

TCHAIKAPHARMA HIGH QUALITY MEDICINES INC.**INTERIM REPORT AS OF THE 31 DECEMBER 2017****INTERIM STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2017**

	31.12.2017	31.12.2016
	BGN'000	BGN'000
ASSETS		
Non-current assets		
Property, plant and equipment	26 264	25 888
Intangible assets	2 998	3 644
Minority interest investments	1	1
Trade receivables	5 960	6 025
Total non-current assets	35 223	35 558
Current assets		
Inventories	5 031	5 082
Trade and other receivables	55 997	50 373
Financial assets with maturity		24
Treasury shares redeemed	8	
Cash and cash equivalents	25	50
Total current assets	61 061	55 529
Total assets	96 284	91 087
LIABILITIES		
Equity		
Registered (share) capital	64 300	56 600
Statutory reserves	8 695	7 810
Retained earnings	9 029	8 585
Total	82 024	72 995
Non-current liabilities		
Long-term loans	595	1 015
Deferred tax liabilities	1 284	1 284
Retirement benefit liabilities	67	67
Total non-current liabilities	1 946	2 366
Current liabilities		
Trade and other liabilities	1 839	2 909
Short-term loans	9 778	11 349
Current portion of long-term loans	486	869
Current corporate income tax		55
Other tax liabilities	211	544
Total current liabilities	12 314	15 726
Total liabilities	14 260	18 092
Total equity and liabilities	96 284	91 087

Date of preparation: 26 January 2018

Sofia

Prepared by:.....

/ P. Moneva /

Executive Director:.....

/B. Georgiev/

TCHAIKAPHARMA HIGH QUALITY MEDICINES INC.**INTERIM REPORT AS OF THE 31 DECEMBER 2017****INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	31.12.2017	31.12.2016
	BGN'000	BGN'000
Revenue	33 359	33 076
Other income	57	11
Total income	33 416	3 087
Carrying amount of assets sold	1 719)	(3 379)
Changes in stock of products and work in progress	432	(107)
Costs of materials and services	(13 706)	(12 297)
Personnel expenses	(3 404)	(3 251)
Depreciation / amortisation expenses	(3 084)	(3 532)
Other expenses	(1 681)	(545)
Finance income	88	177
Finance costs	(379)	(589)
Total expenses	(23 453)	(23 523)
Profit before taxation	9 963	9 564
Corporate income tax expense	(934)	(979)
Profit/Loss for the period	9 029	8 585
Changes due to revaluation of the fair value of land and buildings		496
Changes due to deferred tax for land and buildings		(50)
Changes due to revaluation of defined benefit pension funds		(9)
Changes due to deferred tax for pension funds		1
Other comprehensive income for the period		438
Total comprehensive income for the period	9 029	9 023
Earnings per share / in BGN per 1 share /	0.14	0.15

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INTERIM REPORT AS OF THE 31 DECEMBER 2017**INTERIM CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017**

	31.12.2017	31.12.2016
	BGN'000	BGN'000
Cash flows from operating activities		
Proceeds from sale of finished products, goods and services	30 929	27 374
Payments to suppliers of materials, goods and services	(15 537)	(17 188)
Payments to personnel	(3 097)	(3 085)
Payments of interest and dividends		(26)
Corporate income tax payments	(989)	(1 021)
Other revenue / payments	(6 438)	(5 733)
Net cash flows	4 868	321
Cash flows from investing activities		
Payments on non-current assets acquired	(2 445)	(1 070)
Net cash flows	(2 445)	(1 070)
Cash flows from financing activities		
Receipts from loans	172	14 473
Payments on loans	(1 738)	(11 549)
Payment of interest, dividends	(8)	(304)
Payments on finance lease	(866)	(1 861)
Other proceeds/payments	(8)	
Net cash flows	-2 448	759
Change in cash and cash equivalents	(25)	10
Cash and cash equivalents at the beginning of the period	50	40
Cash and cash equivalents at the end of the period	25	50

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INTERIM REPORT AS OF THE 31 DECEMBER 2017

**INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Registered (share) capital <i>BGN'000</i>	Revaluation reserves <i>BGN'000</i>	Other reserves <i>BGN'000</i>	Retained earnings / loss <i>BGN'000</i>	Total equity <i>BGN'000</i>
Balance as of 01.01.2016	49 600	2 711	3 881	7 780	63 972
Profit/loss for the period				8 585	8 585
Other comprehensive income		438			438
Including from tax effect of the revaluation of property, plant and equipment		(50)			(50)
Total comprehensive income		438		8 585	9 023
Issue of shares by the owners	7 000			(7 000)	
Dividends accrued					
Tantiemmes accrued					
Profit transferred to reserves			780	(780)	
Total amount of income and expenses recognised during the period	7 000		780	(7 780)	
Balance as of 31.12.2016	56 600	3 149	4 661	8 585	72 995
Balance as of 01.01.2017	56 600	3 149	4 661	8 585	72 995
Profit/loss for the period				9 029	9 029
Other comprehensive income					
Total comprehensive income				9 029	9 029
Issue of shares by the owners	7 700		885	(8 585)	
Dividends accrued					
Tantiemmes accrued					
Profit transferred to reserves					
Total amount of income and expenses recognised during the period					
Balance as of 31.12.2017	64 300	3 149	5 546	9 029	82 024

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