MANAGEMENT REPORT

for Q3 2026

“SOPHARMA” AD

30 September 2026

Content

I. General information about "Sopharma" AD 2

1. Registration and activity of the Company 2
2. Shareholder structure as at 30 September 2026 2
3. Board of Directors 2
4. Personnel 3
5. Production activity 3
6. Products 4
7. Information about the shares and other securities issued by the Company 4

II. Recent development 5

III. Significant events in Q3 2026 and until the publication of the interim management report 14

IV. Review of the main risks faced by the Company 17

V. Information on related party transactions 18

I. General information about “Sopharma” AD

1. Registration and activity of the Company

“Sopharma” AD (the Company) is a company registered in Bulgaria under the Provisions of the Commercial Law, with its registered office in Sofia, 16, “Iliensko shose” Str.

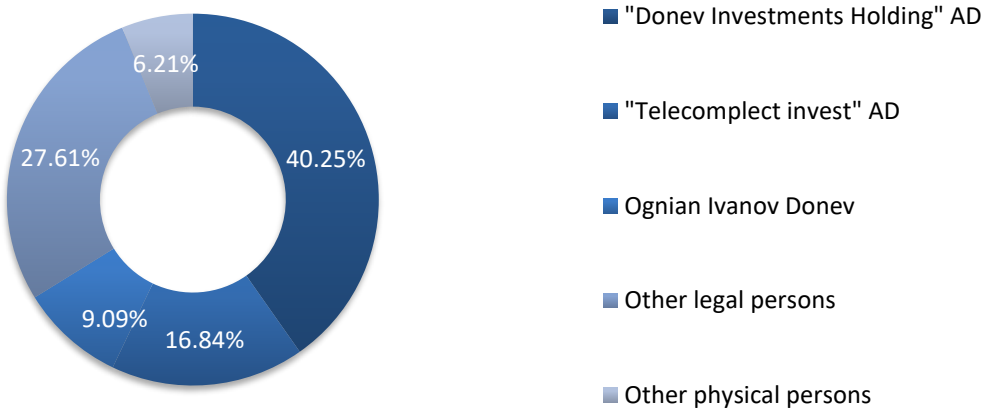
“Sopharma” AD was established in 1933. The court registration of the Company is from 15 November 1991, decision №1/1991 of Sofia City Court. “Sopharma” AD is a public company under the Law on Public Offering of Securities.

The Company conducts the production and marketing of medicinal substances and dosage forms; research, engineering and implementation activities in the field of phytochemistry, chemistry and pharmaceuticals, production of medical products and cosmetics, incl. - plasters, bandages, sanitary-hygiene products, herbal cosmetics, concentrates for hemodialysis and production and trade of veterinary-medicinal products and performance of laboratory services related to the examination of animal blood samples.

The company owns permission for production of medicines/import № BG / MIA - 0525 from 13.08.2025, issued by the Bulgarian Drug Agency (BDA).

The Company owns permission for wholesale with medicinal products № BG / WDAIMP - 0583 from 07.08.2025, issued by the Bulgarian Drug Agency (BDA).

2. Shareholder structure as at 30 September 2026



3. Board of Directors

“Sopharma” AD has a one tier management system with a Board of Directors of five members as follows: Ognian Donev, PhD – Chairman, Vessela Stoeva – Deputy Chairman and members - Bissera Lazarova, Alexandar Tchaoushev and Boris Borisov. The Company is represented and managed by the Executive Director Ognian Donev, PhD. On the basis of a commercial management contract concluded on June 9, 2020, Simeon Donev is assigned as a procurator of the company.

4. Personnel

The average number of workers and employees for 2026 in "Sopharma" AD is 1 653 (1 713 in 2025).

	Number of workers and employees as at 30.09.2026	rel. share %
	1 654	100%
Higher education	855	52%
College education	25	2%
Secondary education	746	45%
Primary education	25	1%
Employees under 30 years	149	9%
Employees 31 - 40 years	283	18%
Employees 41 - 50 years	411	25%
Employees 51 - 60 years	635	38%
Employees over 60 years	172	10%
Women	1 051	64%
Men	599	36%

5. Production activity

The production activities of the Company are realized and developed in the following areas:

- Substances and preparations based on plant raw materials (phytochemical production);
- Ready-to-use formulations, incl.:
  - Solid forms as tablets, coated tablets, film-coated tablets, capsules;
  - Galenic - suppositories, drops, syrups, ointments;
  - Parenteral - injection solutions, lyophilic powder for injection.

- Medical and cosmetic products, incl.:
  - Plasters;
  - Bandadges;
  - Sanitary-hygiene products;
  - Medical cosmetics;
  - Concentrates for hemodialysis;

6. Products

The Company has more than 250 products in its portfolio: incl. nearly 190 medicinal products and 11 groups of medical devices. Medicinal products mainly include generics and 15 traditional products, 12 of which are plant-based. The Company's traditional products (in particular Tabex, Carsil and Tempalgin) make up a major share of its export market revenues, while the company's generic products are of major importance for domestic sales, Analgin being the leader among these products.

The product portfolio of "Sopharma" AD focuses on the following therapeutic areas: cardiology, gastroenterology, pain management, cough and cold, immunology and dermatology, respiratory tract and asthma, neurology and psychiatry, urology and gynecology, nephrology, surgery, orthopedics and traumatology.

The most significant pharmaceutical products in terms of their contribution to the revenues are:

- Carsil - traditional plant-based product used to treat gastroenterology diseases (liver diseases);
- Tempalgin - traditional analgesic (painkiller);
- Tabex - traditional plant-based smoking cessation product;
- Tribestan - traditional plant-based product that stimulates the functions of the sexual system;
- Broncholitin - traditional plant-based product used to suppress cough;
- Analgin - generic analgesic (pain reliever);
- Nivalin - traditional plant-based product used for diseases of the peripheral nervous system;
- Methylprednisolone - generic medicine for cases of severe allergies and certain life-threatening conditions;
- Vitamin C - widely used nutritional supplement;
- Valeriana - generic non-prescription herbal medicine used to reduce stress;
- Medical devices - gauzes, compresses and dressings.

7. Information about the shares and other securities issued by the Company

The total number of shares as of 30 September, 2026 of "Sopharma" AD, is 539 157 603 with a nominal value of EUR 0.51 per share. All issued shares are registered, dematerialized, ordinary and indivisible, according to the Articles of Association of the Company. All issued shares are of one class. Each share gives equal rights to its holder in proportion to the nominal value of the share.

II. Recent development

Key financial indicators

Indicators	30.09.2026 *EUR '000*	30.09.2025 *EUR '000*	Change %
Revenues	132 211	99 969	32.3%
EBITDA	40 708	25 072	62.4%
Operating profit	29 166	16 956	72.0%
Net profit	28 410	17 144	65.7%
CAPEX*	11 416	11 566	-1.3%
	30.09.2026 ***EUR '000***	**31.12.2025** ***EUR '000***	
Non-current assets	355 327	366 886	-3.2%
Current assets	148 994	158 777	-6.2%
Owners' equity	364 861	331 682	10.0%
Non-current liabilities	66 422	60 177	10.4%
Current liabilities	73 038	133 804	-45.4%

* tangible and intangible fixed assets acquired

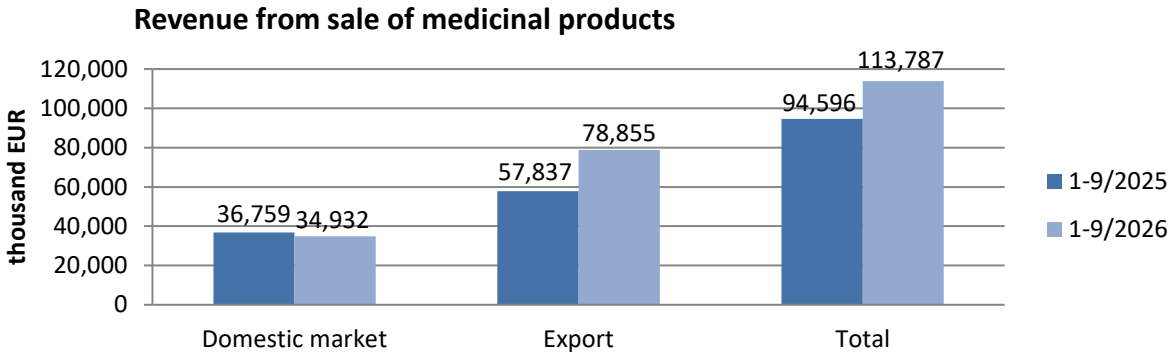
Indicators	1-9/2026	1-9/2025
EBITDA/Revenues	30.8%	25.1%
Operating profit/Sales Revenue	22.1%	17.0%
Net profit/Sales Revenue	21.5%	17.1%
	30.09.2026	**31.12.2025**
Debt/Equity	0.38	0.58
Net debt*/EBITDA on annual basis	2.1x	3.5x

** the net debt comprises the sum of borrowings from banks and lease liabilities less cash and cash equivalents*

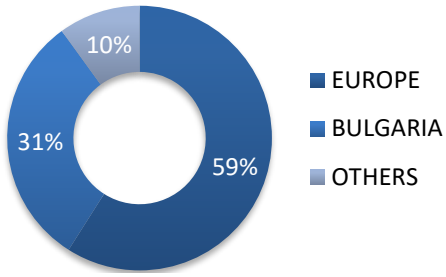
Operating revenues

Revenues from contracts with customers are from sales of manufactured medicinal products in Q3 2026 increased by EUR 32.2 million, to EUR 131.2 million, compared to EUR 98.9 million in Q3 2025. The revenues from contracts with customers include:

- Revenues from sales of manufactured medicinal products;
- Revenues from distribution of medicinal products;



Revenues by market	1-9/2026 *EUR '000*	1-9/2025 *EUR '000*	change *%*
EUROPE	67 617	46 974	43.9%
BULGARIA	34 963	36 759	-4.9%
OTHERS	11 207	10 863	3.2%
Total	**113 787**	**94 596**	20.3%



- European market

Sales revenues of manufactured medicinal products for European countries increased by EUR 20.6 million or 43.9% compared to Q3 2025 mainly due to the increase in sales in Russia by 61%, as well as the increase in sales in Ukraine by 21%, in Moldova by 17% and in Belarus by 24%. An increase in sales is also registered in the markets of Serbia and Latvia. Sale decrease of 8% is registered in Poland.

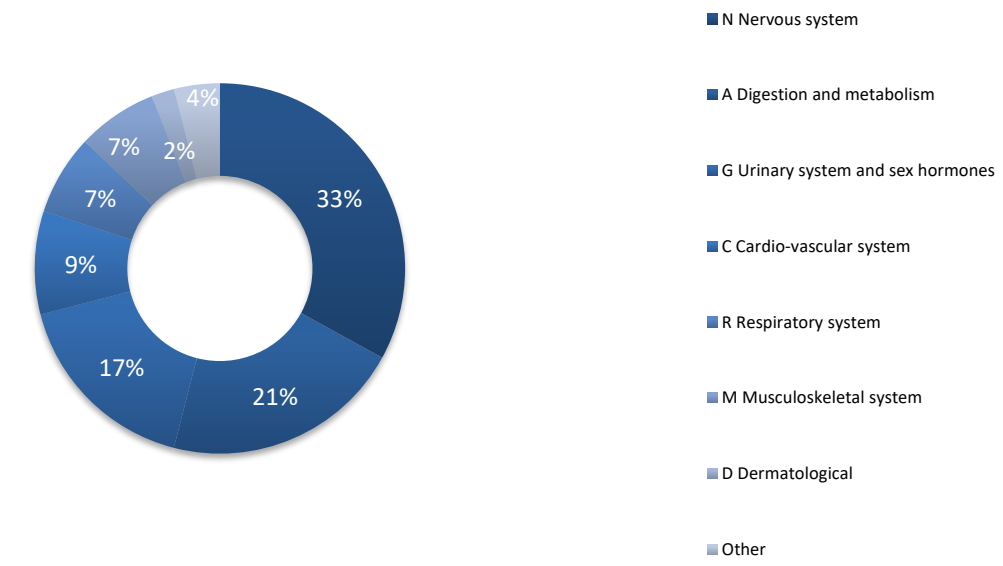
- Bulgarian market

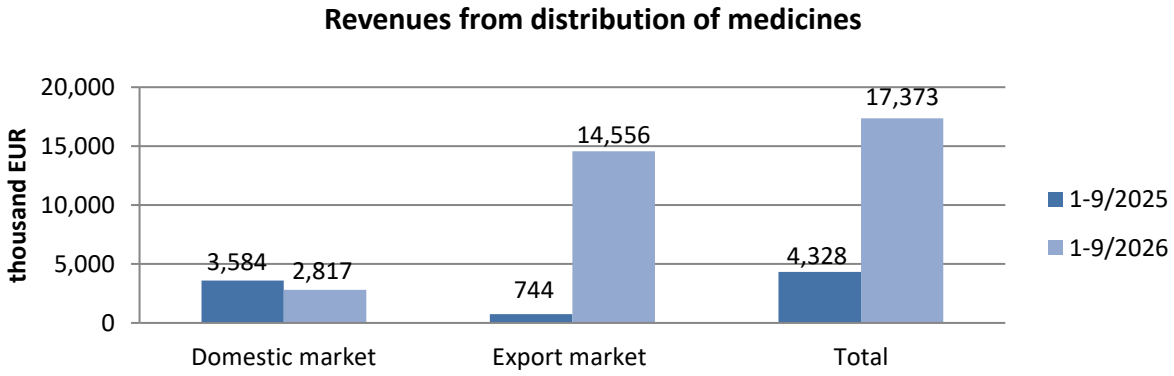
Sales revenues of manufactured medicinal products of "Sopharma" AD on the domestic market decrease by EUR 1.8 million or 4.9% in Q3 2026, to EUR 35 million compared to EUR 36.8 million in Q3 2025. According to IQVIA data, at the end of Q3 2026 the Company occupies 1.60% (eighteenth position) on the Bulgarian pharmaceutical market in value and 5.88% (second position) of sales in volume. The positions of the main companies operating in the pharmaceutical market on the territory of the country are as follows: Merck Sharp & Dohme – 6.07% (0.20% in volume), AstraZeneca – 5.87% (0.67% in volume), Roche – 4.82% (0.20% в in volume), Swixx Biopharma – 4.59% (1.53% in volume), Abbvie – 4.39% (0.10% in volume), Novartis – 4.27% (1.23% in volume), Johnson & Johnson – 3.28% (0.72% in volume), Pfizer – 3.2% (0.60% in volume), Novo Nordisk – 2.98% (0.48% in volume), Teva – 2.95% (8.66% in volume).The products with the largest share of sales in the country are Analgin, Famotidine, Vitamin C, Buscolysin, Allergosan, Karsil, Vicetin.

- Other markets

Sales revenues of manufactured medicinal products from other markets in Q3 2026 increased by EUR 0.3 million or 3.2% compared to Q3 2025 as a result of the increase in sales of production in Georgia with 37%, Azerbaijan with 12% and Kazakhstan with 5%, which is partly compensated by a decrease in sales in Uzbekistan with21% and Vietnam with 24%.

Sales by therapeutic group for manufactured medicinal products





	1-9/2026 *EUR '000*	1-9/2025 *EUR '000*	change %
BULGARIA	2 817	3 584	-21.4%
EUROPE	13 933	662	2004.7-
OTHER	623	82	659.8%

Total	**17 373**	**4 328**	301.4%

The revenues from distribution of medicines are a result from contracts with European manufacturers.

Operating expenses

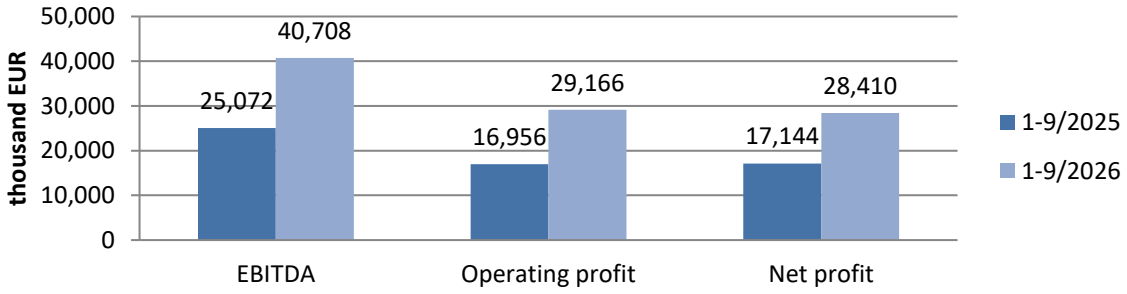
For the current period, the costs for materials decrease by EUR 2.5 million compared to Q3 2025 due to the decrease in the costs of basic materials for production, especially in the substances and chemicals sectors. External service costs increased by EUR 5.5 million due to the increase in the costs of medicinal production. Personnel costs increased by EUR 2.9 million. Other operating expenses increased by EUR 0.3 million.

Financial income and expenses

Financial income decreased by EUR 1.1 million to EUR 2.6 million in Q3 2026.

Financial expenses keep at EUR 3.3 million in Q3 2026.

Financial result of the activity



Profit before interest, taxes, depreciation and amortization (EBITDA) in Q3 2026 increased by EUR 15.6 million or by 62.4% to EUR 40.7 million compared to EUR 25.1 million in Q3 2025. The main factors for the increase are the increase of sales on the European market mainly influenced by the portfolio expansion with products that were acquired at the end of 2024 with 14 new trade brands.

Operating profit in Q3 2026 increased by EUR 12.2 million or by 72% to EUR 29.2 million compared to EUR 17 million in Q3 2025.

Net profit for Q3 2026 increased by EUR 11.3 million or by 65.7%, to EUR 28.4 million compared to EUR 17.1 million in Q3 2025.

Assets

Non-current assets at the end of 2025 decreased by EUR 11.6 million, to EUR 355.3 million, which is largely due to decrease in investments in associate and joint ventures.

Current assets decreased by EUR 9.8 million, to EUR 149 million, mainly as a result of a decrease in cash and equivalents by EUR 5.3 million and increase in proceeds from subsidiaries with EUR 3.9 million.

Owners' equity and liabilities

Equity increased by EUR 33.2 million, to EUR 364.9 million, as a result of shares sold and repurchased, the growth in retained earnings, as well as warrants issued.

Non-current liabilities increased by EUR 6.2 million, to EUR 66.4 million, as a result of a increase in long-term bank loans.

Current liabilities decreased by EUR 60.8 million, to EUR 73.1 million, as a result of a decrease in short-term bank loans of EUR 28.7 million. An additional effect was also recorded from the decrease in trade payables and liabilities to related parties by EUR 15.8 million.

Cashflow

	1-9/2026 EUR '000	1-9/2025 EUR '000
Net cash flows from operating activities, normalized*	33 772	19 516
Purchases of property, plant and equipment, intangible assets, net	(13 428)	(54 914)
Payments under lease contracts	(1 345)	(1 266)
Free cash flow (normalized)	**(18 999)**	**(36 664)**

The free cash flow (normalized with the payments under lease contracts and dividends), generated for Q3 2026 is EUR 19 million inflow compared to EUR 36.7 million outflow for Q3 2025.

New developments and products

During the reporting period January - September 2026, the following activities were carried out in the Development and Regulatory Compliance Department:

- **New registrations of medicinal products**
- During the reporting period, **30** new medicinal products have been authorized (licensed):

- Valdipin (valsartan) 160 mg film-coated tablet (Bulgaria)
- Valdipin (valsartan) 320 mg film-coated tablet (Bulgaria)
- Sophedox (edoxaban) 30 mg film-coated tablet (Bulgaria)
- Sophedox (edoxaban) 60 mg film-coated tablet (Bulgaria)

- Pixanel (apixaban) 2.5 mg film-coated tablet (Bulgaria)
- Pixanel (apixaban) 5 mg film-coated tablet (Bulgaria)
- Buscolysin (butylscopolamine) 10 mg film-coated tablet (Bulgaria)
- Buscolysin Forte (butylscopolamine) 20 mg film-coated tablet (Bulgaria)
- Antitussin (butamirate) 5 mg/ml oral drops, solution (Bulgaria)
- Paracetamol Sopharma 500 mg tablet (Albania)
- Atropine Sopharma 1 mg/ml solution for injection (Albania)
- Analgin (Metamizole sodium) 500 mg/ml solution for injection (Albania)
- Nexopral 20 mg gastro-resistant tablet (Ukraine)
- Nexopral 40 mg gastro-resistant tablet (Ukraine)
- Ascorbic acid 200 mg/mL solution for injection (Bulgaria)
- Ascorbic acid 200 mg/mL solution for injection (Latvia)
- Ascorbic acid 200 mg/mL solution for injection (Romania) – MAH - Zentiva
- Ibuprofen+Paracetamol 200 mg+500 mg granules (Bulgaria)
- Pethidine 50 mg.mL solution for injection (France) – MAH – Macure Pharma ApS
- Colecalciferol 0.5 mg/mL oral drops solution (Poland) – MAH – Zentiva
- Dexketoprofen 25 mg film-coated tablet (Moldova)
- Sydnopharm (Molsidomine) 4 mg tablet (Moldova)
- Tuspan (Butamirate citrate) 5 mg/mL oral drops solution (Ukraine)
- Furotalgin ear drops solution (Georgia)
- Spazmalgon solution for injection (Georgia)
- Vitamin B complex solution for injection (Georgia)
- Dexketoprofen 50 mg/2 mL solution for injection/infusion (Georgia)
- Norepinephrine 1 mg/mL concentrate for solution for injection (Moldova)
- Carsil 22,5 mg film-coated tablets (Kirgizia) EAEU geographic extension
- Carsil 22,5 mg coated tablets (Kazakhstan)

- **Documentation for registration of 14 medicinal products has been submitted:**

- Fenalid Duo (phenazone/lidocaine) 40/10 mg ear drops, (MAH Biofarm, Poland)
- Zondaron (ondansetron) 2 mg/ml solution for injection/infusion (Hungary)
- Suxamethonium 10 mg/ml solution for injection (Serbia)
- Suxamethonium 20 mg/ml solution for injection (Serbia)
- Sydnopharm 4 mg tablet (Moldova)
- Revelio 25 mg film-coated tablet (Moldova)
- Buscolysin (butylscopolamine) 10 mg film-coated tablet (Poland)
- Buscolysin Forte (butylscopolamine) 20 mg film-coated tablet (Poland)
- Norepinephrine 1 mg/mL concentrate for solution for infusion (Moldova)
- Ibuprofen 200 mg tablet (Bulgaria)
- Ibuprofen 400 mg tablet (Bulgaria)
- Ibuprofen 500 mg tablet (Bulgaria)
- Tenofovir Alafenamide 25 mg tablet (Bulgaria)
- Gorloin compressed lozenges (Moldova)

- **Approved EAEU registrations – 12:**

- Indometacin 50 mg and 100 mg suppositories (Belarus)
- Indometacin 25 mg gastro-resistant tablet (Belarus)
- Troxerutin 2% gel (Belarus)
- Vitamin B complex solution for injection (Armenia)
- Dimex syrup (Armenia)
- Tempaforte 100 mg effervescent powder for oral solution (Belarus)
- Dusopharm 50 mg film-coated tablet (Russia)
- Vidora micro film-coated tablet (Russia)
- Vidora film-coated tablet (Russia)
- Otofix ear drops, solution (Armenia)
- Allergosan 1% ointment (Armenia)
- Ambroxol 15 mg/5 mL syrup (Kazakhstan)

- **Submitted EAEU registrations – 15:**

- Ketotifen 1 mg tablet (Armenia)
- Desloratadin 0.5 mg/mL oral solution (Armenia)
- Troxerutin 20 mg/g gel (Armenia)
- Troxerutin 20 mg/g gel (Kyrgyzstan)
- Climen coated tablet (Belarus)
- Allergosan 25 mg coated tablet (Belarus)
- Allergosan 10 mg/g cream (Belarus)
- Progynova 2 mg coated tablet (Belarus)
- Tabex 1.5 mg film-coated tablet (Belarus)
- Tempalgin film-coated tablet (Belarus)
- Tempalgin film-coated tablet (Armenia)
- Allergosan 1% cream (Armenia)
- Troxerutin 300 mg capsules (Armenia)
- Allergosan 1% ointment (Kirgizstan)
- Kestin 10 mg coated tablet (Belarus)

- **Approved EAEU registrations – 12:**

- Carsil 22.5 mg film-coated tablet (Kazakhstan)
- Tabex 1.5 mg film-coated tablet (Kazakhstan)
- Spasmalgon solution for injection (Belarus)
- Ketotifen 1 mg tablets (Kirgizstan)
- Indometacin 25 mg GR tablets (Kirgizstan)
- Tabex 1,5 mg film-coated tablets (Kirgizstan)
- Spazmalgon solution for injections (Armenia)

- Broncholytin Ivy 7 mg/mL syrup (Kazakhstan)
- Carsil Max 110 mg capsules (Kazakhstan)
- Indometacin 25 mg GR tablets (Kazakhstan)
- Ketotifen 1 mg tablets (Kazakhstan)
- Indometacin ointment (Kazakhstan)

- **Re-registered/changed:**
- Renewed Approvals of use for **31** medicinal products**:**
- Ambrolytin (ambroxol) 30 mg/5 ml syrup, (Bulgaria)
- Xabanel (rivaroxaban) 10 mg film-coated tablet (Bulgaria)
- Xabanel (rivaroxaban) 15 mg film-coated tablet (Bulgaria)
- Xabanel (rivaroxaban) 20 mg film-coated tablet (Bulgaria)
- Carsil 22.5 mg coated tablet (Tajikistan)
- Carsil 90 mg capsule (Tajikistan)
- Sydnopharm 2 mg tablet (Azerbaijan)
- Tempalgin (metamizole, triacetonamine 4-toluenesulfonate) 500 mg/ 20 mg (Albania)
- Tabex 1.5 mg film-coated tablet (Mongolia)
- Tabex 1.5 mg film-coated tablet (Uzbekistan)
- Carsil Max 110 mg caps (Tajikistan)
- Cinnarizine 25 mg tablet (Uzbekistan)
- Tribestan 250 mg tablet (Uzbekistan)
- Allergosan 1 g/ 100 g ointment (Georgia)
- Analgin 500 mg tablet (Georgia)
- Troxerutin 300 mg caps. (Georgia)
- Dexketoprofen 50 mg/2 mL solution for injection/infusion (Georgia)
- Paracedol Kids 120 mg/ 5 mL (Georgia)
- Sydnopharm 2 mg tablet (Georgia)
- Rosuvistat 10 mg film-coated tablet (Bulgaria)
- Rosuvistat 20 mg film-coated tablet (Bulgaria)
- Carsil 22,5 mg film-coated tablet (Bulgaria)
- Betagamma solution for injection (Bulgaria)
- Alergosan 1% cream (Kosovo)
- Buskolysin 10 mg coated tablets (Azerbaijan)
- Talert 1 mg/mL syrup (Azerbaijan)
- Ketotifen Sopharma 1 mg tablets (Mongolia)
- Troxerutin Sopharma 300 mg capsules (Turkmenistan)
- SophaVit film-coated tablets (Uzbekistan)
- Nivalin 5 mg tablets (Georgia)
- Nivalin 10 mg tablets (Georgia)

- **Submitted documentation for renewal of Marketing Authorizations for 30 medicinal products**

- **Submitted 179 changes for medicinal products to agencies**

- **Approved 225 changes by agencies for medicinal products**

- **Rejected 6 changes for medicinal products by agencies (5 IB; 1 II).**

- **Rejected 1 pre-registration of a medicinal product by agencies**

- **Food supplements:**

- Food supplements submitted for registration: **2 pc**:
  B Vitamin C Naturkompleks, tablets (Bulgaria)
  Magnisimo Active, film-coated tablets (Bulgaria)

- Approved registrations of food supplements: **3 pc**:
  Enzibalance, gastro-resistant tablets x10 x60 (Bulgaria)
  B Vitamin C Naturkompleks, tablets (Bulgaria)
  Magnisimo Active, film-coated tablets (Bulgaria)

- Medicinal products submitted for registration: **2 pc**:
  Hydia Med shampoo (Turkmenistan)
  Hydia Protects spray, lotion (Turkmenistan)

- **Developments**

Pharmaceutical development of 34 new medicinal products/projects is underway:

- Xylometazoline/Dexpanthenol 0.05% nasal spray
- Xylometazoline/Dexpanthenol 0.1% nasal spray
- Vitamin C 200 mg/mL solution for injection
- Butamirate Citrate syrup
- Ibuprofen 200 mg, 400 mg, and 600 mg film-coated tablets
- Ibuprofen 100 mg/5 mL and 200 mg/5 mL oral suspension
- Ibuprofen/Pseudoephedrine 200 mg/30 mg film-coated tablets
- Metamizole Sodium 500 mg and 1000 mg prolonged-release tablets
- Tempalgin tablets
- Tabex 1.5 mg tablets
- Carsil 22.5 mg film-coated tablets
- Carsil 35 mg tablets
- Valerian 250 mg tablets
- Buscolysin 20 mg tablets
- Paracetamol oral suspension
- Torasemide 5 mg and 10 mg tablets
- Erdosteine 300 mg capsules
- Ursodeoxycholic Acid 250 mg and 500 mg tablets
- Nicergoline 10 mg and 30 mg film-coated tablets

- Oseltamivir 30 mg, 45 mg, and 75 mg capsules
- Trazodone 75 mg and 150 mg sustained-release (SR) tablets
- Ademetionine 400 mg and 500 mg gastro-resistant (GR) tablets
- Mesalazine 800 mg gastro-resistant (GR) tablets
- Citicoline 125 mg/mL and 250 mg/mL solution for injection, 4 mL
- Midazolam 1 mg/mL and 5 mg/mL solution for injection/infusion
- Dexmedetomidine 0.1 mg/mL concentrate for solution for injection
- Etamsylate 125 mg/mL solution for injection
- Clindamycin 150 mg/mL solution for injection, 2 mL and 4 mL
- Thiocolchicoside 2 mg/mL solution for injection, 2 mL
- Vitamin B Complex solution for injection, 2 mL
- Cinnarizine 25 mg tablets
- Levodropropizine 30 mg/5 mL syrup
- Levodropropizine 60 mg/mL oral drops
- Acetylsalicylic acid 100 mg tablets

- **API - 3**

- Dry extract of Elderberry;
- Dry extract of Milk Thistle fruits;
- Glaucin Hydrobromide.

- **Prepared documentation for qualification/production:**

- Documentation for qualification of raw materials for production – 122;
- Production regulations – 160;
- Instructions for cleaning control – 54;
- Documentation for qualification of finished forms – 233.

III. Significant events in Q3 2026 and until the publication of the interim management report

- On 09.01.2026, in accordance with the requirements of Art. 100t of the LPOS and on the basis of Art. 89t of the LPOS, the company notified all shareholders and all interested parties about the launch of an initial public offering of a warrant issue, as follows:

- Prospectus of the issue approved by decision No. 766 – E of 16.12.2025 of the Financial Supervision Commission.

  The number of securities offered is 8,985,960 warrants.

  The minimum number of warrants that must be subscribed for the issue to be successful is 1,797,192 warrants. For 1 (one) share held by the Issuer's shareholders, 1 (one) right is issued. For every 60 (sixty) rights, the shareholders

or third parties who have acquired rights during the transfer period or during the organized public auction, have the right to subscribe for 1 (one) warrant from the current issue, at an issue value of 0.27 BGN (€0.14). Sixty rights entitle the holder to acquire one warrant.

All warrants entitle their holders to subscribe for shares from a future capital increase of Sopharma AD at a currently set exercise price of 3.60 BGN (€1.84). The right to subscribe for shares may be exercised within a period of up to 3 years in accordance with the procedure described in the issue prospectus;

The results of the public offering are as follows:

- Closing date of the public offering: 25 February 2026;
- Total number of rights issued: 539,157,603 (five hundred thirty-nine million one hundred fifty-seven thousand six hundred and three);
- Total number of warrants offered for subscription: 8,985,960 (eight million nine hundred eighty-five thousand nine hundred and sixty);
- Total number of warrants subscribed and paid for: 8,985,800 (eight million nine hundred eighty-five thousand eight hundred);
- Amount received for the subscribed and paid warrants in the capital-raising account opened with United Bulgarian Bank AD: EUR 1,258,012 (one million two hundred fifty-eight thousand and twelve euros).

- Prospectus of the issue approved by decision No. 768 – E of 16.12.2025 of the Financial Supervision Commission.

  The number of securities offered is 8,985,960 warrants.

  The minimum number of warrants that must be subscribed for the issue to be successful is 1,797,192 warrants. For 1 (one) share held by the Issuer's shareholders, 1 (one) right is issued. For every 60 (sixty) rights, the shareholders or third parties who have acquired rights within the period for the transfer of rights or during the organized public auction, have the right to subscribe for 1 (one) warrant from the current issue, at an issue value of BGN 0.27 (€0.14). Sixty rights entitle the holder to acquire one warrant.
  All warrants entitle their holders to subscribe for shares from a future capital increase of Sopharma AD at a currently determined exercise price of BGN 4.56 (€2.33). The right to subscribe for shares may be exercised within a period of up to 5 years in accordance with the procedure described in the issue prospectus;

- Prospectus of the issue approved by decision No. 768 – E of 16.12.2025 of the Financial Supervision Commission.

  The number of securities offered is 8,985,960 warrants.

The minimum number of warrants that must be subscribed for the issue to be successful is 1,797,192 warrants. For 1 (one) share held by the Issuer's shareholders, 1 (one) right is issued. For every 60 (sixty) rights, the shareholders or third parties who have acquired rights within the period for the transfer of rights or during the organized public auction, have the right to subscribe for 1 (one) warrant from the current issue, at an issue value of BGN 0.27 (€0.14). Sixty rights give the right to acquire one warrant.

All warrants entitle their holders to subscribe for shares from a future capital increase of Sopharma AD at a currently set exercise price of BGN 5.70 (€2.91). The right to subscribe for shares may be exercised within 7 years in accordance with the procedure described in the issue prospectus.

The results of the public offering are as follows:

- Closing date of the public offering – 25 February 2026;
- Total number of rights issued – 539,157,603 (five hundred thirty-nine million one hundred fifty-seven thousand six hundred and three);
- Total number of warrants offered for subscription – 8,985,960 (eight million nine hundred eighty-five thousand nine hundred and sixty);
- Total number of warrants subscribed and paid for – 8,985,817 (eight million nine hundred eighty-five thousand eight hundred and seventeen);
- Amount received for the subscribed and paid warrants into the fundraising account opened with United Bulgarian Bank AD – EUR 1,258,014.38 (one million two hundred fifty-eight thousand fourteen euros and thirty-eight euro cents);
- Total expenses incurred in connection with the public offering to date – EUR 26,580.10 (twenty-six thousand five hundred and eighty euros and ten euro cents).

- On 26 January 2026, the Company transferred to the Central Depository an amount of BGN 45.465 million (EUR 23.246 million) for payment of the advance dividend from the profit for 2025.

- On 26 January 2026, the Company transferred BGN 45.465 million (EUR 23.246 million) to the Central Depository for the payment of the interim dividend from the Company's 2025 profit.

- On 26 June 2026, at the Company's Annual General Meeting of Shareholders, a resolution was adopted to distribute a cash dividend for 2025 in the total amount of EUR 27,994,956.756. The gross dividend per share amounts to EUR 0.052, while the net dividend per share (applicable only to individual shareholders) amounts to EUR 0.0494.

IV. Review of the main risks faced by the Company

Risks related to the Company's business and the industry the Company operates

- The Company faces significant competition;
- The Company is dependent on regulatory approvals;
- Government regulations affecting the Company's business may change, thus possibly increasing compliance costs or otherwise affecting its operations;
- Part of the Company's revenues, in particular in Bulgaria, depends on the inclusion of the Company's medicines in reimbursement lists;
- The Company's production facilities and processes are subject to strict requirements and regulatory approvals that may delay or disrupt the Company's operations;
- The Company's ability to pay dividends depends on a number of factors and there can be no guarantee that the Company will be able to pay dividends in accordance with its dividend policy;
- The Company is subject to operational risk, which is inherent to its business activities;
- The Company is subject to multiple laws and regulations on environmental protection and health and safety work conditions and is exposed to potential environmental liabilities;
- Litigations or other out-of-court proceedings or actions may adversely affect the Company's business, financial position and results of operations.

Risks related to Bulgaria and other markets in which the Company operates

- The macroeconomic environment, particularly in Bulgaria, Russia and Ukraine, has a significant effect on the Company's operations;
- The political environment in Bulgaria and in the export markets, especially Russia and the Ukraine, has a significant effect on the Company's operations and financial position;
- Risks related to the Bulgarian legal system;
- Developing legal frameworks in some countries in which the Company sells its products, in particular Russia and Ukraine, may negatively impact the Company's operations in these countries;
- Risks relating to exchange rates;
- The interpretations of tax regulations may be unclear and tax laws and regulations applicable to the Company may change.

Currency risk

The Company performs its activities in active exchange with foreign suppliers and customers. Therefore, it is exposed to currency risk, mainly in respect of USD. The Company supplies part of its main raw materials in EUR. The currency risk is related to the negative movement of the USD exchange rate against the BGN in the future business operations, the recognized foreign currency assets and liabilities and the net investments in foreign companies. The rest of the Company's operations are usually denominated in BGN and / or

in EUR. The Company sells some of its finished products in Russia in EUR and thus eliminates the currency risk associated with the depreciation of the Russian ruble. In EUR are also dominated the balances with the subsidiaries in Russia, Ukraine, Kazakhstan and Poland. However, in order to minimize currency risk, the Company conducts through its subsidiaries a monetary policy that includes advance payments and the reduction of deferred payment terms and immediate currency conversion of foreign currency earnings to EUR, as well as applying higher trade mark-ups to offset possible future impairment of the local currency.

In order to control the foreign currency risk in the Company, a system of planning import deliveries, foreign currency sales, as well as procedures for daily monitoring of movements in the dollar exchange rate and control of forthcoming payments, is introduced.

V. Information on related party transactions

Related party transactions are disclosed in the explanatory notes to the preliminary individual financial statements for Q3 2026.