

TCHAIKAPHARMA HIGH QUALITY MEDICINES INC.

ANNUAL FINANCIAL STATEMENTS FOR 2016

TCHAIKAPHARMA HIGH QUALITY MEDICINES INC. STATEMENT OF FINANCIAL STATUS AS OF THE 31st OF DECEMBER 2016

Indicators	Appendices	2016 BGN thousand	2015 BGN thousand.
ASSETS			
Non-current assets			
Property, plant and equipment	5	25 888	27 145
Intangible assets	6	3 644	3 962
Investments with minority interest	7	1	1
Non-current loans	8	6 025	6 100
Trade receivables		35 558	37 208
Current assets			
Inventories	9	5 082	4 711
Trade and other receivables	9	50 373	38 199
Current loans granted	9	24	116
Cash and cash equivalents	10	50	40
Total current assets		55 529	43 066
Total assets		91 087	80 274
EQUITY AND LIABILITIES			
Registered capital and reserves			
Registered capital	11	56 600	49 600
Reserves	12	7 810	6 592
Undistributed profit / Uncovered loss	12	8 585	7 780
Total		72 995	63 972
Non-current liabilities			
Long-term loans	13	1 015	1 653
Deferred tax liabilities	14	1 284	1 210
Other long-term liabilities, including provisions	14	67	49
Total		2 366	2 912
Current liabilities			
Trade and other payables	15	2 909	2 551
Short-term loans	13	11 349	8 420
Current part of long-term loans	13	869	1 790
Current corporate taxes	15	55	121
Other tax payables	15	544	508
Total		15 726	13 390
Total liabilities		18 092	16 302
Total capital and liabilities		91 087	80 274

Draft date: 13.02.2017
Sofia

Prepared by:
(Biser Ivanov)

Director:
(Biser Georgiev)

Date of certification: 17.03.2017.

Auditor:
(Todor Krastev)



TCHAIKAPHARMA HIGH QUALITY MEDICINES INC.**ANNUAL FINANCIAL STATEMENTS FOR 2016****TCHAIKAPHARMA HIGH QUALITY MEDICINES INC.
STATEMENT OF COMPREHENSIVE INCOME
DECEMBER 31st, 2016**

Indicators	APPENDICES	2016 BGN thousand	2015 BGN thousand
Revenues	16	33 076	29 988
Other income	16	11	41
Balance value of assets sold	17	(3 379)	(1 986)
Changes in inventories of products and work in progress	17	(107)	(200)
Costs for acquisition of assets through business			
Cost for materials and services	17	(12 297)	(10 769)
Employee costs	17	(3 251)	(3 649)
Amortization costs	17	(3 532)	(3 652)
Cost for depreciation of property, plant and equipment			
Other expenses	17	(545)	(536)
Financial income	18	177	21
Financial expenses	18	(589)	(645)
Profit before taxation		9 564	8 613
Corporate tax cost	19	(979)	(833)
Profit/Loss for the period		8 585	7 780
Changes from fair value revaluation of property, machinery and equipment	12	496	588
Changes from deferred corporate tax from revaluation of property, machinery and equipment	12,14	(50)	(63)
Changes from revaluation of pension plans with defined incomes	12	(9)	(5)
Changes from deferred corporate tax from revaluation of pension funds	12,14	1	1
Other comprehensive income for the period		438	521
Total comprehensive income for the period		9 023	8 301
Income per share calculated on profit basis subject to distribution between equity holders of the company for the year /in BGN per 1 share/	20	0.16	0.16

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TCHAIKAPHARMA HIGH QUALITY MEDICINES INC.

CASH FLOW REPORT

DECEMBER 31st, 2016

INDICATORS	Appendices	2016 BGN thousand	2016 BGN thousand	2016 BGN thousand	2015 BGN thousand	2015 BGN thousand	2015 BGN thousand
		Revenue	Payments	Net cash flow	Revenue	Payments	Net cash flow
1	2	3	4	5	6	7	8
A. Cash flow from operating activities							
Payments/revenues related to trade partners	16,17	27 374	(17 188)	10 186	27 732	(13 606)	14 126
Payments to personnel	17		(3 085)	(3 085)		(3 717)	(3 717)
Payments of interest, dividends and other related.	14						
Positive and negative exchange differences			(26)	(26)		(4)	(4)
Tax on profit paid			(1 021)	(1 021)		(891)	(891)
Other revenues/payments		164	(5 897)	(5 733)	5	(4 834)	(4 829)
Net cash flow		27 538	(27 217)	321	27 737	(23 051)	4 685
B. Cash flow form investment activities							
Payments/revenues related to non-current assets	5	5	(1 075)	(1 070)		(1 027)	(1 027)
Payments of interest, dividends and other related.	7						
Payments/revenues for/on loans granted	8,9						
Other revenues/payments of investment activities							
Net cash flow		5	(1 075)	(1 070)		(1 027)	(1 027)
C. Cash flow from financial activities							
Revenues from shares and other financial instruments							
Revenues/payments from/for loans received	13	14 473	(11 549)	(2 924)	9 939	(10 908)	(969)
Payment of interest, dividends		1	(305)	(304)		(579)	(579)
Payment for finance lease	13		(1 861)	(1 861)		(2 128)	(2 128)
Payments related to the distribution of profits							
Net cash flow		14 474	(13 715)	759	9 939	(13 615)	(3 676)
Net increase/decrease of cash and cash equivalents		42 017	(42 007)	10	37 676	(37 694)	(18)
Cash and cash equivalents at the beginning of the period	10			40			58
Cash and cash equivalents at the end of the period	10			50			40

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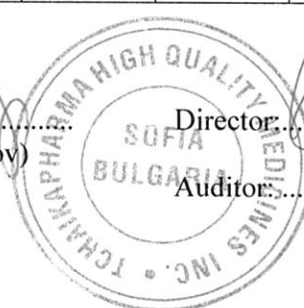
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TCHAIKAPHARMA HIGH QUALITY MEDICINES INC.

ANNUAL FINANCIAL STATEMENTS FOR 2016

TCHAIKAPHARMA HIGH QUALITY MEDICINES INC. STATEMENT OF CHANGES IN EQUITY DECEMBER 31st, 2015

Balances and transactions in BGN thousand	Appendices	Registered capital	Revaluation reserves	Other reserves	Undistributed profit/loss	Total
Balance as of 01.01.2015	11,12	43 500	2 190	3 200	6 816	55 706
Changes in the accounting policy						
Correction of material errors						
General effect of the implementation of the retroactive adjustments						
Profit/loss for the period					7 780	7 780
Other comprehensive income	12		521			521
Including of tax effect of the revaluation of property, plant and equipment			(62)			(62)
Total comprehensive income			521		7 780	8 301
Issue of shares by the owners		6 100			(6 100)	
Accrued dividends					(35)	(35)
Accrued tantiemmes						
Transferred to profit reserves	12			681	(681)	
Accrued provisions	12					
Total recognized amount of income and expenses for the period		6 100		681	(6 816)	(35)
Balance as of 31.12.2015	11,12	49 600	2 711	3 881	7 780	63 972
Balance as of 01.01.2016	11,12	49 600	2 711	3 881	7 780	63 972
Changes in the accounting policy						
Correction of material errors						
General effect of the implementation of the retroactive adjustments						
Profit/loss for the period					8 585	8 585
Other comprehensive income	12		438			438
Including of 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)	
Accrued dividends						
Accrued tantiemmes						
Transferred to profit reserves	12			780	(780)	
Accrued provisions	12					
Total recognized amount of income and expenses for the period		7 000		780	(7 780)	
Balance as of 31.12.2016		56 600	3 149	4 661	8 585	72 995

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