

Consolidated Statement of comprehensive income of "Sirma Group Holding" JSC

for the year ended December 31, 2013

Sirma Group Holding							
	Notes	2009-adj.	2010	2010-adj.	2011-adj.	2012-adj.	2013
		'000 lv.	'000 lv.	'000 lv.	'000 lv.	'000 lv.	'000 lv.
Sales revenue	3	17 352	16 953	14 081	14 363	17 636	21 563
Income from financing	3,4	-	-	-	-	-	104
Other incomes	3,4	-	-	-	-	-	1 101
Total revenue		17 352	16 953	14 081	14 363	17 636	22 768
Material costs	5	(438)	(629)	(554)	(421)	(480)	(610)
Costs for external services	6	(3 636)	(3 032)	(2 808)	(1 902)	(1 401)	(4 449)
Staff costs	7	(9 946)	(11 570)	(9 287)	(8 482)	(9 760)	(11 805)
Depreciation and impairment of non-financial assets	14, 10	(2 448)	(3 036)	(2 469)	(1 133)	(3 762)	(5 285)
Cost of goods sold and other current assets	8	(971)	(119)	(894)	(1 785)	(1 775)	(2 276)
Changes in inventories of finished goods and work in progress	5,6,7,8	499	726	726	64	56	1 144
Capitalized own expenses	5,6,7,8,1 4,15	-	1 173	122	(394)	3 086	4 701
Other expenses	8	(1 000)	(1 516)	(325)	310	(1 329)	(829)
Total expenditure		(17 940)	(18 003)	(15 489)	(13 743)	(15 365)	(19 409)
Profit / (Loss) from operating activities		(588)	(1 050)	(1 408)	620	2 271	3 359
Financial expenses	12	(474)	(276)	(281)	(233)	(706)	(2 124)
Financial income	11	602	134	126	135	34	1 693
Financial income / expenses net		128	(142)	(155)	(98)	(672)	(431)
Share of profit / loss of associates		(56)	92	(61)	85	405	263
Profit / (Loss) before taxes		(516)	(1 100)	(1 624)	607	2 004	3 192

Consolidated Statement of comprehensive income of "Sirma Group Holding" JSC

for the year ended December 31, 2013 (continued)

Sirma Group Holding						
Notes	2009-adj.	2010	2010-adj.	2011-adj.	2012-adj.	2013
	'000 lv.	'000 lv.	'000 lv.	'000 lv.	'000 lv.	'000 lv.
Income tax expense	(19)	99	111	(74)	(123)	(242)
Income / Revenue from income taxes						
Profit / (Loss) for the year from continuing operations	(535)	(1 001)	(1 513)	533	1 881	2 950
Profit / (Loss) for the year	(535)	(1 001)	(1 513)	533	1 881	2 950
Other comprehensive income	(130)	-	-	-	-	-
Total comprehensive income	(665)	-	-	-	-	-
Basic earnings per share:	2.31	-	-	0,0073	0,0256	0,0402
including Profit of minority interest	113	87	22	139	191	423
including Loss of minority interest	(229)	(314)	(311)	(394)	-	(55)

Prepared by:

Radoslava Minkova

Chief Executive Officer :

Tsvetan Alexiev

Date: 28.02.2014

Consolidated Statement of financial position of "Sirma Group Holding" JSC

for the year ended December 31, 2013

Assets	Notes	Adjusted Consolidated Statements to December 31, 2009 '000 lv.	Adjusted Consolidated Statements to December 31, 2010 '000 lv.	Adjusted Consolidated Statements to December 31, 2011 '000 lv.	Adjusted Consolidated Statements to December 31, 2012 '000 lv.	Consolidated Statements to December 31, 2013 '000 lv.
Non-current assets						
Intangible assets	15	28 731	27 033	27 558	36 605	31 692
Property, plant and equipment	14	3 353	2 971	2 617	2 116	3 198
Investments in associates	17	8 406	8 197	8 332	8 710	8 263
Deferred tax assets		134	298	267	263	214
Capitalized own expenses / product under construction /	5,6,7,8,14,15	-	-	-	-	27 031
Goodwill		11 591	11 587	11 587	11 587	13 744
Non-current assets		52 215	50 086	50 361	59 281	84 142
Current assets						
Inventories	21	884	1 613	1 232	598	1 143
Trade receivables	22	1 640	3 413	2 914	2 182	4 430
Receivables from related parties	23	-	-	152	1 664	
Other receivables and prepaid expenses	24	359	306	390	208	321
Cash and cash equivalents	25	1 011	1 284	1 257	1 714	2 460
Current assets		3 894	6 616	5 945	6 366	8 354
Assets and disposal groups classified as held for sale	13	27 855	27 855	27 855	20 874	-
Total assets		83 964	84 557	84 161	86 521	92 496

Consolidated Statement of financial position of "Sirma Group Holding" JSC

for the year ended December 31, 2013 (continued)

Equity and liabilities	Notes	Adjusted Consolidated Statements to December 31, 2009 '000 lv.	Adjusted Consolidated Statements to December 31, 2010 '000 lv.	Adjusted Consolidated Statements to December 31, 2011 '000 lv.	Adjusted Consolidated Statements to December 31, 2012 '000 lv.	Consolidated Statements to December 31, 2013 '000 lv.
Equity						
Main / Share Capital	26	73 341	73 341	73 341	73 341	73 341
Unpaid capital	26	(280)	(326)	-	-	0
Treasury shares	26	(293)	-	48	-	0
Reserves	26	1 707	2 769	2 775	2 858	2 940
Retained earnings / (Accumulated loss) from previous years	26	(900)	(2 543)	(1 693)	88	1 902
including current period profit		(535)	(1 513)	533	1 881	2 950
Minority interest	26	5 861	6 066	5 398	5 398	8 150
Total equity		79 436	79 307	79 869	81 685	86 333
Liabilities						
Non-current liabilities						
Long-term provisions	33	46	31	48	49	57
Pension and other obligations to the staff	33	-	-	-	-	6
Long-term loans	27	26	6	-	187	595
Finance lease liabilities	28	-	-	-	-	34
Trade payables	31	230	180	235	51	279
Financing	29	-	-	-	-	137
Deferred tax liabilities		-	12	9	34	135
Non-current liabilities		302	229	292	321	1 243

Consolidated Statement of financial position of "Sirma Group Holding" JSC

for the year ended December 31, 2013 (continued)

Equity and liabilities	Notes	Adjusted Consolidated Statements to December 31, 2009 '000 lv.	Adjusted Consolidated Statements to December 31, 2010 '000 lv.	Adjusted Consolidated Statements to December 31, 2011 '000 lv.	Adjusted Consolidated Statements to December 31, 2012 '000 lv.	Consolidated Statements to December 31, 2013 '000 lv.
Current liabilities						
Current portion of non-current liabilities	28	243	134	136	107	-
Provisions		367	318	332	304	732
Short-term loans	30	659	1 078	1 565	1 567	2 107
Short-term obligations to affiliates	32	330	12	131	187	-
Trade and other payables	34,35,36	2 627	3 479	1 837	2 350	2 081
Current liabilities		4 226	5 021	4 001	4 515	4 920
Total liabilities		4 528	5 250	4 293	4 836	6 163
Total equity and liabilities		83 964	84 557	84 162	86 521	92 496

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Chief Executive Officer :

Tsvetan Alexiev

Date: 28.02.2014

Consolidated Cash Flow Statement of "Sirma Group Holding" JSC

for the year ended December 31, 2013

Notes	2009 '000 lv.	2010 '000 lv.	2011 '000 lv.	2012 '000 lv.	2013 '000 lv.
Operating activities					
Cash receipts from customers	16 341	15 539	15 316	18 123	22 935
Payments to suppliers	(5 293)	(5 888)	(5 541)	(6 786)	(8 490)
Payments to employees and social security institutions	(9 502)	(8 967)	(8 813)	(9 788)	(11 336)
Other receipts / (payments), net	(2 057)	(595)	(1 148)	(659)	(2 495)
Net cash flow from operating activities	(511)	89	(186)	788	614
Investing activity					
Payments for acquisition of property, plant and equipment	(209)	(62)	(224)	(121)	(285)
Proceeds from sale of property, plant and equipment	-	-	-	16	-
Acquisition of subsidiaries	(1 188)	(239)	(8)	(14)	-
Sale of subsidiaries	1 842	-	-	-	-
Acquisition of intangible assets	-	-	-	(499)	(1 079)
Proceeds from sale and redemption of non-derivative financial assets	-	-	-	171	-
Proceeds from loans	195	17	-	0	-
Borrowing	-	-	-	211	587
Payments on borrowings	44	-	-	23	-
Loans receivables	(54)	0	-	(270)	(68)
Interest received	-	-	21	15	34
Interest payments	-	(2)	0	-	-
Other	-	-	-	(69)	(552)
Net cash flow from investing activities	630	(286)	(211)	(537)	(1 363)

Consolidated Cash Flow Statement of "Sirma Group Holding" JSC

for the year ended December 31, 2013 (continued)

Notes	2009 '000 lv.	2010 '000 lv.	2011 '000 lv.	2012 '000 lv.	2013 '000 lv.
Financing activity					
Received loans	1 450	207	609	303	471
Loans payables	(1 161)	(39)	(11)	(60)	(216)
Payments under finance leases	(322)	(173)	(74)	68	(58)
Proceeds from issue of shares	132	539	-	-	1 151
Interest payments	(44)	(96)	(122)	(129)	(35)
Payments of dividends	-	-	-	-	182
Other	-	-	-	24	-
Net cash flow from financing activities	55	438	402	206	1 495
Net change in cash and cash equivalents	174	241	5	457	746
Cash and cash equivalents at beginning of year	25	837	1 011	1 252	1 714
Cash and cash equivalents at end of year	25	1 011	1 252	1 257	2 460
Cash and cash equivalents at the end of the year without these in a disposal group	1 011	1 252	1 257	1 714	2 460

Prepared by:

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Chief Executive Officer :

Tsvetan Alexiev

Date: 28.02.2014

Consolidated Statement of changes in equity of "Sirma Group Holding" JSC

for the year ended December 31, 2013

	Main / Share capital	Treasury shares	Reserves	Retained earnings/ (Accumulate d loss)	Outstanding shares	Current profit / loss	Non-controlling interests	Total equity
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Balance at January 1, 2008	-		-	-	-		-	-
Changes at the expense of owners	73 341							73 341
Changes in acquiring businesses			2 801	1 395			1 176	5 372
Result for the current period						(1 760)		(1 760)
Subsequent valuation of financial assets available for sale		(293)	(130)		(280)			(703)
Balance at December 31, 2008 - adj.	73 341	(293)	2 671	1 395	(280)	(1 760)	1 176	76 250
Changes in equity for 2009								
Result for the current period						(535)		(535)
Distribution of profit:								
other				(1 760)		1 760		-
Acquisition of companies and changes in shareholding			(834)				4 685	3 851
Subsequent valuation of financial assets available for sale			(130)					(130)
Balance at December 31, 2009 - adj.	73 341	(293)	1 707	(365)	(280)	(535)	5 861	79 436

Consolidated Statement of changes in equity of "Sirma Group Holding" JSC

for the year ended December 31, 2013 (continued)

	Main / Share capital	Treasury shares	Reserves	Retained earnings/ (Accumulate d loss)	Outstanding shares	Current profit / loss	Non-controlling interests	Total equity
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Balance at December 31, 2009 - adj.	73 341	(293)	1 707	(365)	(280)	(535)	5 861	79 436
Changes in equity for 2010								
Result for the current period						(1 513)		(1 513)
Amendments expense of owners					(46)			(46)
Distribution of profit:						535	87	622
other				(110)			-	(110)
Acquisition of companies and changes in shareholding other		293	1 062	(555)			118	918
Balance at December 31, 2010 - adj.	73 341	-	2 769	(1 030)	(326)	(1 513)	6 066	79 307
Result for the current period						533		533
Amendments expense of owners other		48		(1 202)		1 513	(311)	48
Distribution of profit:								-
Acquisition of companies and changes in shareholding Other			6	6	326		(357)	(345)
Balance at December 31, 2011 - adj.	73 341	48	2 775	(2 226)	-	533	5 398	79 869

Consolidated Statement of changes in equity of "Sirma Group Holding" JSC

for the year ended December 31, 2013 (continued)

	Main / Share capital	Treasury shares	Reserves	Retained earnings/ (Accumulate d loss)	Outstanding shares	Current profit / loss	Non-controlling interests	Total equity
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Balance at December 31, 2011 - adj.	73 341	48	2 775	(2 226)	-	533	5 398	79 869
Result for the current period						1 881		1 881
Amendments expense of owners		(48)						(48)
Distribution of profit:						(533)		(533)
reserves			42				11	53
other				341			139	480
Other changes in capital								-
Acquisition of companies and changes in shareholding			41	92			(150)	(17)
Balance at December 31, 2012 - adj.	73 341	-	2 858	(1 793)	-	1 881	5 398	81 685
Result for the current period						2 950		2 950
Distribution of profit:				1 881		(1 881)		-
dividends				(186)				(186)
reserves			111	(111)				-
other				(333)			333	-
Result for the current period								-
Amendments expense of owners	(1 865)		(15)	(277)			2 157	-
Other changes in capital			(14)	(229)			262	19
Acquisition of companies and changes in shareholding	1 865							1 865
Balance at December 31, 2013	73 341	-	2 940	(1 048)	-	2 950	8 150	86 333

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Date: 28.02.2014