

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

for the period ended September 30, 2016

	Notes	30.9.2016 '000 lv.	30.9.2015 '000 lv.	31.12.2015 '000 lv.
Sales revenue	3	27 391	21 050	31 764
Income from revaluation and sale of NCA	3	17	614	1 838
Income from financing	3	134	135	184
Other incomes	3	128	83	191
Total revenue		27 670	21 882	33 977
Material costs	4.1	(2 914)	(330)	(3 167)
Costs for external services	4.2	(3 714)	(3 090)	(6 910)
Staff costs	4.3	(13 345)	(12 067)	(16 369)
Depreciation and impairment of non-financial assets	4.5	(5 869)	(5 112)	(6 816)
Cost of goods sold and other current assets	3	(6 902)	(5 884)	(7 475)
Changes in inventories of finished goods and work in progress		1 002	835	499
Capitalized own expenses	4.6	7 504	7 097	10 099
Other expenses	4.4	(803)	(715)	(990)
Total expenditure		(25 041)	(19 266)	(31 129)
Profit / (Loss) from operating activities		2 629	2 616	2 848
Financial expenses	5.2	(450)	(459)	(693)
Financial income	5.1	224	242	419
Financial income / expenses net		(226)	(217)	(274)
Profit / (Loss) before taxes		2 403	2 399	2 574
Income tax expense		-	-	(359)
Revenue from income taxes		-	-	
Profit / (Loss) for the year from continuing operations	10	2 403	2 399	2 215
including profit of non-controlling interest		1 048	947	786
including loss of non-controlling interest		(75)	(59)	(197)
including profit per equity holders of the company - mother		1 430	1 511	1 626
Other comprehensive income	6	-	-	3 786
Total comprehensive income		2 403	2 399	6 001
Basic earnings per share	10	0,0405	0,0481	0,0373

Prepared by:


Nikolay Yatzino

CEO:


Tsvetan Alexiev

Date: 24.11.2016

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

for the period ended September 30, 2016

Assets	Notes	30.9.2016 '000 lv.	30.9.2015 '000 lv.	31.12.2015 '000 lv.
Non-current assets				
Intangible assets	7.1.2	36 075	34 069	36 800
Goodwill	7.1.2.1	19 540	19 399	19 540
Property, plant and equipment	7.1.1	3 445	3 595	3 594
Investments in subsidiaries	7.1.4	47	15	40
Investments in associates	7.1.4	254	331	276
Deferred tax assets	7.1.5	200	27	200
Expenditure on acquisition fixed assets	7.1.3	17 284	15 308	14 988
Total Non-current assets		76 845	72 744	75 438
Current assets				
Inventories	7.2.1	1 252	1 391	892
Trade receivables	7.2.3	11 340	5 298	7 144
Receivables from related parties	7.2.2	896	783	1 633
Tax claims	7.2.4	62	135	128
Other receivables	7.2.4	347	1 887	565
Prepaid expenses	7.2.4	149	81	104
Cash and cash equivalents	7.2.5	4 522	2 763	11 176
Total Current assets		18 568	12 338	21 642
Assets and disposal groups classified as held for sale	7.1.6	15 188	15 188	15 188
Total assets		110 601	100 270	112 268

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

for the period ended September 30, 2016 (continued)

Equity and liabilities	Notes	30.9.2016 '000 lv.	30.9.2015 '000 lv.	31.12.2015 '000 lv.
Equity				
Main / Share Capital	8.1	59 361	49 837	59 361
Unpaid capital				-
Share premium		-	-	1 985
Reserves	8.2	2 402	1 269	1 233
Reserves restated reports	8.2	3 736	3 423	3 865
Retained earnings / (Accumulated loss) from previous years	8.3	6 252	7 728	6 364
Current financial result	8.3	2 403	2 399	2 215
including profit non- controlling interest	8.3	1 048	947	786
including non-controlling interest loss	8.3	(75)	(59)	(197)
including profit per equity holders of the company - mother	8.3	1 430	1 511	1 626
Non-controlling interest	8.4	23 726	20 511	23 080
Total equity		97 880	85 167	98 103
Liabilities				
Non-current liabilities				
Provisions		140	182	151
Long-term loans	9.1.1	497	1 054	510
Finance lease liabilities	9.1.1	227	336	278
Obligations participations		-	14	8
Financing		-	-	89
Deferred tax liabilities	9.1.2	1 131	867	1 131
Total Non-current liabilities		1 995	2 453	2 167
Current liabilities				
Provisions	9.2.8	488	490	698
Pension obligations to the staff	9.2.6	1 672	2 026	1 043
Short-term loans	9.2.1	1 473	4 768	1 588
Finance lease liabilities	9.2.1	78	15	66
Trade and other payables	9.2.2	3 796	1 609	5 247
Short-term obligations affiliates	9.2.4	247	51	16
Tax obligations	9.2.5	501	435	538
Duties on advances	9.2.3	1 251	2 094	1 892
Deferred income and financing		676	861	635
Obligations participations		-	-	-
Other liabilities	9.2.7	544	301	275
Total Current liabilities		10 726	12 650	11 998
Total liabilities		12 721	15 103	14 165
Total equity and liabilities		110 601	100 270	112 268

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Consolidated Cash Flow Statement of "Sirma Group Holding" JSC

for the period ended September 30, 2016

	Notes	30.9.2016 '000 lv.	30.9.2015 '000 lv.	31.12.2015 '000 lv.
Operation activity				
Cash receipts from customers		24 863	23 146	34 369
Payments to suppliers		(16 429)	(11 762)	(17 431)
Payments to employees and social security institutions		(12 775)	(10 937)	(15 710)
Cash flows related to interest, dividends and similar		(106)	(9)	-
Payments for income tax		-		(15)
Paid and refunded income tax		(8)	(43)	(284)
Payments in the distribution of profits		(216)	(188)	-
Other receipts / (payments), net		(931)	(645)	(1 134)
Net cash flow from operating activities	12	(5 602)	(438)	(205)
Investment activity				
Payments for acquisition of property, plant and equipment		(167)	(635)	(870)
Proceeds from sale of property, plant and equipment		2	31	621
Payments for acquisition of subsidiaries		-	105	-
Acquisition of subsidiaries		-	(9)	-
Sale of intangible assets		-	307	-
Loans, deposits		(342)	(197)	-
Payments on loans		-	(100)	-
Borrowing		-	65	-
Loans payables		-	(27)	(120)
Cash flows related to deposits for investments		-	2	2
Interest received		-	1	-
Interest payments on loans		-	-	(16)
Dividends and commissions		(32)	(34)	-
Other		-	69	(109)
Net cash flow from investing activities	12	(539)	(422)	(492)

Consolidated Cash Flow Statement of "Sirma Group Holding" JSC

for the period ended September 30, 2016 (continued)

	Notes	30.9.2016 '000 lv.	30.9.2015 '000 lv.	IFRS 31.12.2015 '000 lv.
Financing activity				
Received or provided loans		-	1 501	528
Loans payables		(211)	(444)	(2 892)
Cash flows from issuance and reacquisition of securities		(76)	(229)	11 424
Proceeds from interest, dividends and similar		(26)		(125)
Payments under finance leases		(69)	(75)	(64)
Interest payments		(21)	(97)	-
Cash flows from positive and negative foreign exchange differences		4	3	7
Other		(113)	(39)	(8)
Net cash flow from financing activities	12	(512)	620	8 870
Net change in cash and cash equivalents	12	(6 653)	(240)	8 173
Cash and cash equivalents at beginning of year	12	11 176	3 003	3 003
Cash and cash equivalents at end of year	12	4 523	2 763	11 176
Cash and cash equivalents at the end of the year without these in a disposal group	12	4 523	2 763	11 176

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Date: 24.11.2016

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

for the period ended September 30, 2016

All amounts are in '000 lv.	Main / Share capital	Unpaid capital	Reserves	Retained earnings/ (Accumulated loss)	Current financial result	Non-controlling interests	Total equity
Balance at January 1, 2016	59 361	-	7 083	6 364	2 215	23 080	98 103
Correction restated reports	-	-	-	2 215	(2 215)	-	-
Distribution of profit:							
dividends	-	-	-	(1 427)	-	-	(1 427)
reserves	-	-	312	(312)	-	-	-
Profit / (Loss) for the year	-	-	-	-	2 403	-	2 403
Amendment on behalf of owners	-	-	(1 258)	(588)	-	647	(1 199)
Balance at September 30, 2016	59 361	-	6 137	6 252	2 403	23 727	97 880

All amounts are in '000 lv.	Main / Share capital	Unpaid capital	Reserves	Retained earnings/ (Accumulated loss)	Current financial result	Non-controlling interests	Total equity
Balance at January 1, 2015	49 812	25	2 222	11 975	-	18 320	82 354
Distribution of profit:							
dividends	-	-	-	(822)	-	-	(822)
reserves	-	-	3 423	(1 198)	-	-	2 225
Amendment on behalf of owners	-	-	(953)	(2 227)	-	2 191	(989)
Profit / (Loss) for the year	-	-	-	-	2 399	-	2 399
Balance at September 30, 2015	49 812	25	4 692	7 728	2 399	20 511	85 167

All amounts are in '000 lv.	Main / Share capital	Unpaid capital	Reserves	Retained earnings/ (Accumulated loss)	Current financial result	Non-controlling interests	Total equity
Balance at January 1, 2015 - certified report 2014	49 837	(25)	2 222	2 197	9 778	18 320	82 329
Correction IAS 8	-	-	-	(35)	(136)	-	(171)
Balance at 1 January 2015 - IAS 8	49 837	-	2 222	2 162	9 642	18 320	82 158
Adjusted balance at January 1, 2015	-	25	-	9 642	-	891	10 558

Recalculated balance to January 1, 2015	49 837	-	2 222	11 804	-	19 211	83 074
Distribution of profit:							
dividends	-	-	-	(526)	-	-	(526)
reserves	-	-	(794)	(736)	-	381	(1 149)
other	-	-	1 985	(4 178)	-	1 303	(890)
Retained earnings	-	-	-	-	-	2 185	2 185
Correction restated reports	-	-	3 865	-	-	-	3 865
Acquisition of the company and changes in shareholding	9 524	-	-	-	-	-	9 524
Profit / (Loss) for the year	-	-	-	-	2 215	-	2 215
Changes at the expense of owners	-	-	(195)	-	-	-	(195)
Balance at December 31, 2015	59 361	-	7 083	6 364	2 215	23 080	98 103

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Date: 24.08.2016