

Board of Directors:	Ognian Donev, PhD Vessela Stoeva Alexander Chaushev Ognian Palaveev Andrey Breshkov
Executive Director:	Ognian Donev, PhD
Finance Director:	Boris Borisov
Preparer:	Lyudmila Bondjova
Chief Accountant:	Yordanka Petkova
Head of Legal Department:	Galina Angelova
Registered Address:	Sofia 16, Iliensko Shousse Str.
Lawyers:	Law Firm "Gachev, Baleva, Partners" Ventsislav Stoev Stefan Yovkov
Servicing Banks:	Raiffeisenbank (Bulgaria) EAD DSK Bank EAD Eurobank EFG Bulgaria AD Societe Generale Expressbank AD UniCredit Bulbank AD Citibank N.A. ING Bank - Sofia Branch BFT
Auditors:	AFA OOD

SOPHARMA GROUP
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the six-month period ended 30 June 2015

	Notes	1 January - 30 June 2015	1 January - 30 June 2014
		BGN'000	BGN'000
Revenue	3	438 809	414 827
Other operating income/(losses), net	4	676	368
Changes in inventories of finished goods and work in progress		1 731	5 011
Material expense	5	(42 788)	(47 227)
Hired services expense	6	(31 029)	(32 731)
Employee benefits expense	7	(41 480)	(40 548)
Depreciation and amortization expense	14, 15	(13 217)	(14 550)
Carrying amount of goods sold		(281 074)	(250 745)
Other operating expenses	8	(4 047)	(3 175)
Profit from operations		27 581	31 230
Finance income	10	11 076	2 503
Finance costs	11	(7 817)	(10 042)
Finance income / (costs), net		3 259	(7 539)
Loss/(Gain) from associates and joint ventures		201	(303)
Gain/(Loss) from sale of subsidiaries		394	-
Profit before income tax		31 435	23 388
Income tax expense		(3 029)	(3 746)
Net profit for the year		28 406	19 642
Other comprehensive income:			
<i>Items that will not be reclassified to profit or loss:</i>			
Remeasurements of defined benefit pension plans		(14)	-
		(14)	-
<i>Items that may be reclassified to profit or loss:</i>			
Net change in fair value of available-for-sale financial assets		294	191
Exchange differences on translating foreign operations		1 854	(1 432)
		2 148	(1 241)
Other comprehensive income for the year, net of tax	13	2 134	(1 241)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		30 540	18 401
Net profit for the year attributable to:			
Equity holders of the parent		26 904	18 132
Non-controlling interests		1 502	1 510
Total comprehensive income for the year attributable to:			
Equity holders of the parent		29 683	17 270
Non-controlling interests		857	1 131

The accompanying notes on pages 5 to 95 form an integral part of the consolidated financial statements.

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Boris Borisov

Preparer:

Lyudmila Bondjova

SOPHARMA GROUP
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 June 2015

	Notes	30 June 2015 BGN'000	31 December 2014 BGN'000
ASSETS			
Non-current assets			
Property, plant and equipment	14	297 890	299 037
Intangible assets	15	16 821	13 270
Goodwill	15	10 075	10 918
Investment property	16	11 027	10 606
Investments in associates and joint ventures	17	19 166	12 387
Available-for-sale investments	18	6 794	6 968
Long-term receivables from related parties	19	26 937	33 150
Other long-term receivables	20	326	353
Deferred tax assets		4 450	3 849
		393 486	390 538
Current assets			
Inventories	21	150 544	155 910
Trade receivables	22	246 475	196 330
Receivables from related parties	23	33 023	25 318
Other receivables and prepayments	24	13 462	22 445
Cash and cash equivalents	25	21 404	26 822
		464 908	426 825
TOTAL ASSETS		858 394	817 363
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		134 798	132 000
Reserves		50 274	36 069
Retained earnings	26	228 691	203 260
		413 763	371 329
Non-controlling interests		43 453	60 308
TOTAL EQUITY	26	457 216	431 637
LIABILITIES			
Non-current liabilities			
Long-term bank loans	27	41 883	45 820
Deferred tax liabilities		6 838	5 728
Retirement benefit obligations	28	3 861	3 786
Finance lease liabilities	29	1 618	2 103
Government grants	30	7 333	7 558
Other non-current liabilities		29	35
		61 562	65 030
Current liabilities			
Short-term bank loans	31	217 989	217 360
Current portion of long-term bank loans	27	9 938	10 772
Trade payables	32	81 112	71 752
Payables to related parties	33	7 771	1 634
Payables to personnel and for social security	34	9 198	7 514
Tax payables	35	7 666	6 023
Other current liabilities	36	5 942	5 641
		339 616	320 696
TOTAL LIABILITIES		401 178	385 726
TOTAL EQUITY AND LIABILITIES		858 394	817 363

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SOPHARMA GROUP**CONSOLIDATED STATEMENT OF CASH FLOWS****for the six-month period ended 30 June 2015**

	Notes	1 January - 30 June 2015 BGN'000	1 January - 30 June 2014 BGN'000
Cash flows from operating activities			
Cash receipts from customers		481 090	462 633
Cash paid to suppliers		(392 654)	(384 064)
Cash paid to employees and for social security		(37 339)	(35 434)
Taxes paid (except income taxes)		(31 713)	(28 682)
Taxes refunded (except income taxes)		5 842	2 768
Income taxes paid		(2 795)	(4 994)
Income taxes refunded		15	-
Interest and bank charges paid on working capital loans		(3 793)	(3 563)
Foreign currency exchange gains/(losses), net		(203)	(1 559)
Other proceeds/(payments), net		269	(842)
Net cash flows from operating activities		18 719	6 263
Cash flows from investing activities			
Purchases of property, plant and equipment		(10 020)	(14 528)
Proceeds from sales of property, plant and equipment		172	217
Purchases of intangible assets		(1 843)	(979)
Purchases of available-for-sale investments		(276)	(1 637)
Proceeds from sale of available-for-sale investments		22	97
Proceeds from dividends from available-for-sale investments		6	56
Payments for the acquisition of subsidiaries, net of cash received		(8 091)	-
Proceeds from sales of subsidiaries, net of cash provided		3 450	-
Purchases of investments in associates and joint ventures	17	(3 177)	(1 015)
Proceeds from sale of investments in associates and joint ventures		2	-
Proceeds/(payments) on transactions with non-controlling interests, net		(1 421)	4 450
Loans granted to related parties		(6 030)	(13 460)
Loan repayments by related parties		6 595	8 092
Loans granted to third parties		(748)	(225)
Loan repayments by third parties		487	317
Interest received on loans and deposits		1 000	355
Net cash flows used in investing activities		(19 872)	(18 260)
Cash flows from financing activities			
Proceeds from short-term bank loans (overdraft), net		22 463	51 194
Repayment of short-term bank loans (overdraft), net		(21 914)	(44 348)
Proceeds from long-term bank loans		4 891	-
Repayment of long-term bank loans		(10 049)	(5 219)
Loans received from third parties		-	337
Repayment of loans to third parties		-	(524)
Interest and charges paid under investment purpose loans		(902)	(1 152)
Payment of finance lease liabilities		(766)	(602)
Treasury shares		(195)	(711)
Proceeds from sale of treasury shares		-	2 796
Dividends paid		(91)	(705)
Received government grants		2 689	210
Net cash flows used in financing activities		(3 874)	1 276
Net decrease in cash and cash equivalents		(5 027)	(10 721)
Cash and cash equivalents at 1 January		25 299	26 629
Cash and cash equivalents at 30 June	25	20 272	15 908

The accompanying notes on pages 5 to 95 form an integral part of the consolidated financial statements.

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SOPHARMA GROUP

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six-month period ended 30 June 2015

Attributable to equity holders of the parent							Non-controlling interests		Total equity	
Notes	Share capital	Treasury shares	Statutory reserves	Revaluation reserve - property, plant and equipment	Available-for-sale financial assets reserve	Translation of foreign operations reserve	Retained earnings	Total		
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Balance at 1 January 2014	132 000	(18 995)	30 051	24 657	961	(4 648)	195 896	359 922	54 350	414 272
Changes in equity for the period										
Effect from purchase of treasury shares	-	1 484	-	-	-	-	586	2 070	-	2 070
Distribution of net profit for:	-	-	3 504	-	-	-	(12 396)	(8 892)	-	(8 892)
* statutory reserves			3 504				(3 504)	-		-
* dividends							(8 892)	(8 892)		-
Effects assumed by non-controlling interests on:	-	-	-	-	-	-	(908)	(908)	2 580	1 672
* acquisition/(disposal) of subsidiaries	-	-	-	-	-	-	-	-	2 445	2 445
* dividend payment	-	-	-	-	-	-	-	-	(2 648)	(2 648)
* capital issue in subsidiaries	-	-	-	-	-	-	-	-	4 458	4 458
* increase in the interest in subsidiaries	-	-	-	-	-	-	2 408	2 408	(3 778)	(1 370)
* decrease in the interest in subsidiaries	-	-	-	-	-	-	(3 316)	(3 316)	2 103	(1 213)
Total comprehensive income for the year, including:	-	-	-	-	191	(1 053)	18 132	17 270	1 131	18 401
* net profit for the year	-	-	-	-	-	-	18 132	18 132	1 510	19 642
* other comprehensive income, net of taxes	-	-	-	-	191	(1 053)	-	(862)	(379)	(1 241)
Transfer to retained earnings				(604)			604			
Balance at 30 June 2014	132 000	(17 511)	33 555	24 053	1 152	(5 701)	201 914	369 462	58 061	427 523
Balance at 1 January 2015	132 000	(18 095)	33 555	23 754	1 190	(4 335)	203 260	371 329	60 308	431 637
Changes in equity for the period										
Effect from purchase of treasury shares	-	(195)	-	-	-	-	-	(195)	-	(195)
Effect from restructuring	2 798	-	8 785	172	-	-	607	12 362	(12 362)	-
Distribution of net profit for:	-	-	2 916	-	-	-	(2 916)	-	-	-
* statutory reserves			2 916				(2 916)	-		-
* dividends							-	-		-
Effects assumed by non-controlling interests on:	-	-	-	-	-	-	584	584	(5 350)	(4 766)
* acquisition/(disposal) of subsidiaries	-	-	-	-	-	-	-	-	(582)	(582)
* capital issue in subsidiaries	-	-	-	-	-	-	-	-	(3 139)	(3 139)
* increase in the interest in subsidiaries	-	-	-	-	-	-	685	685	(1 431)	(746)
* decrease in the interest in subsidiaries	-	-	-	-	-	-	(101)	(101)	(198)	(299)
Total comprehensive income for the year, including:	-	-	-	-	294	2 499	26 890	29 683	857	30 540
* net profit for the year	-	-	-	-	-	-	26 904	26 904	1 502	28 406
* other comprehensive income, net of taxes	-	-	-	-	294	2 499	(14)	2 779	(645)	2 134
Transfer to retained earnings				(266)			266			
Balance at 30 June 2015	134 798	(18 290)	45 256	23 660	1 484	(1 836)	228 691	413 763	43 453	457 216
	-					-	-	-	-	-

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