

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

for the year ended December 31, 2017

	Notes	31.12.2017 BGN'000	31.12.2016 BGN'000 (adj.)	31.12.2016 BGN'000	31.12.2015 BGN'000 (adj.)	31.12.2015 BGN'000
<b>Revenues</b>	<b>3</b>	<b>52 036</b>	<b>41 583</b>	<b>41 583</b>	<b>33 977</b>	<b>33 977</b>
Staff expenses	4.1	(20 760)	(19 101)	(19 101)	(16 369)	(16 369)
Operational expenses	4.2	(23 482)	(18 151)	(18 151)	(14 760)	(14 760)
<b>Total expenses</b>		<b>(44 242)</b>	<b>(37 252)</b>	<b>(37 252)</b>	<b>(31 129)</b>	<b>(31 129)</b>
<b>Profit / (Loss) from operating activities</b>		<b>7 794</b>	<b>4 331</b>	<b>4 331</b>	<b>2 848</b>	<b>2 848</b>
<b>Financial income / costs net</b>	<b>5</b>	<b>(610)</b>	<b>(138)</b>	<b>(138)</b>	<b>(274)</b>	<b>(274)</b>
<b>Profit / (Loss) before taxes</b>		<b>7 184</b>	<b>4 193</b>	<b>4 193</b>	<b>2 574</b>	<b>2 574</b>
Income tax expense / Revenue from income taxes		(994)	(524)	(524)	(359)	(359)
<b>Profit / (Loss) for the year from continuing operations</b>	<b>10</b>	<b>6 190</b>	<b>3 669</b>	<b>3 669</b>	<b>2 215</b>	<b>2 215</b>
including profit of non-controlling interest	8.3	2 036	1 352	1 352	786	786
including loss of non-controlling interest	8.3	(146)	(53)	(53)	(197)	(197)
<b>including profit per equity holders of the parent company</b>	<b>8.3</b>	<b>4 300</b>	<b>2 370</b>	<b>2 370</b>	<b>1 626</b>	<b>1 626</b>
<b>Basic earnings per share</b>	<b>10</b>	<b>0,0730</b>	<b>0,0401</b>	<b>0,0401</b>	<b>0,0274</b>	<b>0,0274</b>
Other comprehensive income	6	(2 634)	925	4 790	4 327	3 786
<i>including other comprehensive income of equity holders of the parent company</i>	6	(510)	176	-	810	-
	6	(2 124)	749	-	3 517	-
<b>Total comprehensive income</b>	<b>6</b>	<b>3 556</b>	<b>4594</b>	<b>8 509</b>	<b>6 542</b>	<b>6 001</b>
<i>including total comprehensive income of the non-controlling interest</i>	6	1 380	1 475	-	1 399	1 314
<i>including total comprehensive income of equity holders of the parent company</i>	6	2 176	3 119	-	5 143	4 687
<b>Basic earnings per share, incl. other comprehensive income</b>	<b>10</b>	<b>0,0367</b>	<b>0,0525</b>	<b>0,1433</b>	<b>0,0866</b>	<b>0,1011</b>

Prepared by:

  
Nikolay Yatzino

CEO:

  
Tsvetan Alexiev

Date: 27.04.2018

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

as at 31 December 2017


Assets	Notes	31.12.2017 BGN'000	31.12.2016 BGN'000 (adj.)	31.12.2016 BGN'000	31.12.2015 BGN'000 (adj.)	31.12.2015 BGN'000
<b>Non-current assets</b>						
Intangible assets	7.1.2	48 471	47 571	47 571	36 800	36 800
Goodwill	7.1.2.1	19 540	19 540	19 540	19 540	19 540
Property, plant and equipment	7.1.1	5 214	3 473	3 473	3 594	3 594
Investments in subsidiaries	7.1.4	222	7	7	40	40
Investments in associates	7.1.4	236	242	242	276	276
Deferred tax assets	7.1.5	198	201	201	200	200
Expenditure on acquisition of fixed assets	7.1.3	36 737	18 429	18 429	14 988	14 988
<b>Total Non-current assets</b>		<b>110 618</b>	<b>89 463</b>	<b>89 463</b>	<b>75 438</b>	<b>75 438</b>
<b>Current assets</b>						
Inventories	7.2.1	2 576	766	766	892	892
Trade receivables	7.2.3	9 098	8 601	8 601	7 144	7 144
Receivables from related parties	7.2.2	2 460	2 270	2 270	1 633	1 633
Tax receivables	7.2.4	386	311	311	128	128
Other receivables	7.2.4	1 114	526	526	565	565
Prepaid expenses	7.2.4	164	134	134	104	104
Cash and cash equivalents	7.2.5	6 119	6 075	6 075	11 176	11 176
<b>Total Current assets</b>		<b>21 917</b>	<b>18 683</b>	<b>18 683</b>	<b>21 642</b>	<b>21 642</b>
Assets and disposal groups classified as held for sale	7.1.2	-	11 843	11 843	15 188	15 188
<b>Total assets</b>		<b>132 535</b>	<b>119 989</b>	<b>119 989</b>	<b>112 268</b>	<b>112 268</b>
<b>Equity and liabilities</b>						
<b>Equity</b>						
Main / Share Capital	8.1	59 361	59 361	59 361	59 361	59 361
Changes resulting from purchased own shares	8.1	(475)	(262)	(262)	-	-
Reserves	8.2	6 826	8 279	8 279	7 083	7 083
Retained earnings / (Accumulated loss) from previous years	8.3	15 513	9 862	11 750	7 990	8 579
<b>Total capital attributable to the owners of the capital of the parent company</b>		<b>81 225</b>	<b>77 240</b>	<b>79 128</b>	<b>74 434</b>	<b>75 023</b>
<b>Non-controlling interest</b>	8.4	<b>25 221</b>	<b>24 961</b>	<b>23 073</b>	<b>23 669</b>	<b>23 080</b>
<b>Total equity</b>		<b>106 446</b>	<b>102 201</b>	<b>102 201</b>	<b>98 103</b>	<b>98 103</b>

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

as at 31 December 2017 (continued)

Liabilities	Notes	31.12.2017 BGN'000	31.12.2016 BGN'000 (adj.)	31.12.2016 BGN'000	31.12.2016 BGN'000 (adj.)	31.12.2016 BGN'000
<b>Non-current liabilities</b>						
Provisions	9.1.5	177	196	196	151	151
Long-term loans	9.1.1	1 924	437	437	510	510
Finance leasing	9.1.1	199	240	240	278	278
Obligations to suppliers	9.1.3	28	35	35	8	8
Financing	9.1.4	159	159	159	89	89
Deferred tax liabilities	9.1.2	1 335	1 124	1 124	1 131	1 131
<b>Total Non-current liabilities</b>		<b>3 822</b>	<b>2 191</b>	<b>2 191</b>	<b>2 167</b>	<b>2 167</b>
<b>Current liabilities</b>						
Provisions	9.2.8	714	711	711	698	698
Pension and other obligations to the staff	9.2.6	1 434	1 731	1 731	1 043	1 043
Short-term loans	9.2.1	8 452	2 966	2 966	1 588	1 588
Finance leasing	9.2.1	41	42	42	66	66
Trade and other payables	9.2.2	4 815	6 792	6 792	5 247	5 247
Short-term payables to related parties	9.2.4	1	1	1	16	16
Tax obligations	9.2.5	1 078	730	730	538	538
Duties on advances	9.2.3	2 583	1 676	1 676	1 892	1 892
Deferred income and financing	9.2.9	414	452	452	635	635
Other liabilities	9.2.7	2 735	496	496	275	275
<b>Total Current liabilities</b>		<b>22 267</b>	<b>15 597</b>	<b>15 597</b>	<b>11 998</b>	<b>11 998</b>
<b>Total liabilities</b>		<b>26 089</b>	<b>17 788</b>	<b>17 788</b>	<b>14 165</b>	<b>14 165</b>
<b>Total equity and liabilities</b>		<b>132 535</b>	<b>119 989</b>	<b>119 989</b>	<b>112 268</b>	<b>112 268</b>

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# Consolidated Cash Flow Statement of "Sirma Group Holding" JSC

for the year ended December 31, 2017

	Notes	31.12.2017 '000 лв.	31.12.2016 '000 лв.	31.12.2015 '000 лв.
<b>Operation activity</b>				
Cash receipts from customers	12	59 754	43 674	34 369
Payments to suppliers	12	(32 371)	(23 532)	(13 748)
Payments to employees and social security institutions	12	(15 905)	(14 029)	(11 994)
Cash flows related to interest, dividends and similar	12	(193)	(40)	(15)
Paid and refunded income tax	12	(249)	(475)	(284)
Positive / negative differences from foreign exchange operations	12	(100)	-	-
Other receipts / (payments), net	12	(2 320)	(1 272)	(1 134)
<b>Net cash flow from operating activities</b>	<b>12</b>	<b>8 616</b>	<b>4 326</b>	<b>7 194</b>
<b>Investment activity</b>				
Payments for acquisition of property, plant and equipment	12	(2 483)	(889)	(2 018)
Proceeds from the sale of property, plant and equipment	12	-	3	621
Sale of subsidiaries	12	-	15	-
Acquisition of subsidiaries	12	(181)	-	-
Acquisition / Sale of intangible assets	12	(11 542)	(9 392)	(6 251)
Loans, deposits	12	387	55	2
Payments on loans	12	(401)	(151)	(120)
Cash flows associated with investment deposits	12	-	(5)	-
Interest payments on loans	12	(4)	(25)	(16)
Other	12	(33)	(158)	(109)
<b>Net cash flow from investing activities</b>	<b>12</b>	<b>(14 257)</b>	<b>(10 547)</b>	<b>(7 891)</b>
<b>Financing activity</b>				
Received or provided loans	12	(892)	1 667	528
Loans payables	12	7 603	(369)	(2 892)
Cash flows from issuance and reacquisition of securities	12	5	129	11 424
Proceeds from interest, dividends and similar	12	(885)	(84)	(125)
Payments under finance leases	12	(99)	(105)	(64)
Cash flows from positive and negative foreign exchange differences	12	(5)	(91)	7
Other	12	(42)	(27)	(8)
<b>Net cash flow from financing activities</b>	<b>12</b>	<b>5 685</b>	<b>1 120</b>	<b>8 870</b>
<b>Net change in cash and cash equivalents</b>		<b>44</b>	<b>(5 101)</b>	<b>8 173</b>
Cash and cash equivalents at beginning of year	7.2.5	6 075	11 176	3 003
<b>Cash and cash equivalents at end of year</b>	<b>7.2.5</b>	<b>6 119</b>	<b>6 075</b>	<b>11 176</b>

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Date: 27.04.2018

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

for the year ended December 31, 2017

All amounts are in '000 lv.	Main / Share capital	Purchased own shares	Reserves	Retained earnings/ (Accumulated loss)	Current financial result including non-controlling interest	Non-controlling interest	Total equity
<b>Balance at January 1, 2017</b>	59 361	(262)	8 936	6 835	3 669	23 662	102 201
Correction IAS 8	-	-	-	-	(1 299)	1 299	-
<b>Recalculated balance to January 1, 2017</b>	59 361	(262)	8 936	6 835	2 370	24 961	102 201
<i>Distribution of profit:</i>							
dividends	-	-	-	(594)	-	(170)	(764)
reserves	-	-	(1 432)	(567)	-	(510)	(2 509)
Retained earnings	-	-	-	2 370	(2 370)	-	-
Changes resulting from purchased own shares	-	(213)	(21)	-	-	-	(234)
Profit / (Loss) for the year	-	-	-	-	4 300	1 890	6 190
Changes at the expense of owners	-	-	-	2 512	-	(950)	1 562
<b>Balance at December 31, 2017</b>	59 361	(475)	7 483	10 556	4 300	25 221	106 446

All amounts are in '000 lv.	Main / Share capital	Purchased own shares	Reserves	Retained earnings/ (Accumulated loss)	Current financial result including non-controlling interest	Non-controlling interest	Total equity
<b>Balance at January 1, 2016</b>	59 361	-	7083	6364	2215	23 080	98 103
Correction IAS 8	-	-	657	(657)	(589)	589	-
<b>Recalculated balance to January 1, 2016</b>	59 361	-	7740	5707	1626	23669	98103
<i>Distribution of profit:</i>							
dividends	-	-	-	(483)	-	-	(483)
reserves	-	-	343	(423)	-	80	-
other	-	-	(72)	408	-	-	336
Retained earnings	-	-	-	1 626	(1 626)	-	-
Changes resulting from purchased own shares	-	(262)	-	-	-	-	(262)
Correction restated reports	-	-	925	-	-	-	925
Changes at the expense of owners	-	-	-	-	-	(87)	(87)
Profit / (Loss) for the year	-	-	-	-	3 669	-	3 669
<b>Balance at December 31, 2016</b>	59 361	(262)	8 936	6 835	3 669	23 662	102 201
Correction IAS 8	-	-	-	-	(1 299)	1 299	-
<b>Balance at December 31, 2016 - IAS 8</b>	59 361	(262)	8 936	6 835	2 370	24 961	102 201

All amounts are in '000 lv.	Main / Share capital	Purchased own shares	Reserves	Retained earnings/ (Accumulated loss)	Current financial result including non-controlling interest	Non-controlling interest	Total equity
<b>Balance at January 1, 2015</b>	49 837	-	2222	2162	9642	19 211	83 074
<i>Distribution of profit:</i>							
dividends	-	-	-	(526)	-	-	(526)
reserves	-	-	(794)	(736)	-	381	(1 149)
other	-	-	1 985	(4 178)	-	1 303	(890)
Retained earnings	-	-	-	9 642	(9 642)	2 185	2 185
Acquisition of an enterprise and changes in share ownership	9 524	-	-	-	-	-	9 524
Correction restated reports	-	-	3 865	-	-	-	3 865
Changes at the expense of owners	-	-	(195)	-	-	-	(195)
Profit / (Loss) for the year	-	-	-	-	2 215	-	2 215
<b>Balance at December 31, 2015</b>	59 361	-	7 083	6 364	2 215	23 080	98 103
Correction IAS 8	-	-	657	(657)	(589)	589	-
<b>Balance at December 31, 2015 - IAS 8</b>	59 361	-	7 740	5 707	1 626	23 669	98 103

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Date: 27.04.2018