

SOPHARMA GROUP
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2016

	Notes	2016 BGN'000	2015 BGN'000
Revenue	3	877 085	874 984
Other operating income/(losses), net	4	9 483	(2 678)
Changes in inventories of finished goods and work in progress		(994)	4 207
Raw materials and consumables used	5	(82 906)	(86 396)
Hired services expense	6	(56 408)	(65 661)
Employee benefits expense	7	(87 159)	(81 501)
Depreciation and amortisation expense	16, 17	(28 705)	(26 326)
Carrying amount of goods sold		(571 132)	(568 590)
Other operating expenses	8, 9	(14 313)	(11 599)
Profit from operations		44 951	36 440
Impairment of non-current tangible and intangible assets	10	(967)	-
Finance income	11	7 014	6 828
Finance costs	12	(12 721)	(21 640)
Finance income / (costs), net		(5 707)	(14 812)
Gain/(loss) from associates and joint ventures	13	8 972	(1 275)
Gain on acquisition and disposal of subsidiaries	44.1	14 860	7 222
Profit before income tax		62 109	27 575
Income tax expense	14	(7 207)	(4 975)
Net profit for the year		54 902	22 600
Other comprehensive income:			
<i>Items that will not be reclassified to profit or loss:</i>			
Gain on revaluation of property, plant and equipment	16, 18	11 802	-
Remeasurements of defined benefit pension plans	31	(128)	(317)
Income tax relating to items of other comprehensive income that will not be reclassified	14	(1 504)	5
		10 170	(312)
<i>Items that may be reclassified to profit or loss:</i>			
Net change in fair value of available-for-sale financial assets		1 466	139
Exchange differences on translating foreign operations		2 573	(39)
		4 039	100
Other comprehensive income for the year, net of tax	15	14 209	(212)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		69 111	22 388
Net profit for the year attributable to:			
Equity holders of the parent		50 638	21 314
Non-controlling interests		4 264	1 286
Total comprehensive income for the year attributable to:			
Equity holders of the parent		63 147	22 816
Non-controlling interests		5 964	(428)
Earnings per share	28	BGN 0.39	0.17

The accompanying notes on pages 5 to 144 form an integral part of the consolidated financial statements.

Executive Director:


Ognian Donev, PhD

Finance Director:


Boris Borisov

Preparer:


Lyudmila Bondzhova


AUDITED BY AIA
27/04/2017



SOPHARMA GROUP
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2016

	Notes	31 December 2016 BGN'000	31 December 2015 BGN'000
ASSETS			
Non-current assets			
Property, plant and equipment	16	321 215	315 005
Intangible assets	17	34 601	24 127
Goodwill	17	9 885	11 375
Investment property	18	9 483	10 562
Investments in associates and joint ventures	19	18 715	5 224
Available-for-sale investments	20	5 721	7 424
Long-term receivables from related parties	21	10 028	20 505
Other long-term receivables	22	4 149	3 546
Deferred tax assets	30	2 802	3 716
		416 599	401 484
Current assets			
Inventories	23	171 791	163 129
Trade receivables	24	215 583	205 589
Receivables from related parties	25	14 982	27 434
Other short-term receivables and assets	26	17 727	14 505
Cash and cash equivalents	27	22 539	23 486
		442 622	434 143
TOTAL ASSETS		859 221	835 627
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		134 798	134 798
Reserves		62 708	48 855
Retained earnings	28	259 984	222 238
		457 490	405 891
Non-controlling interests		33 733	51 749
TOTAL EQUITY	28	491 223	457 640
LIABILITIES			
Non-current liabilities			
Long-term bank loans	29	25 924	38 876
Deferred tax liabilities	30	11 752	7 952
Retirement benefit obligations	31	4 539	4 199
Finance lease liabilities	32	2 582	1 957
Government grants	33	9 011	9 343
Other non-current liabilities		34	165
		53 842	62 492
Current liabilities			
Short-term bank loans	34	170 842	190 785
Factoring agreement liabilities	37	20 033	-
Current portion of long-term bank loans	29	9 478	14 784
Trade payables	35	92 053	87 440
Payables to related parties	36	566	2 366
Payables to personnel and for social security	38	10 093	8 894
Tax payables	39	5 949	6 368
Other current liabilities	40	5 142	4 858
		314 156	315 495
TOTAL LIABILITIES		367 998	377 987
TOTAL EQUITY AND LIABILITIES		859 221	835 627

The accompanying notes on pages 5 to 144 form an integral part of the consolidated financial statements.

The consolidated financial statements on pages 1 to 144 were approved for issue by the Board of Directors of Sopharma AD and signed on 27 April 2017 by:

Executive Director:

Ognian Donev, PhD

Finance Director:

Boris Borisov

Preparer:

Lyudmila Bondzhova



AUDITED BY AEA
24/04/2017

SOPHARMA GROUP
CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 31 December 2016

	Notes	2016 BGN'000	2015 BGN'000
Cash flows from operating activities			
Cash receipts from customers		906 890	1 002 450
Cash paid to suppliers		(819 238)	(786 997)
Cash paid to employees and for social security		(81 499)	(76 275)
Taxes paid (except income taxes)		(62 780)	(62 297)
Taxes refunded (except income taxes)		4 478	5 889
Income taxes (paid)/refunded		(5 551)	(3 272)
Interest and bank charges paid on working capital loans		(7 188)	(7 537)
Foreign currency exchange gains/(losses), net		(543)	(1 926)
Other proceeds/(payments), net		(3 337)	(2 725)
Net cash flows (used in)/from operating activities		(68 768)	67 310
Cash flows from investing activities			
Purchases of property, plant and equipment		(14 217)	(17 792)
Proceeds from sales of property, plant and equipment		733	439
Purchases of intangible assets		(4 010)	(4 794)
Proceeds from sales of intangible assets		15	-
Purchases of available-for-sale investments		(2 194)	(2 109)
Proceeds from sale of available-for-sale investments		2 543	581
Proceeds from dividends under available-for-sale investments		56	8
Consideration paid on acquisition of subsidiaries, net of cash received	44.1	(6 110)	(15 604)
Proceeds from disposal of subsidiaries, net of cash granted	45.1	20 484	3 275
Purchases of investments in associates and joint ventures	19	(2 531)	(8 135)
Proceeds/(payments) on transactions with non-controlling interests, net	44.2, 45.2	(21 935)	(2 826)
Loans granted to related parties		(1 903)	(13 390)
Loan repayments by related parties		20 274	25 902
Loans granted to third parties		(1 187)	(3 215)
Loan repayments by third parties		741	1 965
Interest received on loans and deposits		2 486	2 796
Other proceeds/(payments), net		(107)	-
Net cash flows used in investing activities		(6 862)	(32 899)
Cash flows from financing activities			
Proceeds from short-term bank loans (overdraft), net		32 201	23 059
Repayment of short-term bank loans (overdraft), net		(58 790)	(49 397)
Proceeds from long-term bank loans		2 694	4 993
Repayment of long-term bank loans		(15 838)	(13 003)
Proceeds under factoring agreement	2, 18, 37	132 375	-
Interest and charges paid under factoring agreement		(923)	-
Loans received from third parties		779	590
Repayment of loans to third parties		(190)	(311)
Interest and charges paid under investment purpose loans		(2 304)	(1 916)
Payment of finance lease liabilities		(2 212)	(1 865)
Treasury shares		(852)	(448)
Dividends paid		(12 085)	(3 983)
Government grants		-	5 685
Net cash flows from/(used in) in financing activities		74 855	(36 596)
Net decrease in cash and cash equivalents		(775)	(2 185)
Cash and cash equivalents at 1 January		23 114	25 299
Cash and cash equivalents at 31 December	27	22 339	23 114

The accompanying notes on pages 5 to 144 form an integral part of the consolidated financial statements.

Executive Director:

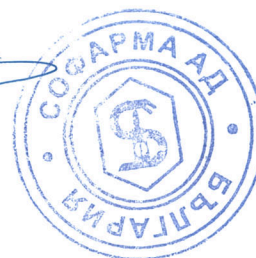
Ognian Donev, PhD

Finance Director:

Boris Borisov

Preparer:

Lyudmila Bondzhova



AUDITED BY AEA
27/04/2017

SOPHARMA GROUP
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2016

Notes	Attributable to equity holders of the parent						Total	Non-controlling interests	Total equity
	Share capital	Treasury shares	Statutory reserves	Revaluation reserve - property, plant and equipment	Available-for-sale financial assets reserve	Translation of foreign operations reserve			
	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000	BGN '000
28	132 000	(18 095)	33 555	23 754	1 190	(4 335)	203 260	60 308	431 637
Balance at 1 January 2015									
Changes in equity for 2015									
	-	(518)	-	-	-	-	-	-	(518)
	2 798	-	8 785	172	-	-	607	(12 362)	-
	-	-	2 916	-	-	-	(2 916)	-	-
	-	-	2 916	-	-	-	(2 916)	-	-
	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	(98)	4 231	4 133
	-	-	-	-	-	-	-	11 195	11 195
	-	-	-	-	-	-	-	(4 017)	(4 017)
	-	-	-	-	-	-	(1 108)	(1 100)	(1 196)
	-	-	-	-	-	-	1 100	(651)	(1 849)
	-	-	-	-	-	-	-	(428)	22 388
	-	-	-	-	140	1 620	21 056	22 816	22 600
	-	-	-	-	-	-	21 314	1 286	22 600
	-	-	-	-	140	1 620	(258)	(1 714)	(212)
	-	-	-	(481)	-	152	329	-	-
	-	-	-	-	-	-	-	-	-
	134 798	(18 613)	45 256	23 445	1 330	(2 563)	222 238	51 749	457 640
28									
Balance at 31 December 2015									
Changes in equity for 2016									
	-	(888)	-	-	-	-	52	-	(836)
	-	-	-	-	-	-	25	-	25
	-	-	2 585	-	-	-	(11 630)	-	(9 045)
	-	-	2 585	-	-	-	(2 585)	-	-
	-	-	-	-	-	-	(9 045)	-	(9 045)
	-	-	-	-	-	-	(1 692)	(23 980)	(25 672)
	-	-	-	-	-	-	(1 772)	(3 233)	(5 005)
	-	-	-	-	-	-	(1 772)	(17 643)	(19 415)
	-	-	-	-	-	-	80	108	188
	-	-	-	9 313	1 478	1 846	50 510	5 964	69 111
	-	-	-	-	-	-	50 638	4 264	54 902
	-	-	-	9 313	1 478	1 846	(128)	1 700	14 209
	-	-	-	(481)	-	-	481	-	-
	-	-	-	-	-	-	-	-	-
	134 798	(19 501)	47 841	32 277	2 808	(717)	259 984	33 733	491 223
28									
Balance at 31 December 2016									

The accompanying notes on pages 5 to 144 form an integral part of the consolidated financial statements.

Executive Director:

Finance Director:

Preparer:

Oguzhan Donev, PhD

Boris Borisov

Lyudmila Bondzheva



AUDITED BY AIA
 27/04/2017