

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

for the period ended September 30, 2017

	Notes	30.9.2017 '000 lv.	30.9.2016 '000 lv.
Sales revenue	3	36 747	27 391
Income from revaluation and sale of NCA	3	-	17
Income from financing	3	134	134
Other incomes	3	276	128
Total revenue		37 157	27 670
Material costs	4.1	(964)	(2 914)
Costs for external services	4.2	(6 011)	(3 714)
Staff costs	4.3	(15 506)	(13 345)
Depreciation and impairment of non-financial assets	4.5	(7 184)	(5 869)
Cost of goods sold and other current assets	3	(13 427)	(6 902)
Changes in inventories of finished goods and work in progress	4.7	330	1 002
Capitalized own expenses	4.6	10 556	7 504
Other expenses	4.4	(1 144)	(803)
Total expenditure		(33 350)	(25 041)
Profit / (Loss) from operating activities		3 807	2 629
Financial expenses	5.2	(806)	(450)
Financial income	5.1	312	224
Financial income / expenses net		(494)	(226)
Profit / (Loss) before taxes		3 313	2 403
Profit / (Loss) for the year from continuing operations	10	3 313	2 403
including profit of non-controlling interest	8	1 660	1 048
including loss of non-controlling interest	8	(25)	(75)
including profit per equity holders of the company - mother	8	1 678	1 430
Total income per share	10	0,0284	0,0242
Other comprehensive income	6	3 993	-
Total comprehensive income		7 306	2 403
Basic earnings per share	10	0,1237	0,0407

Prepared by:

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CEO:

Tsvetan Alexiev

Date: 21.11.2017

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

for the period ended September 30, 2017

Assets	Notes	30.9.2017 '000 lv.	31.12.2016 '000 lv.
Non-current assets			
Intangible assets	7.1.2	36 585	47 571
Goodwill	7.1.2.1	19 540	19 540
Property, plant and equipment	7.1.1	4 746	3 473
Investments in subsidiaries	7.1.4	197	7
Investments in associates	7.1.4	246	242
Deferred tax assets	7.1.5	201	201
Expenditure on acquisition fixed assets	7.1.3	29 370	18 429
Total Non-current assets		90 885	89 463
Current assets			
Inventories	7.2.1	1 336	766
Trade receivables	7.2.3	9 828	8 601
Receivables from related parties	7.2.2	2 543	2 270
Tax claims	7.2.4	78	311
Other receivables	7.2.4	707	526
Prepaid expenses	7.2.4	164	134
Cash and cash equivalents	7.2.5	5 477	6 075
Total Current assets		20 133	18 683
Assets and disposal groups classified as held for sale	7.1.6	13 472	11 843
Total assets		124 490	119 989

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

for the period ended September 30, 2017 (continued)

Equity and liabilities	Notes	30.9.2017 '000 lv.	31.12.2016 '000 lv.
Equity			
Main / Share Capital	8.1	59 361	59 361
Share premium		1 932	1 932
Reserves	8.2	2 046	1 557
Reserves restated reports	8.2	3 993	4 790
Retained earnings / (Accumulated loss) from previous years	8.3	11 317	8 081
Current financial result	8.3	3 313	3 669
including profit non- controlling interest	8.3	1 660	1 352
including non-controlling interest loss	8.3	(25)	(53)
including profit per equity holders of the company - mother	8.3	1 678	2 370
Non-controlling interest	8.4	23 482	23 073
Changes resulting from purchased own shares	8.1	(300)	(262)
Total equity		105 144	102 201
Liabilities			
Non-current liabilities			
Provisions		196	196
Long-term loans	9.1.1	2 952	437
Finance lease liabilities	9.1.1	202	240
Obligations participations		-	35
Financing		299	159
Deferred tax liabilities	9.1.2	1 124	1 124
Total Non-current liabilities		4 773	2 191
Current liabilities			
Provisions	9.2.8	574	711
Pension obligations to the staff	9.2.6	1 542	1 731
Short-term loans	9.2.1	5 946	2 966
Finance lease liabilities	9.2.1	42	42
Trade and other payables	9.2.2	3 092	6 792
Short-term obligations affiliates	9.2.4	58	1
Tax obligations	9.2.5	360	730
Duties on advances	9.2.3	1 801	1 676
Deferred income and financing	9.2.9	300	452
Obligations participations		310	-
Other liabilities	9.2.7	548	496
Total Current liabilities		14 573	15 597
Total liabilities		19 346	17 788
Total equity and liabilities		124 490	119 989

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Consolidated Cash Flow Statement of "Sirma Group Holding" JSC

for the period ended September 30, 2017

	Notes	30.9.2017 '000 lv.	30.9.2016 '000 lv.
Operation activity			
Cash receipts from customers		38 085	24 863
Payments to suppliers		(25 445)	(14 780)
Payments to employees and social security institutions		(11 653)	(12 775)
Cash flows related to interest, dividends and similar		(159)	(106)
Paid and refunded income tax		(114)	(8)
Other receipts / (payments), net		(1 048)	(1 147)
Net cash flow from operating activities	12	(334)	(3 953)
Investment activity			
Payments for acquisition of property, plant and equipment		(2 024)	(167)
Acquisition / Sale of intangible assets		(3 206)	(1 647)
Loans, deposits		135	-
Payments on loans		(116)	(342)
Interests, dividends, commissions and similar		310	(32)
Other		(29)	-
Net cash flow from investing activities	12	(4 930)	(2 188)

Consolidated Cash Flow Statement of "Sirma Group Holding" JSC

for the period ended September 30, 2017 (continued)

	Notes	30.9.2017 '000 lv.	30.9.2016 '000 lv.
Financing activity			
Received or provided loans		6 426	-
Loans payables		(1 107)	(211)
Cash flows from issuance and reacquisition of securities		(39)	(76)
Proceeds from interest, dividends and similar		(478)	(26)
Payments under finance leases		(72)	(69)
Cash flows from positive and negative foreign exchange differences		(9)	4
Other		(55)	(134)
Net cash flow from financing activities	12	4 666	(512)
Net change in cash and cash equivalents	12	(598)	(6 653)
Cash and cash equivalents at beginning of year	12	6 075	11 176
Cash and cash equivalents at end of year	12	5 477	4 523

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

for the period ended September 30, 2017

All amounts are in '000 lv.	Main / Share capital	Purchased own shares	Reserves	Retained earnings/ (Accumulated loss)	Current financial result	Non-controlling interests	Total equity
Balance at January 1, 2017	59 361	(262)	8 279	8 081	3 669	23 073	102 201
<i>Distribution of profit:</i>							
<i>dividends</i>	-	-	-	(764)	-	764	(764)
<i>reserves</i>	-	-	512	(647)	-	-	(135)
Retained earnings	-	-	-	3 669	(3 669)	-	-
Changes resulting from purchased own shares	-	(38)	-	-	-	-	(38)
Correction restated reports	-	-	(820)	-	-	-	(820)
Profit / (Loss) for the year	-	-	-	-	2 812	-	2 812
Changes at the expense of owners	-	-	-	978	-	(355)	623
Balance at September 30, 2017	59 361	(300)	7 971	11 317	2 812	23 482	104 643

All amounts are in '000 lv.	Main / Share capital	Purchased own shares	Reserves	Retained earnings/ (Accumulated loss)	Current financial result	Non-controlling interests	Total equity
Balance at January 1, 2016	59 361	-	7083	6364	2215	23080	98103
Correction restated reports	-	-	-	2 215	(2 215)	-	-
<i>Distribution of profit:</i>							
<i>dividends</i>	-	-	-	(1 427)	-	-	(1 427)
<i>reserves</i>	-	-	312	(312)	-	-	-
Profit / (Loss) for the year	-	-	-	-	2 403	-	2 403
Changes at the expense of owners	-	-	(1 258)	(588)	-	647	(1 860)
Balance at September 30, 2016	59 361	-	6 137	6 252	2 403	23 727	97 880

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