

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

for the period ended December 31, 2017

	Notes	31.12.2017 '000 lv.	31.12.2016 '000 lv.
Sales revenue	3	51 014	40 432
Income from revaluation and sale of NCA	3	455	717
Income from financing	3	179	179
Other incomes	3	389	255
Total revenue		52 037	41 583
Material costs	4.1	(8 148)	(4 998)
Costs for external services	4.2	(13 481)	(8 619)
Staff costs	4.3	(20 760)	(19 101)
Depreciation and impairment of non-financial assets	4.5	(8 179)	(8 231)
Cost of goods sold and other current assets	3	(10 170)	(9 613)
Changes in inventories of finished goods and work in progress	4.7	745	107
Capitalized own expenses	4.6	17 330	14 536
Other expenses	4.4	(1 579)	(1 333)
Total expenditure		(44 242)	(37 252)
Profit / (Loss) from operating activities		7 795	4 331
Financial expenses	5.2	(1 049)	(482)
Financial income	5.1	439	344
Financial income / expenses net		(610)	(138)
Profit / (Loss) before taxes		7 185	4 193
Income tax expense / Revenue from income taxes		(994)	(524)
Profit / (Loss) for the year from continuing operations	10	6 191	3 669
including profit of non-controlling interest	8	2 036	1 352
including loss of non-controlling interest	8	(79)	(53)
including profit per equity holders of the company - mother	8	4 234	2 370
Total income per share	10	0,0713	0,0399
Other comprehensive income	6	2 139	4 790
Total comprehensive income		8 330	8 509
Basic earnings per share	10	0,1403	0,1433

Prepared by:

Nikolay Yatzino

CEO:

Tsvetan Alexiev

Date: 26.02.2018

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

for the period ended December 31, 2017

Assets	Notes	31.12.2017 '000 lv.	31.12.2016 '000 lv.
Non-current assets			
Intangible assets	7.1.2	34 960	47 571
Goodwill	7.1.2.1	19 540	19 540
Property, plant and equipment	7.1.1	5 214	3 473
Investments in subsidiaries	7.1.4	222	7
Investments in associates	7.1.4	236	242
Deferred tax assets	7.1.5	198	201
Expenditure on acquisition fixed assets	7.1.3	36 737	18 429
Total Non-current assets		97 107	89 463
Current assets			
Inventories	7.2.1	2 592	766
Trade receivables	7.2.3	9 098	8 601
Receivables from related parties	7.2.2	2 460	2 270
Tax claims	7.2.4	386	311
Other receivables	7.2.4	1 114	526
Prepaid expenses	7.2.4	164	134
Cash and cash equivalents	7.2.5	6 119	6 075
Total Current assets		21 933	18 683
Assets and disposal groups classified as held for sale	7.1.6	13 511	11 843
Total assets		132 551	119 989

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

for the period ended December 31, 2017 (continued)

Equity and liabilities	Notes	31.12.2017 '000 lv.	31.12.2016 '000 lv.
Equity			
Main / Share Capital	8.1	59 361	59 361
Share premium		1 706	1 932
Reserves	8.2	2 350	1 557
Reserves restated reports	8.2	2 139	4 790
Retained earnings / (Accumulated loss) from previous years	8.3	11 802	8 081
Current financial result	8.3	6 191	3 669
including profit non- controlling interest	8.3	2 036	1 352
including non-controlling interest loss	8.3	(79)	(53)
including profit per equity holders of the company - mother	8.3	4 234	2 370
Non-controlling interest	8.4	23 356	23 073
Changes resulting from purchased own shares	8.1	(475)	(262)
Total equity		106 430	102 201
Liabilities			
Non-current liabilities			
Provisions		177	196
Long-term loans	9.1.1	1 924	437
Finance lease liabilities	9.1.1	199	240
Obligations participations		28	35
Financing		159	159
Deferred tax liabilities	9.1.2	1 335	1 124
Total Non-current liabilities		3 822	2 191
Current liabilities			
Provisions	9.2.8	714	711
Pension obligations to the staff	9.2.6	1 434	1 731
Short-term loans	9.2.1	8 452	2 966
Finance lease liabilities	9.2.1	41	42
Trade and other payables	9.2.2	4 432	6 792
Short-term obligations affiliates	9.2.4	1	1
Tax obligations	9.2.5	1 078	730
Duties on advances	9.2.3	2 999	1 676
Deferred income and financing	9.2.9	413	452
Other liabilities	9.2.7	2 735	496
Total Current liabilities		22 299	15 597
Total liabilities		26 121	17 788
Total equity and liabilities		132 551	119 989

Prepared by:

Nikolay Yatzino

CEO:

Tsvetan Alexiev

Date: 26.02.2018

Consolidated Cash Flow Statement of "Sirma Group Holding" JSC

for the period ended December 31, 2017

	Notes	31.12.2017 '000 lv.	31.12.2016 '000 lv.
Operation activity			
Cash receipts from customers		59 711	43 674
Payments to suppliers		(39 070)	(23 532)
Payments to employees and social security institutions		(15 892)	(14 029)
Cash flows related to interest, dividends and similar		(193)	(40)
Paid and refunded income tax		(249)	(475)
Positive / negative differences from foreign exchange operations		(100)	-
Other receipts / (payments), net		(2 320)	(1 272)
Net cash flow from operating activities	12	1 887	4 326
Investment activity			
Payments for acquisition of property, plant and equipment		(1 825)	(889)
Proceeds from the sale of property, plant and equipment		-	3
Sale of subsidiaries		-	15
Acquisition of subsidiaries		(181)	-
Acquisition / Sale of intangible assets		(5 459)	(9 392)
Loans, deposits		279	55
Payments on loans		(285)	(151)
Cash flows associated with investment deposits		-	(5)
Interest payments on loans		(4)	(25)
Interests, commissions, dividends and the like		(277)	-
Other		(33)	(158)
Net cash flow from investing activities	12	(7 785)	(10 547)

Consolidated Cash Flow Statement of "Sirma Group Holding" JSC

for the period ended December 31, 2017 (continued)

	Notes	31.12.2017 '000 lv.	31.12.2016 '000 lv.
Financing activity			
Received or provided loans		(865)	1 667
Loans payables		7 574	(369)
Cash flows from issuance and reacquisition of securities		5	129
Proceeds from interest, dividends and similar		(607)	(84)
Payments under finance leases		(99)	(105)
Cash flows from positive and negative foreign exchange differences		(24)	(91)
Other		(42)	(27)
Net cash flow from financing activities	12	5 942	1 120
Net change in cash and cash equivalents	12	44	(5 101)
Cash and cash equivalents at beginning of year	12	6 075	11 176
Cash and cash equivalents at end of year	12	6 119	6 075

Prepared by:


Nikolay Yatzino

CEO:


Tsvetan Alexiev

Date: 26.02.2018

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>reserves</i>	-	-	-	-	-	174	174
Retained earnings	-	-	-	3 669	(3 669)	640	640
Changes resulting from purchased own shares	-	(213)	-	-	-	-	(213)
Correction restated reports	-	-	(2 084)	-	-	-	(2 084)
Profit / (Loss) for the year	-	-	-	-	6 191	-	6 191
Changes at the expense of owners	-	-	-	52	-	(531)	(479)
Balance at December 31, 2017	59 361	(475)	6 195	11 802	6 191	23 356	106 430

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	23 080	98 103
<i>Distribution of profit:</i>							
<i>dividends</i>	-	-	-	(483)	-	-	(483)
<i>reserves</i>	-	-	343	(423)	-	80	-
<i>others</i>	-	-	(72)	408	-	-	336
Correction restated reports	-	-	925	-	-	-	925
Reserves restated reports	-	-	-	-	-	-	-
Changes resulting from purchased own shares	-	(262)	-	-	-	-	(262)
Profit / (Loss) for the year	-	-	-	-	3 669	-	3 669
Retained earnings	-	-	-	2 215	(2 215)	(87)	(87)
Balance at December 31, 2016	59 361	(262)	8 279	8 081	3 669	23 073	102 201

Prepared by:


Nikolay Yatzino

CEO:


Tsvetan Alexiev

Date: 26.02.2018