
Hired services expense	7	(71,347)	(59,659)
Employee benefits expense	8	(34,403)	(32,328)
Depreciation and amortisation expense	16,17	(15,866)	(11,716)
Other operating expenses	9,10	(9,717)	(8,059)
<b>Profit from operations</b>		<b>23,832</b>	<b>45,433</b>
Impairment of non-current assets	11	(3,252)	(193)
Finance income	12	12,997	9,987
Finance costs	13	(4,672)	(17,338)
<b>Finance income/(costs), net</b>		<b>8,325</b>	<b>(7,351)</b>
<b>Profit before income tax</b>		<b>28,905</b>	<b>37,889</b>
Income tax expense	3,14	(2,374)	(4,349) *
<b>Net profit for the year</b>		<b>26,531</b>	<b>33,540</b> *
<b>Other comprehensive income:</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Loss on revaluation of property, plant and equipment	16,18	(6)	(353)
Remeasurements of defined benefit pension plans	32	(299)	(80)
Income tax relating to items of other comprehensive income that will not be reclassified	14	1	35
		<b>(304)</b>	<b>(398)</b>
<i>Items that may be reclassified to profit or loss:</i>			
Net change in fair value of available-for-sale financial assets		113	470
		<b>113</b>	<b>470</b>
<b>Other comprehensive income for the year, net of tax</b>	15	<b>(191)</b>	<b>72</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>26,340</b>	<b>33,612</b>
Earnings per share	29	BGN 0.21	0.26 *

The accompanying notes on pages 5 to 98 form an integral part of these financial statements.

Executive Director:

Ognian Doney, PhD

Finance Director:

Boris Borisov

Chief Accountant (preparer):

Yordanka Petkova



AUDITED BY AEA  
27/03/2015

\* Restated

**SOPHARMA AD**  
**SEPARATE STATEMENT OF FINANCIAL POSITION**  
**as at 31 December 2014**

	Notes	31 December 2014 BGN'000	31 December 2013 BGN'000 <i>Restated</i>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	16	192,728	198,158
Intangible assets	17	2,442	3,661
Investment property	18	22,368	22,555
Investments in subsidiaries	19	103,068	101,207
Investments in associates	20	7,015	-
Available-for-sale investments	21	4,439	6,862
Long-term receivables from related parties	22	33,150	25,649
Other long-term receivables	23	6	17
		<u>365,216</u>	<u>358,109</u>
<b>Current assets</b>			
Inventories	3,24	54,047	51,249 *
Receivables from related parties	25	99,505	103,350
Trade receivables	26	23,268	22,155
Other receivables and prepayments	27	11,024	7,241
Cash and cash equivalents	28	2,935	8,198
		<u>190,779</u>	<u>192,193</u>
<b>TOTAL ASSETS</b>		<u><b>555,995</b></u>	<u><b>550,302</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital		132,000	132,000
Treasury shares		(17,203)	(18,105)
Reserves		246,243	220,935
Retained earnings	3	28,666	35,905 *
	29	<u>389,706</u>	<u>370,735</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Long-term bank loans	30	37,972	48,723
Deferred tax liabilities	3,31	3,988	3,943 *
Retirement benefit obligations	32	2,219	1,855
Government grants	33	3,358	3,534
Finance lease liabilities	34	34	49
		<u>47,571</u>	<u>58,104</u>
<b>Current liabilities</b>			
Short-term bank loans	35	90,761	98,878
Current portion of long-term bank loans	30	7,391	3,822
Payables to related parties	36	7,929	7,836
Trade payables	37	6,553	4,973
Tax payables	38	902	1,243
Payables to personnel and for social security	39	4,213	3,736
Other current liabilities	40	969	975
		<u>118,718</u>	<u>121,463</u>
<b>TOTAL LIABILITIES</b>		<u><b>166,289</b></u>	<u><b>179,567</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>555,995</b></u>	<u><b>550,302</b></u>

The accompanying notes on pages 5 to 98 form an integral part of these financial statements.

The financial statements on pages 1 to 98 were approved for issue by the Board of Directors and signed on its behalf on 27 March 2015 by:

Executive Director:

Ognian Donev, PhD

Finance Director:

Boris Borisov

Chief Accountant (preparer):

Yordanka Petkova



AUDITED BY AEA  
27/03/2015

\* Restated

**SOPHARMA AD**  
**SEPARATE STATEMENT OF CASH FLOWS**  
for the year ended 31 December 2014

	Notes	2014 BGN'000	2013 BGN'000
<b>Cash flows from operating activities</b>			
Cash receipts from customers		217,314	265,501
Cash paid to suppliers		(143,724)	(140,584)
Cash paid to employees and for social security		(32,695)	(31,121)
Taxes paid (except income taxes)		(5,227)	(1,926)
Taxes refunded (except income taxes)		3,412	7,759
Income taxes paid		(4,842)	(3,550)
Income taxes refunded		-	1,300
Interest and bank charges paid on working capital loans		(3,011)	(4,726)
Foreign currency exchange gains/(losses), net		(145)	(442)
Other proceeds/(payments), net		(931)	(768)
<b>Net cash flows from operating activities</b>		<b>30,151</b>	<b>91,443</b>
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment		(7,996)	(19,139)
Proceeds from sales of property, plant and equipment		335	33
Purchases of intangible assets		(50)	(494)
Purchases of investment property		(1,005)	(2,477)
Purchases of shares in associates		(3,136)	-
Purchases of available-for-sale investments		(1,425)	(956)
Proceeds from sales of available-for-sale investments		133	1,611
Purchases of shares in subsidiaries		(5,988)	(10,300)
Proceeds from sales of shares in subsidiaries		5,046	3,225
Proceeds from liquidation shares in subsidiaries		-	109
Dividends received from investments in subsidiaries and available-for-sale investments		6,332	5,852
Loans granted to related parties		(19,480)	(15,892)
Loan repayments by related parties		12,555	21,872
Loans granted to other companies		(518)	(1,215)
Loan repayments by other companies		362	1,597
Interest received on granted loans and deposits		3,583	2,284
<b>Net cash flows used in investing activities</b>		<b>(11,252)</b>	<b>(13,890)</b>
<b>Cash flows from financing activities</b>			
Proceeds from long-term bank loans		-	4,165
Repayment of long-term bank loans		(7,186)	(9,297)
Proceeds from short-term bank loans (overdraft), net		5,327	-
Repayment of short-term bank loans (overdraft), net		(13,328)	(53,954)
Interest and charges paid under investment purpose loans		(1,661)	(2,308)
Proceeds from sale of treasury shares		2,784	-
Treasury shares		(1,263)	(5,949)
Dividends paid		(8,811)	(8,827)
Payments of finance lease liabilities		(95)	(94)
Government grants received		-	3,787
<b>Net cash flows used in financing activities</b>		<b>(24,233)</b>	<b>(72,477)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(5,334)</b>	<b>5,076</b>
Cash and cash equivalents at 1 January		7,671	2,595
<b>Cash and cash equivalents at 31 December</b>		<b>2,337</b>	<b>7,671</b>

The accompanying notes on pages 5 to 98 form an integral part of these financial statements.

Executive Director:

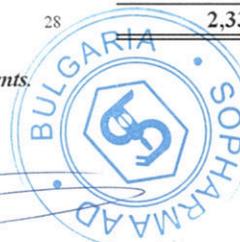
Ognian Donev, PhD

Finance Director:

Boris Borisov

Chief Accountant (preparer):

Yordanka Petkova



AUDITED BY AEA  
27/03/2015

**SOPHARMA AD**  
**SEPARATE STATEMENT OF CHANGES IN EQUITY**  
**for the year ended 31 December 2014**

Notes	Share capital	Treasury shares	Statutory reserves	Revaluation reserve - property, plant and equipment	Available-for-sale financial assets reserve	Additional reserves	Retained earnings	Total equity
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
	<b>132,000</b>	<b>(12,156)</b>	<b>25,934</b>	<b>25,093</b>	<b>514</b>	<b>138,387</b>	<b>41,060</b>	<b>350,832</b>
3	-	-	-	-	-	-	1,170	1,170
	<b>132,000</b>	<b>(12,156)</b>	<b>25,934</b>	<b>25,093</b>	<b>514</b>	<b>138,387</b>	<b>42,230</b>	<b>352,002</b>
<b>Changes in equity for 2013</b>								
Treasury shares purchased	-	(5,949)	-	-	-	-	-	(5,949)
Distribution of profit for:	-	-	4,117	-	-	28,121	(41,168)	(8,930)
* reserves	-	-	4,117	-	-	28,121	(32,238)	-
* dividend	-	-	-	-	-	-	(8,930)	(8,930)
Total comprehensive income for the year (originally stated)	-	-	-	(318)	470	-	33,581	33,733
Effects of changes in accounting policies	-	-	-	-	-	-	(121)	(121)
<b>Total comprehensive income for the year (restated), including:</b>	-	-	-	<b>(318)</b>	<b>470</b>	-	<b>33,460</b>	<b>33,612</b>
* net profit for the year	-	-	-	(318)	470	-	33,540	33,540
* other comprehensive income, net of taxes	-	-	-	(318)	470	-	(80)	72
Transfer to retained earnings	-	-	-	(1,383)	-	-	1,383	-
	<b>132,000</b>	<b>(18,105)</b>	<b>30,051</b>	<b>23,392</b>	<b>984</b>	<b>166,508</b>	<b>34,856</b>	<b>369,686</b>
3	-	-	-	-	-	-	1,049	1,049
	<b>132,000</b>	<b>(18,105)</b>	<b>30,051</b>	<b>23,392</b>	<b>984</b>	<b>166,508</b>	<b>35,905</b>	<b>370,735</b>
29	-	-	-	-	-	-	-	-
<b>Changes in equity for 2014</b>								
Effect of acquisition of treasury shares	-	902	-	-	-	-	619	1,521
Distribution of profit for:	-	-	3,504	-	-	22,649	(35,043)	(8,890)
* reserves	-	-	3,504	-	-	22,649	(26,153)	-
* dividend	-	-	-	-	-	-	(8,890)	(8,890)
<b>Total comprehensive income for the year, including:</b>	-	-	-	<b>(5)</b>	<b>113</b>	-	<b>26,232</b>	<b>26,340</b>
* net profit for the year	-	-	-	-	-	-	26,531	26,531
* other comprehensive income, net of taxes	-	-	-	(5)	113	-	(299)	(191)
Transfer to retained earnings	-	-	-	(953)	-	-	953	-
	<b>132,000</b>	<b>(17,203)</b>	<b>33,555</b>	<b>22,434</b>	<b>1,097</b>	<b>189,157</b>	<b>28,666</b>	<b>389,706</b>
29	-	-	-	-	-	-	-	-

The accompanying notes on pages 5 to 98 form an integral part of these financial statements.

Executive Director:

Ognian Donev, PhD

Finance Director:

Boris Borisov

Chief Accountant (preparer):

Yordanka Petkova

AUDITED BY AEA  
27/10/2015