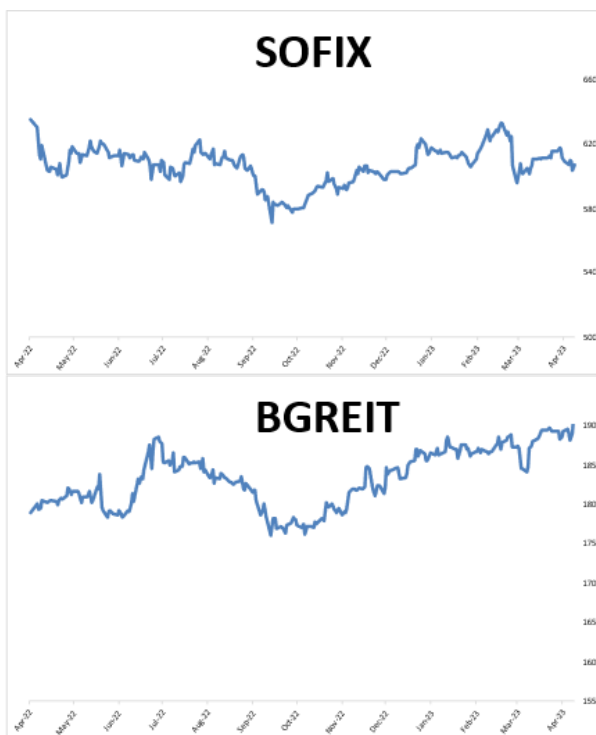


## BG Indexes 12-month performance



Index	Close	Weekly Chg. %	YTD
SOFIX	607.01	-0.32	0.92
BGBX 40	139.72	0.12	0.32
BGREIT	190.62	0.77	4.07

Index	P/E	EV/S	P/BV
SOFIX	5.34	0.13	1.21
BGBX 40	6.80	0.25	1.91
BGREIT	8.76	n/a	1.38

## BSE Weekly Gainers & Losers

Top Gainers		Price	Chng %
ELHM	Elhim Iskra AD	1.10	15.79
RBL	Real Bulland AD	1.20	14.29
SPH	Stara Planina Hold AD	9.50	6.74
GR6	Gradus AD	1.50	5.63
ZHZA	Zaharni Zavodi AD	5.15	5.10

Top Losers		Price	Chng %
KBG	Korado Bulgaria AD	5.50	-9.09
ZHBG	Zarneni Hrani Bulgaria AD	0.14	-6.71
SFT	Sopharma Trading AD	5.85	-6.40
11C	Eleven Capital AD	18.80	-5.05
IHB	Industrial Holding Bulgaria AD	1.80	-4.26

## Market Overview (24<sup>th</sup> April – 28<sup>th</sup> April)

The main Bulgarian index **SOFIX** decreased this week by 0.32% to 607.01 points. The broad index **BGBX40** increased by 0.12% to 139.72 points and **BGREIT** increased this week to 190.62 points, up by 0.77%.

## Corporate News

**Sopharma's (SFA) Q1'23** unconsolidated sales grew 45% YoY to BGN 64.6m, in line with preliminary announcements while total revenues amounted to BGN 66.4m, +44.5% YoY. Domestic sales added 0.8% YoY, while exports surged 97.1% YoY with sales to the main exports markets Russia (+185% YoY) and Ukraine (+14% YoY). EBITDA improved by 93.5% YoY to BGN 22.9m as cost of materials remained quite stable despite surging sales. Net financial cost also helped the profitability improvement as it was reduced by 78% YoY. As a result, net income grew 132.4% YoY to BGN 16.4m and EPS surged 133.2% YoY to BGN 0.14. On the balance sheet, non-cash working capital was up by BGN 37.9m from the beginning of the year mainly on increase of both receivables and inventories. Bank loans added BGN 24.1m to BGN 51.1m and CAPEX amounted to BGN 4.7m for the quarter.

**Neochim AD (NEOH)** Following a record-breaking results in 2022, Neochim began 2023 in a completely different market environment. Sliding prices, inventory build-up of grains and sliding natural gas prices, which in turn led to expectations for lower fertilizer prices, led to weaker demand. In addition, Neochim faced multiple technical problems and had to shut down temporarily part of its production processes throughout Q1'23. As a result, revenue collapsed 59.6% YoY to 108.7m with BGN 638k of it being government subsidies, through the high electricity prices compensation scheme (BGN 4.2m in Q1'22). The domestic market brought BGN 40.6m of revenue (-56.7% YoY), while exports came to BGN 63.8m (-62.5% YoY). OPEX fell slower than revenue and came at BGN 116.0m (-42.6% YoY), which resulted in negative EBITDA of BGN 7.3m, compared to BGN 67.3m a year ago. With depreciation slightly down to BGN 2.6m (-5.8% YoY) and very little financial expenses, due to the low-debt profile of the company, Neochim's bottom line came at negative BGN 9.8m (BGN 64.4m in Q1'22), or EPS of negative BGN 3.81.

## Economic News

➤ The annual producer inflation in Bulgaria slowed sharply to 2% in March 2023 from 8.9% in the previous month. It was the lowest reading since January 2021, due to a sharp decrease in prices of electricity, gas steam and air conditioning supply (-7.1% vs 3.5% in February). At the same time, costs eased for mining and quarrying (2.7% vs 8.9%) and manufacturing (6% vs 11.3%). On a monthly basis, producer prices dropped 2.2%, following a 5.9% fall in February.

➤ The benchmark interest rate in Bulgaria was last recorded at 2.17 percent.

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