

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

for the period ended June 30, 2016

	Notes	30.6.2016 '000 lv.	30.6.2015 '000 lv.	31.12.2015 '000 lv.
Sales revenue	3	15 929	13 963	31 764
Income from revaluation and sale of NCA	3	17	-	1 838
Income from financing	3	90	104	184
Other incomes	3	91	525	191
Total revenue		16 127	14 591	33 977
Material costs	4.1	(593)	(190)	(3 167)
Costs for external services	4.2	(2 072)	(2 067)	(6 910)
Staff costs	4.3	(8 942)	(8 139)	(16 369)
Depreciation and impairment of non-financial assets	4.5	(3 973)	(2 144)	(6 816)
Cost of goods sold and other current assets	3	(4 598)	(4 859)	(7 475)
Changes in inventories of finished goods and work in progress		68	364	499
Capitalized own expenses	4.6	4 906	3 839	10 099
Other expenses	4.4	(543)	(478)	(990)
Total expenditure		(15 747)	(13 674)	(31 129)
Profit / (Loss) from operating activities		380	917	2 848
Financial expenses	5.2	(247)	(237)	(693)
Financial income	5.1	157	121	419
Financial income / expenses net		(90)	(116)	(274)
Profit / (Loss) before taxes		290	801	2 574
Income tax expense		-	-	(359)
Revenue from income taxes		-	-	
Profit / (Loss) for the year from continuing operations	10	290	801	2 215
including profit of non-controlling interest		577	569	786
including loss of non-controlling interest		(93)	(142)	(197)
including profit per equity holders of the company - mother		(194)	374	1 626
Other comprehensive income	6	-	-	3 786
Total comprehensive income		290	801	6 001
Basic earnings per share	10	0,0049	0,0161	0,0373

Prepared by:


Nikolay Yatzino

CEO:


Tsvetan Alexiev

Date: 24.08.2016

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

for the period ended June 30, 2016

Assets	Notes	30.6.2016 '000 lv.	30.6.2015 '000 lv.	31.12.2015 '000 lv.
Non-current assets				
Intangible assets	7.1.2	33 164	32 077	36 800
Goodwill	7.1.2.1	19 540	19 398	19 540
Property, plant and equipment	7.1.1	3 582	3 567	3 594
Investments in subsidiaries	7.1.4	106	7	40
Investments in associates	7.1.4	261	376	276
Deferred tax assets	7.1.5	200	85	200
Expenditure on acquisition fixed assets	7.1.3	19 489	15 096	14 988
Total Non-current assets		76 342	70 606	75 438
Current assets				
Inventories	7.2.1	1 014	1 172	892
Trade receivables	7.2.3	8 592	6 283	7 144
Receivables from related parties	7.2.2	2 729	657	1 633
Tax claims	7.2.4	65	103	128
Other receivables	7.2.4	487	1 882	565
Prepaid expenses	7.2.4	166	77	104
Cash and cash equivalents	7.2.5	6 870	2 876	11 176
Total Current assets		19 923	15 536	21 642
Assets and disposal groups classified as held for sale	7.1.6	15 188	15 265	15 188
Total assets		111 453	101 407	112 268

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

for the period ended June 30, 2016 (continued)

Equity and liabilities	Notes	30.6.2016 '000 lv.	30.6.2015 '000 lv.	31.12.2015 '000 lv.
Equity				
Main / Share Capital	8.1	59 361	49 837	59 361
Unpaid capital		-	-	-
Share premium		211	-	1 985
Reserves	8.2	3 375	1 084	1 233
Reserves restated reports	8.2	3 595	4 533	3 865
Retained earnings / (Accumulated loss) from previous years	8.3	4 731	11 554	6 364
Current financial result	8.3	290	801	2 215
including profit non- controlling interest	8.3	577	569	786
including non-controlling interest loss	8.3	(93)	(142)	(197)
including profit per equity holders of the company - mother	8.3	(194)	374	1 626
Non-controlling interest	8.4	23 543	18 815	23 080
Total equity		95 106	86 624	98 103
Liabilities				
Non-current liabilities				
Provisions		140	188	151
Long-term loans	9.1.1	507	811	510
Finance lease liabilities	9.1.1	290	94	278
Obligations participations		-	-	8
Financing		-	-	89
Deferred tax liabilities	9.1.2	1 131	867	1 131
Total Non-current liabilities		2 258	1 960	2 167
Current liabilities				
Provisions	9.2.8	505	590	698
Pension obligations to the staff	9.2.6	1 694	1 923	1 043
Short-term loans	9.2.1	1 482	4 391	1 588
Finance lease liabilities	9.2.1	85	17	66
Trade and other payables	9.2.2	3 897	1 509	5 247
Short-term obligations affiliates	9.2.4	2 472	14	16
Tax obligations	9.2.5	638	383	538
Duties on advances	9.2.3	1 289	3 051	1 892
Deferred income and financing		664	790	635
Obligations participations		866	-	-
Other liabilities	9.2.7	497	155	275
Total Current liabilities		14 089	12 823	11 998
Total liabilities		16 347	14 783	14 165
Total equity and liabilities		111 453	101 407	112 268

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Consolidated Cash Flow Statement of "Sirma Group Holding" JSC

for the period ended June 30, 2016

	Notes	30.6.2016 '000 lv.	30.6.2015 '000 lv.	31.12.2015 '000 lv.
Operation activity				
Cash receipts from customers		16 382	13 594	34 369
Payments to suppliers		(10 182)	(6 258)	(17 431)
Payments to employees and social security institutions		(6 251)	(6 539)	(15 710)
Cash flows related to interest, dividends and similar		(79)	-	-
Payments for income tax		-	(54)	(15)
Paid and refunded income tax		(6)	-	(284)
Other receipts / (payments), net		(470)	(599)	(1 134)
Net cash flow from operating activities	12	(606)	144	(205)
Investment activity				
Payments for acquisition of property, plant and equipment		(2 364)	(489)	(870)
Proceeds from sale of property, plant and equipment		-	-	621
Payments for acquisition of subsidiaries		-	60	-
Acquisition of subsidiaries		(1 029)	-	-
Loans, deposits		6	-	-
Loans payables		(68)	-	(120)
Cash flows related to deposits for investments		-	-	2
Interest received		-	1	-
Interest payments on loans		-	-	(16)
Dividends and commissions		(11)	-	-
Other		(16)	-	(109)
Net cash flow from investing activities	12	(3 482)	(428)	(492)

Consolidated Cash Flow Statement of "Sirma Group Holding" JSC

for the period ended June 30, 2016 (continued)

	Notes	30.6.2016 '000 lv.	30.6.2015 '000 lv.	IFRS 31.12.2015 '000 lv.
Financing activity				
Received or provided loans		216	99	528
Loans payables		(380)	(35)	(2 892)
Cash flows from issuance and reacquisition of securities		30	221	11 424
Proceeds from interest, dividends and similar		(15)	-	(125)
Payments under finance leases		(42)	(2)	(64)
Interest payments		(15)	(111)	-
Cash flows from positive and negative foreign exchange differences		(6)		7
Other		(6)	(15)	(8)
Net cash flow from financing activities	12	(218)	157	8 870
Net change in cash and cash equivalents	12	(4 307)	(127)	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	6 870	2 876	11 176
Cash and cash equivalents at the end of the year without these in a disposal group	12	6 870	2 876	11 176

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

for the period ended June 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	-	-	423	(423)	-	-	-
Profit / (Loss) for the year	-	-	-	-	290	-	290
Amendment on behalf of owners	-	-	(325)	(1 998)	-	463	(1 860)
Balance at June 30, 2016	59 361	-	7 181	4 731	290	23 543	95 106

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	-	2 222	11 975	-	18 320	82 329
Distribution of profit:							
dividends	-	-	-	(21)	-	-	-
reserves	-	-	400	(400)	-	-	-
Other changes in capital	-	-	3 490	-	-	-	3 490
Amendment on behalf of owners	25	-	(495)	-	-	495	25
Profit / (Loss) for the year	-	-	-	-	801	-	801
Balance at June 30, 2015	49 837	-	5 617	11 554	801	18 815	86 624

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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CEO:


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Date: 24.08.2016