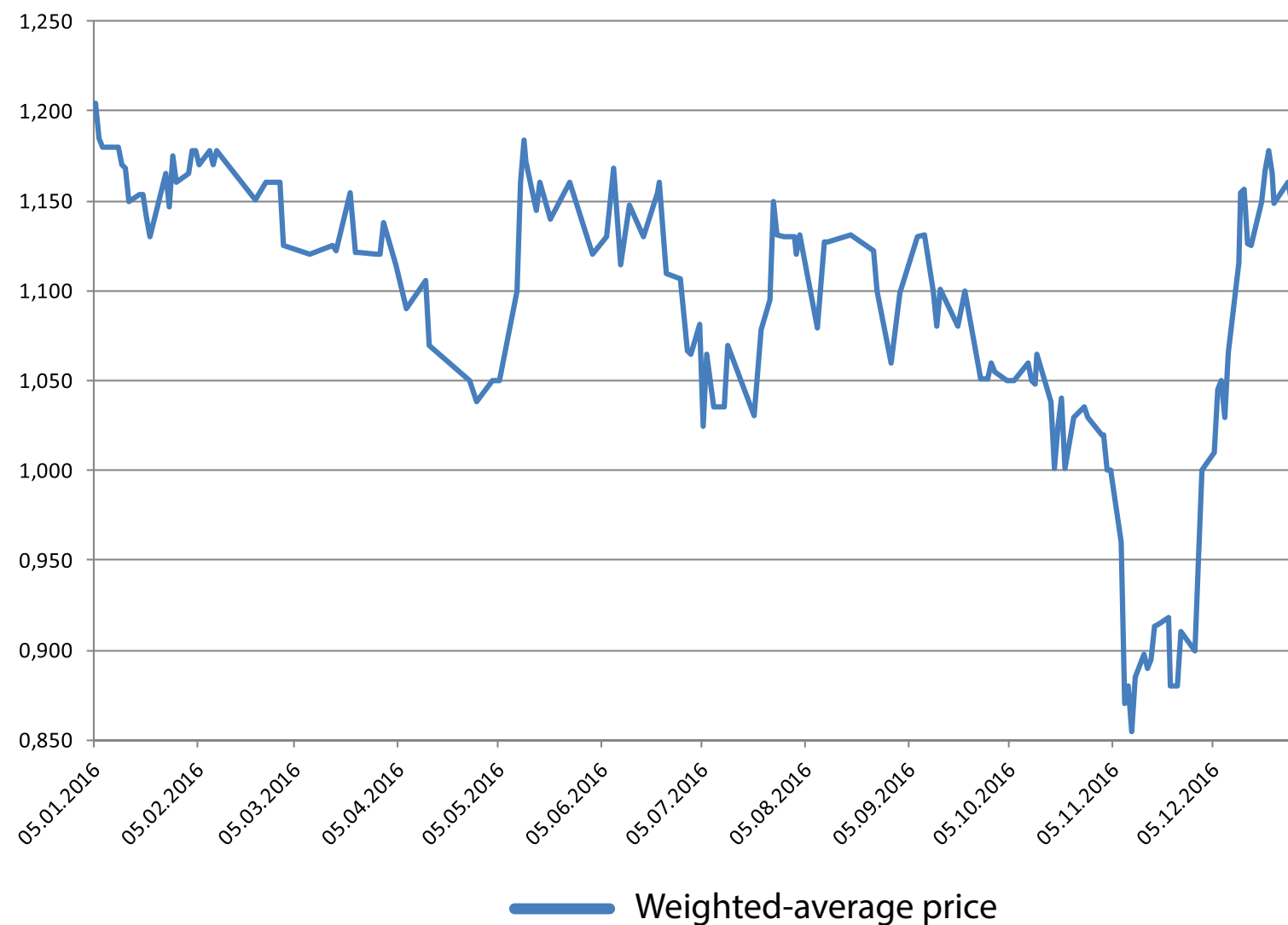




Sirma Group

Sirma Group Holding JSC

Consolidated financial statements for
the year ending December 31, 2016



Last trading
price on 30.12



1.189 BGN

Change in share
price for the period



- 0,011 BGN

Volume



1 288 BGN
(in thousands)

52W High
52W Low



0.85 BGN
1.25 BGN

Market
capitalization



70 580 BGN
(in thousands)

59 361 BGN
(in thousands)

Shareholder's capital
59 360 518 Shares
(with nominal price BGN 1.00)



11,01%
88,99%

Number of shares held by
corporate investors

Number of shares held by
individuals

777 Shareholders

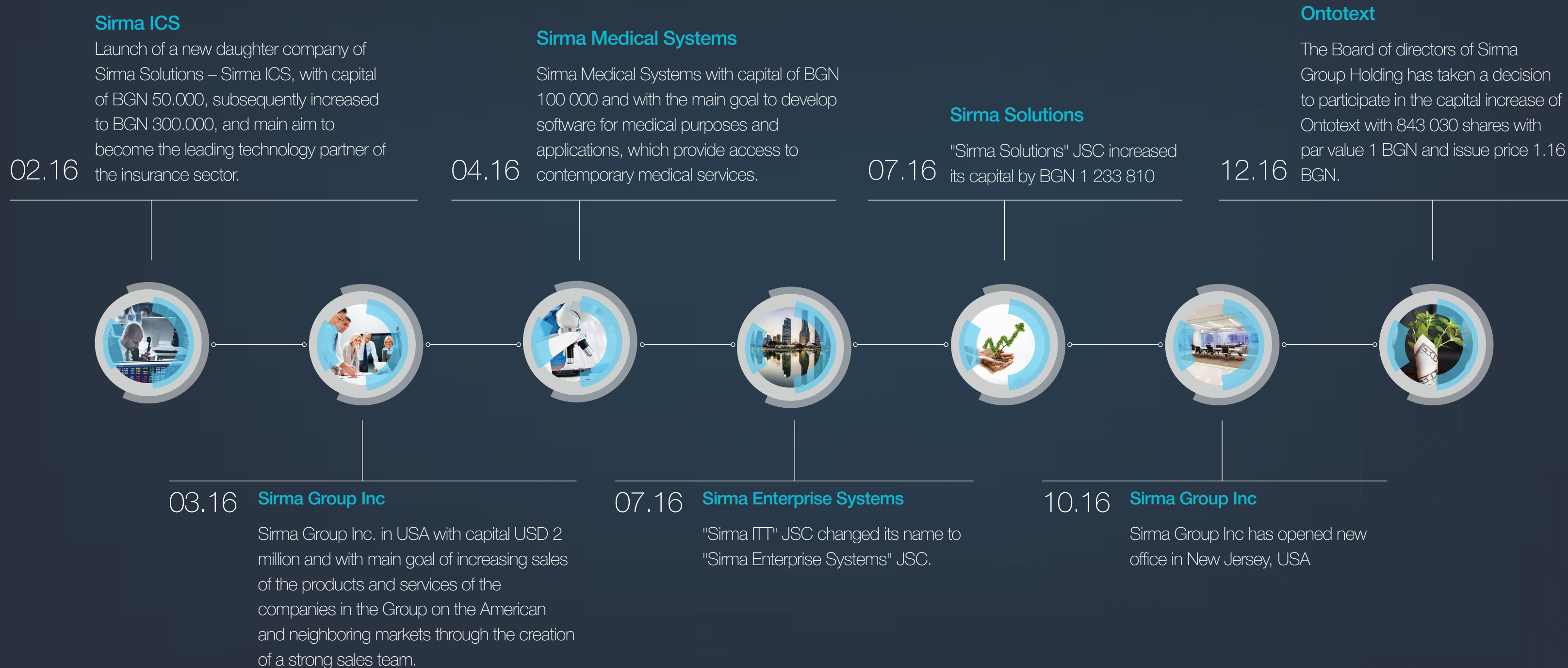
individual

735

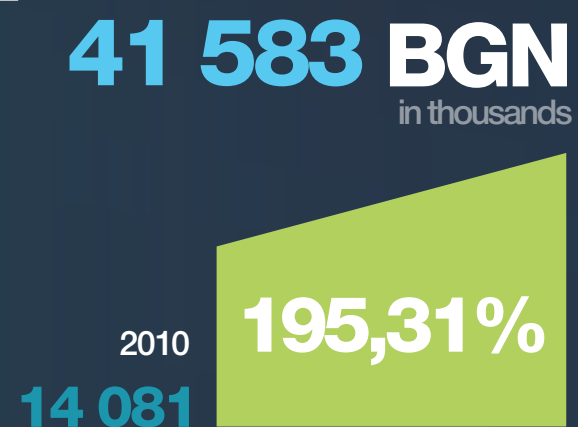
corporate investors

42





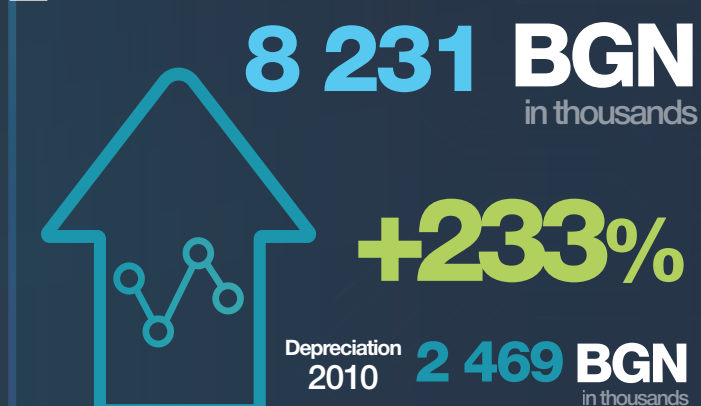
Revenues



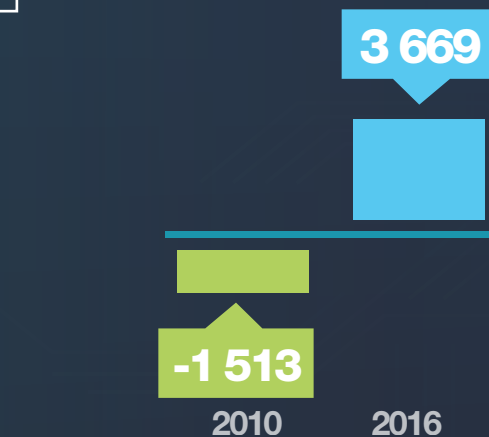
EBITDA



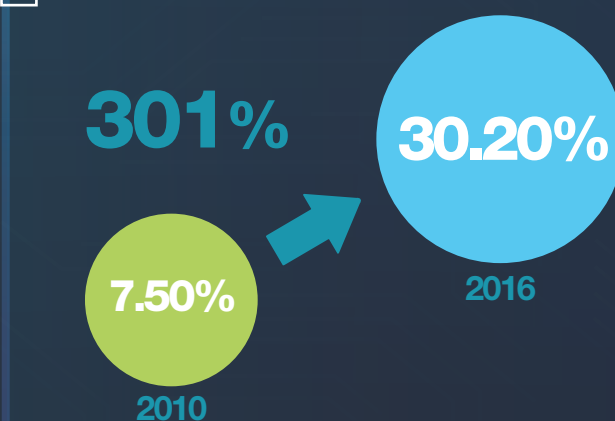
Depreciation



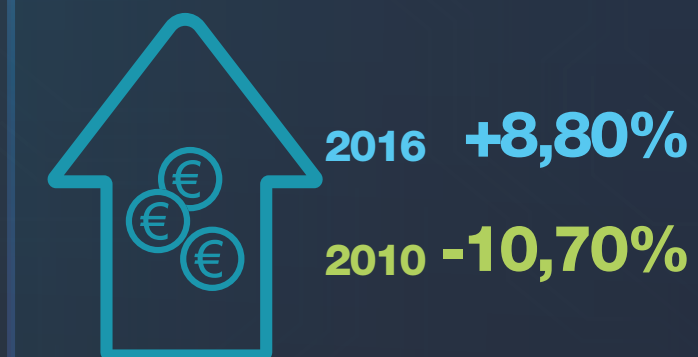
Net Profit



EBITDA Margin %



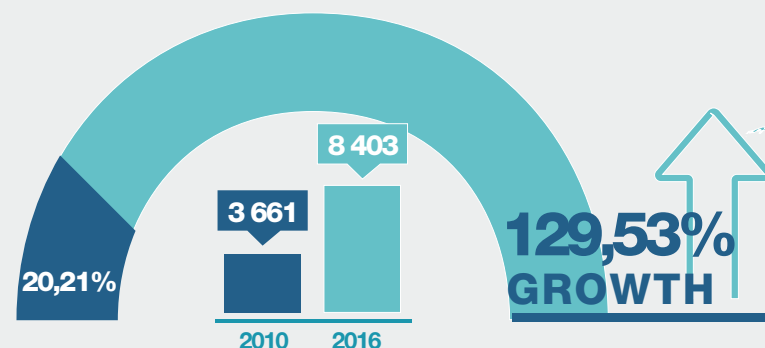
Net Profit Margin %



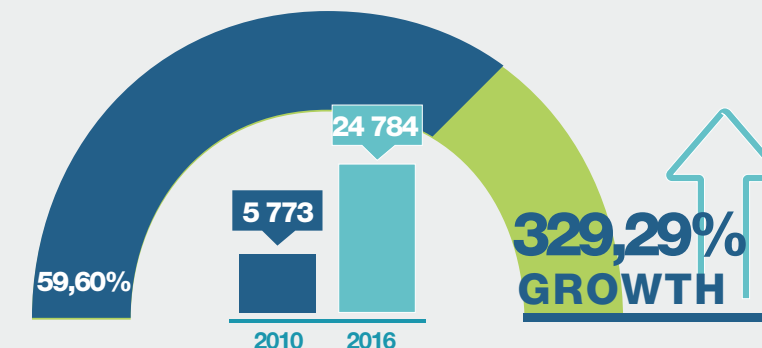
Revenue by region

in thousand BGN

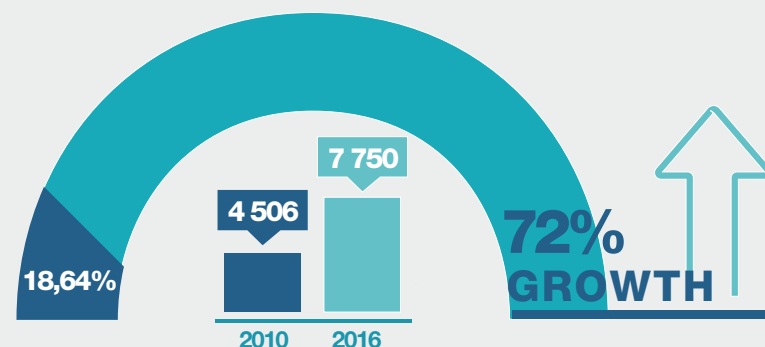
North America



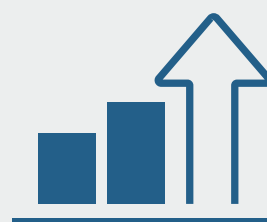
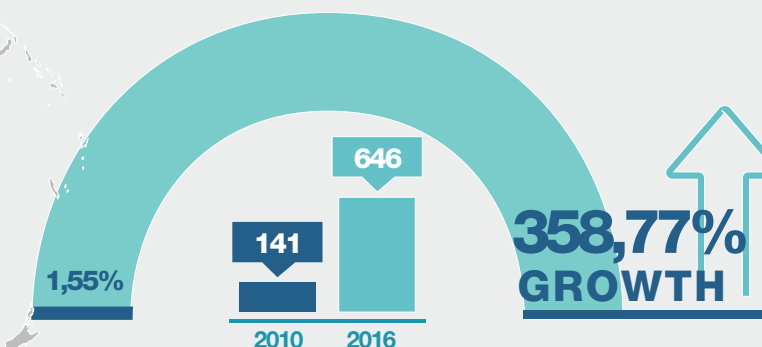
Bulgaria



Europe

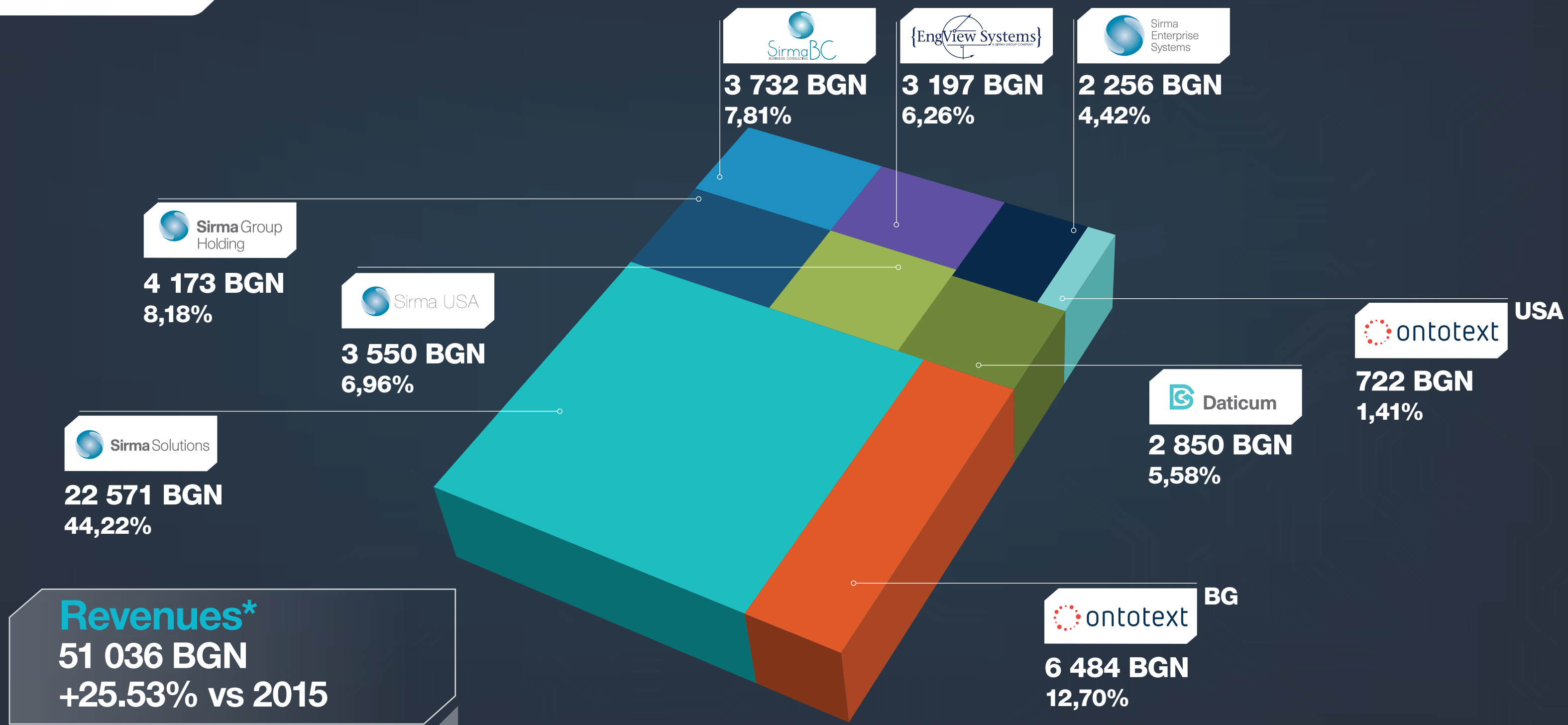


Others

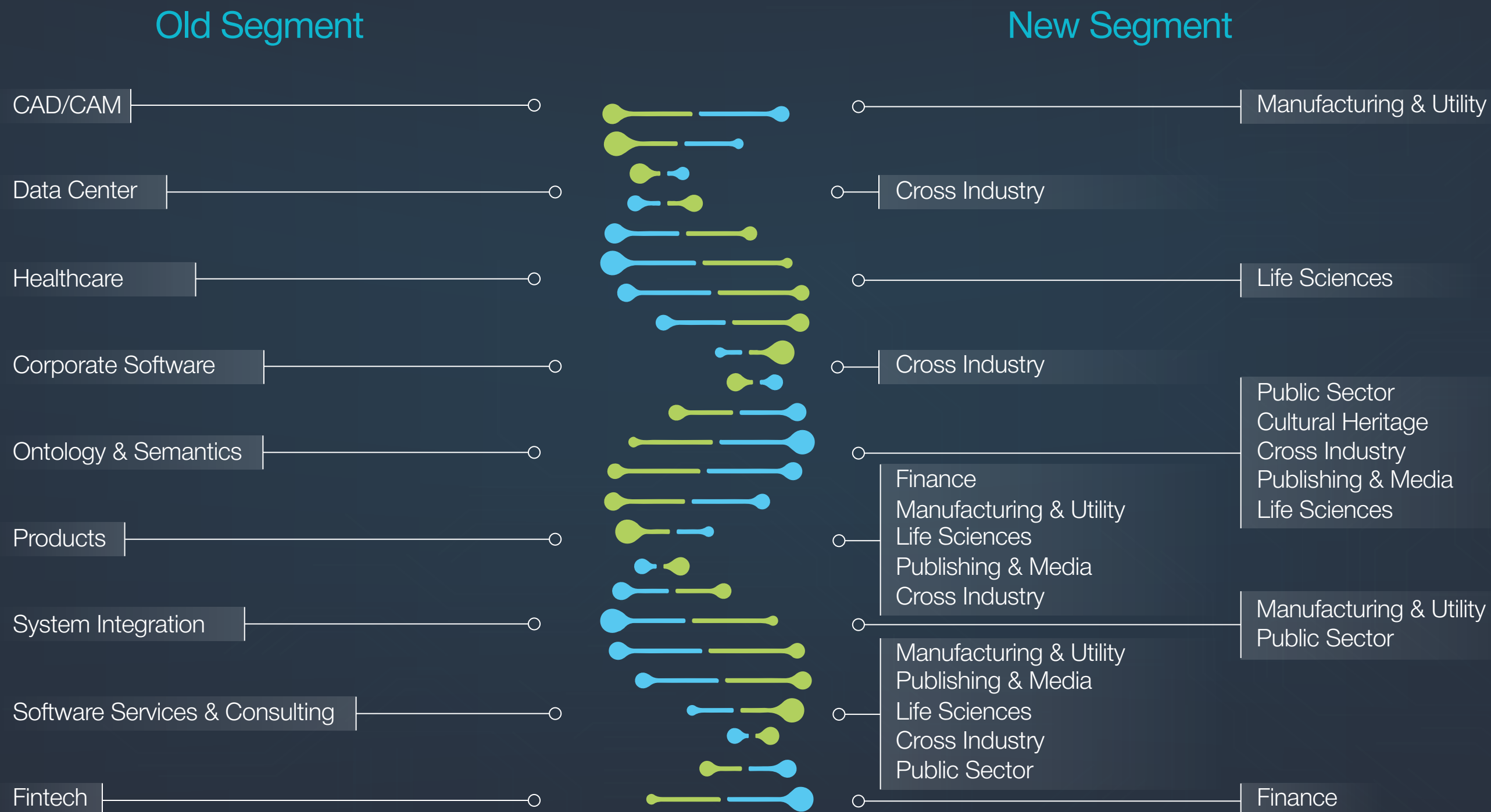


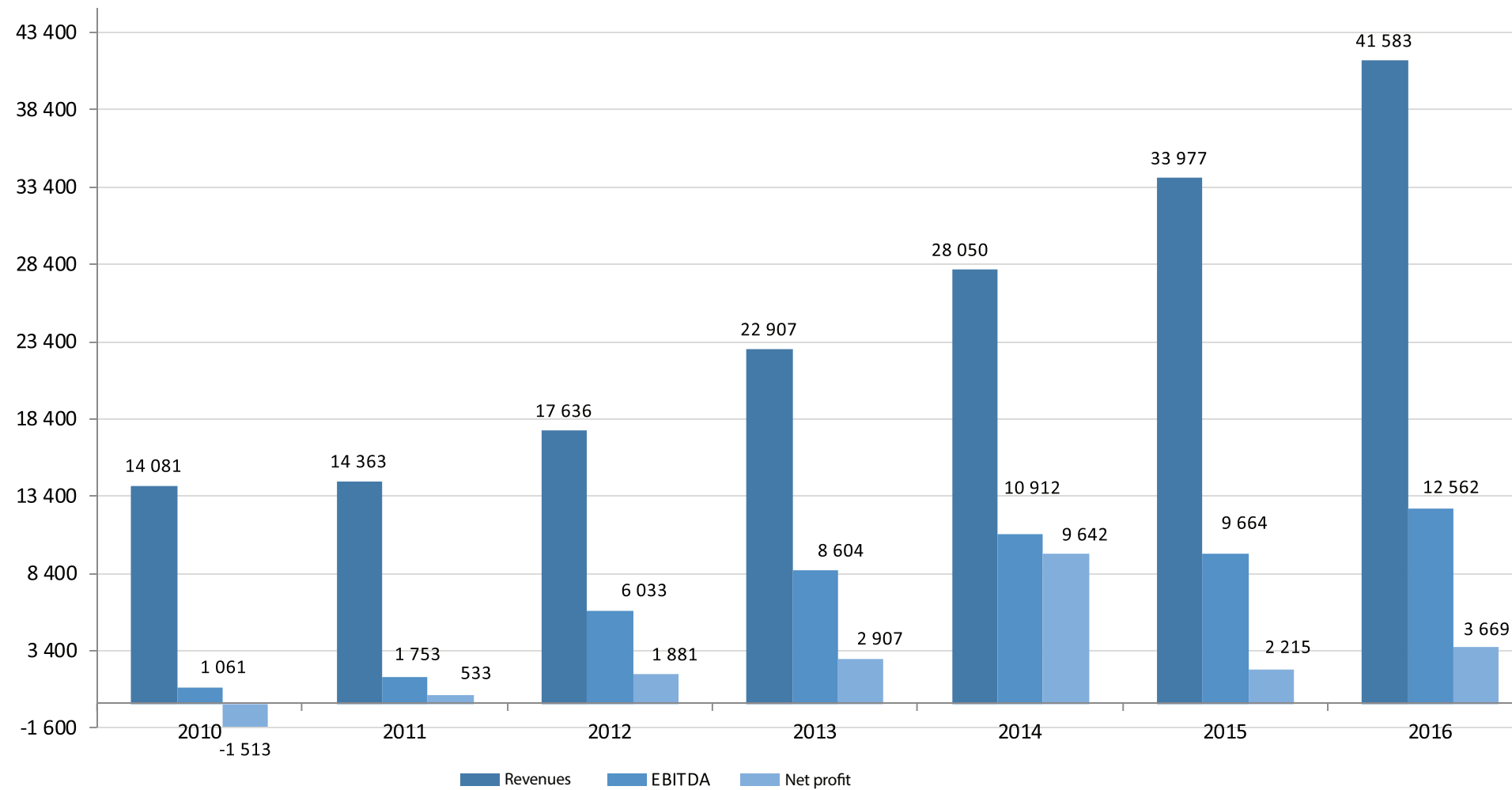
2010: 14 081 BGN
2016: 41 583 BGN
in thousands

195,31% SALES GROWTH



★ **unconsolidated revenue**







The Companies from the Group

During the period ending December 31, 2016

Revenues

(in thousands)



4 171 BGN

+ 288%
2010: 1 076 BGN

EBITDA

(in thousands)

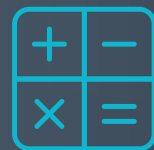


2 165 BGN

+ 1 528%
2010: 133 BGN

Depreciation

(in thousands)



382 BGN

+ 267%
2010: 104 BGN

Net Profit

(in thousands)



1 643 BGN

+ 1 648%
2010: 94 BGN

EBITDA Margin



51,90%

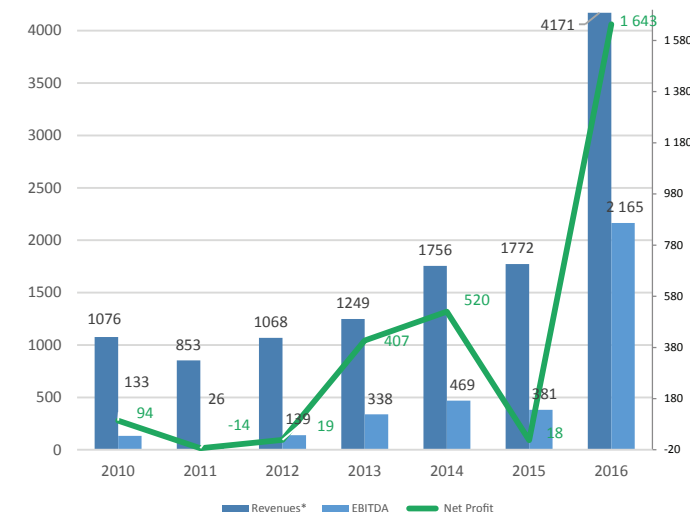
+ 320%
2010: 12,40%

Net Profit Margin



39,40%

+ 351%
2010: 8,70%



Key Highlights 2016

- Sima Group Inc was established in the USA, with a focus on the distribution of the products and services of the holding's companies.
- The Sima Medical Company was established, specializing in software for the monitoring of chronic diseases.
- BGN 11.243.926 raised from the IPO were invested as it follows: investment of 3807 thousand BGN in start-ups; investment of 6336 thousand BGN in intangible assets; 1,100 thousand BGN - Investments in increasing the capital of subsidiary companies with aim to boost capacity

Revenues

(in thousands)



22 571 BGN

+ 174%
2010: 8 234 BGN

EBITDA

(in thousands)



7 303 BGN

+ 419%
2010: 1 406 BGN

Depreciation

(in thousands)



4 841 BGN

+ 300%
2010: 1 210 BGN

Net Profit

(in thousands)



2 411 BGN

+ 2 112%
2010: 109 BGN

EBITDA Margin



32.4%

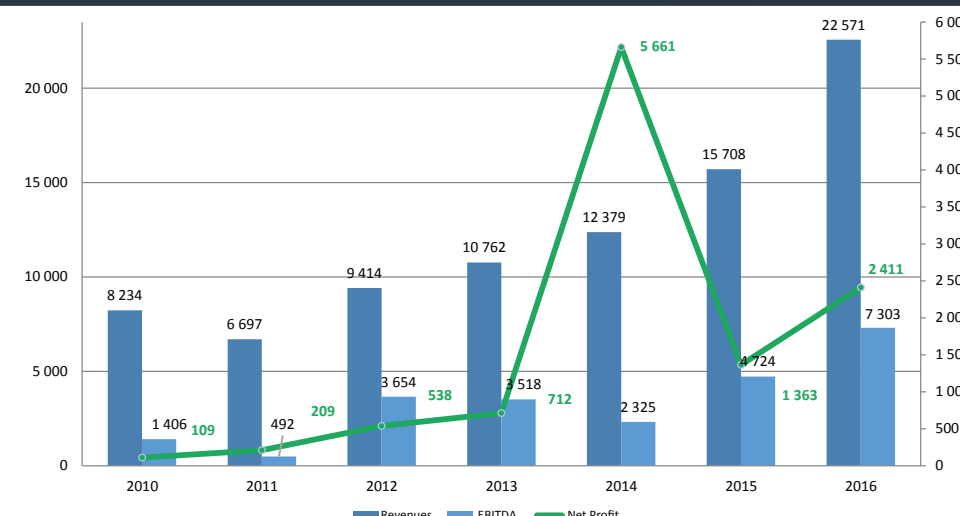
+ 89%
2010: 17.10 %

Net Profit Margin



10.70%

+ 707%
2010: 1.3 %



Key Highlights 2016

- Launch of a new company – Sima ICS with current capital of BGN 300.000.
- Sales of hardware, licenses and system integration services reach BGN 15 million in 2016.
- The LOYAX R&D unit is fully set up for a spin-off into a separate company.
- The company is continuing its R&D into the computer vision and AI sphere. Finalization of the Alpha version of a product targeting the North American market with release due in 2017.

Revenues

(in thousands)



6 778 BGN

+ 122,52%
2010: 3 046 BGN

EBITDA

(in thousands)



2 135 BGN

+ 181,66%
2010: 758 BGN

Depreciation

(in thousands)



1 478 BGN

+ 129,86%
2010: 643 BGN

Net Profit

(in thousands)



479 BGN

+ 393,81%
2010: 97 BGN

EBITDA Margin



31,50%

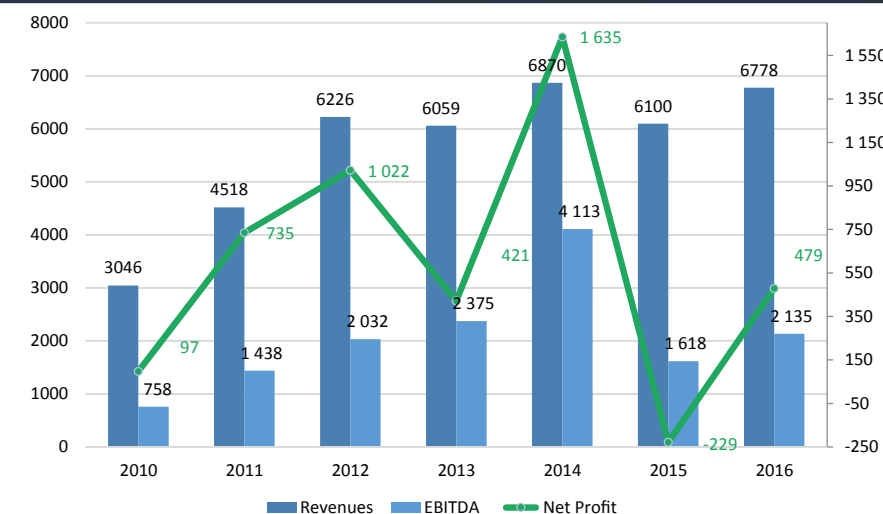
+ 26,58%
2010: 24,90%

Net Profit Margin



7,1%

+ 121,92%
2010: 3,20%



Key Highlights 2016

- The British Institute of Engineering and Technology, Springer-Neptune, and Elsevier became clients, thus 5 out of the 10 leading publishing houses for scientific literature the world over use GraphDB.
- Together with ImpelSys was started a project on the development of integrated technological solutions to contents publishing.
- Preparation of applications for the financial and pharmaceutical industries for sale in the USA.

Key Financial Data 2016 vs 2010

Revenues

(in thousands)



3 719 BGN

+ 53.23%
2010: 2 427 BGN

EBITDA

(in thousands)

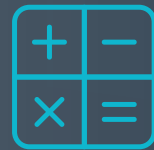


528 BGN

+ 4298.24%
2010: 12 BGN

Depreciation

(in thousands)



427 BGN

+ 13.23%
2010: 377 BGN

Net Profit

(in thousands)



112 BGN

2010: - 322 BGN

EBITDA Margin



14.20%

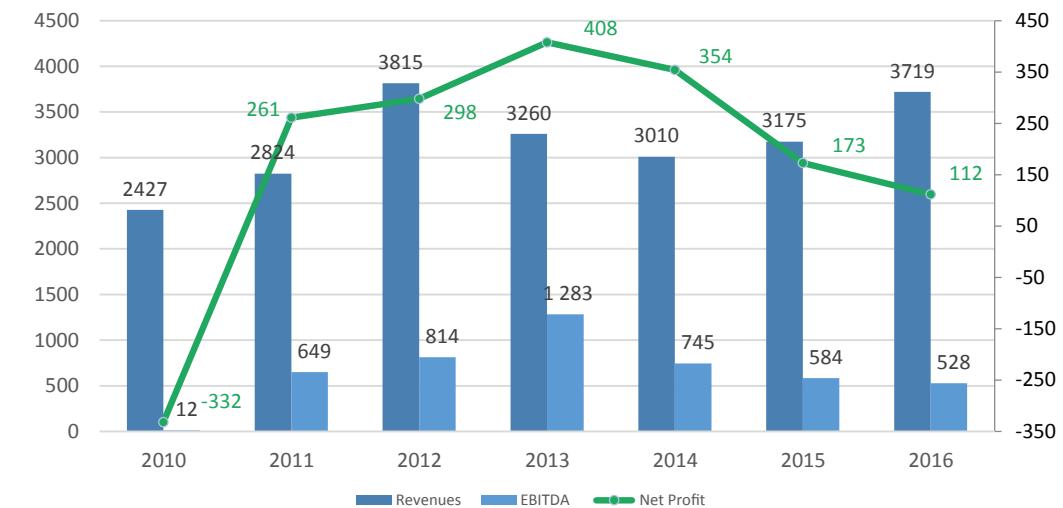
+ 2770.36%
2010: 0.5%

Net Profit Margin



3.0%

2010: - 13.70%



Key Highlights 2016

- Three successful projects for the implementation of the SCARDS product
- Developing a product for IRFS9 and new accounts for the ECB.
- Implementation of Omni Channel Trinidad and Tobago.
- Successful migration of Flex Cube to Albania.
- Successful licensing of 8 employees for FC 12.

The company started its economic activity in 2014

Revenues

(in thousands)



3 550 BGN

+ 49.22%
2014: 2 379 BGN

EBITDA

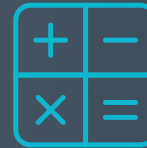
(in thousands)



914 BGN

+ 5 993.33%
2014: 15 BGN

Depreciation



NA

Net Profit

(in thousands)



910 BGN

+ 10 011.11%
2014: 9 BGN

EBITDA Margin



25.7%

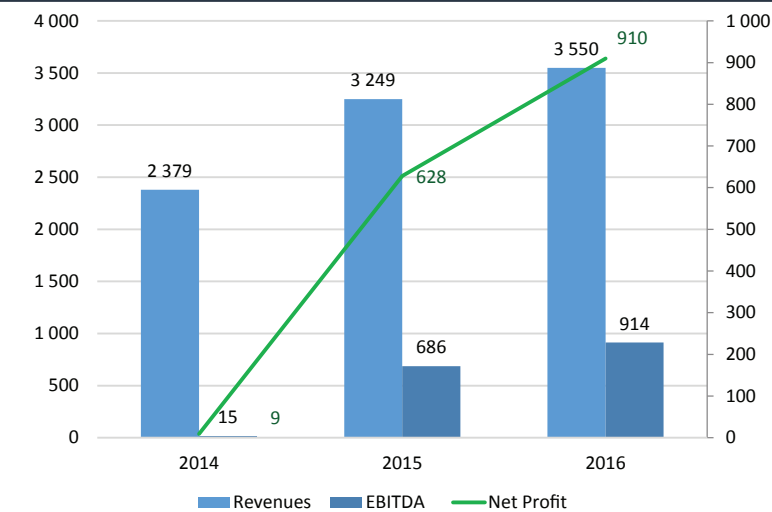
+ 3 983.39%
2014: 0.6%

Net Profit Margin



25.6%

+ 6 675.87%
2014: 0.4%



Key Highlights 2016

- A new project for the development of an end-user-oriented product in the field of "cyber security". The product is intended for handling major challenges related to the protection of home networks and sensitive data.
- A new project for the establishment of Call Center Solutions together with a medium-size American company
- Enlargement of the teams working for the Vatillum and Elevada clients.
- A new project with a company dealing with radio frequency measurements in the field of the mobile industry. The objective of the project is to unite the instruments the company affords to its clients into one combined "cloud" platform.
- A new project with a company which is a leading provider of cloud-based wire and wireless WAN network solutions for "Distributed and Mobile Enterprises"

Key Financial Data 2016 vs 2010

Revenues

(in thousands)



3 197 BGN

+ 118.37%
2010: 1 464 BGN

EBITDA

(in thousands)

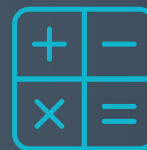


582 BGN

+ 163.35%
2010: 221 BGN

Depreciation

(in thousands)



103 BGN

+ 758.33%
2010: 12 BGN

Net Profit

(in thousands)



432 BGN

+ 112.81%
2010: 203 BGN

EBITDA Margin



18.2%

+ 20.59%
2010: 15.10%

Net Profit Margin



13.5%

- 2.55 %
2010: 13.90%



Key Highlights 2016

- Preparation of an EngView product portfolio for the American market.
- Launch of the Mac version of EngView Package & Display Designer Suite.
- Participation in the Drupa Exhibition in Dusseldorf, which led to a lot of new contacts and partnerships.
- Signing of contracts for distribution in Hungary and Malasia.
- A signed OEM contract with the German producer of plotters, Aristo.
- Through its distributor in Japan, EngView implemented its software for packaging and displays, as well as for the needs of the biggest Japanese producer of cutting plotters, ACS.
- A strong interest on the part of the USA in another product of EngView Systems – ScanFit, which was displayed at the specialized exhibitions in Chicago and Boston.

Revenues

(in thousands)



2 850 BGN

+ 200%
2010: 950 BGN

EBITDA

(in thousands)



906 BGN

+ 161.10%
2010: 347 BGN

Depreciation

(in thousands)



369 BGN

+ 13.54%
2010: 325 BGN

Net Profit

(in thousands)



474 BGN

+ 1 960.87%
2010: 23 BGN

EBITDA Margin



31.79%

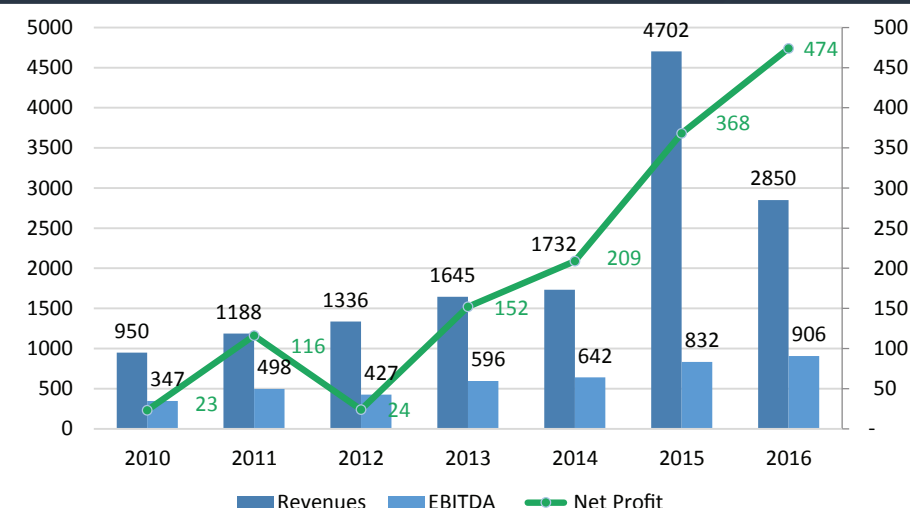
- 12.97%
2010: 36.50%

Net Profit Margin



16.63%

+ 586.96%
2010: 2.4%



Key Highlights 2016

- Launch of Flash Storage service – the only one in Bulgaria which allows the speed of 1M IOPS to our clients on the cloud platform.
- Launch of the new Disaster Recovery as a Service.
- Together with a partner, a launch of an innovative service for the Bulgarian market – Microsoft Navision ERP as a Service.
- Increase of the company personnel by 20%.
- Opening of a second office 400 km away from Sofia, with a view to affording geographically reserved services.
- Daticum joins CISPE's Code of Conduct along with other leading cloud service providers.

Revenues

(in thousands)



2 256 BGN

+ 39%
2010: 1 623 BGN

EBITDA

(in thousands)

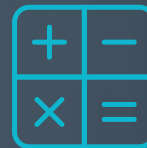


1 043 BGN

NA
2010: - 388 BGN

Depreciation

(in thousands)



687 BGN

+ 1 498.60%
2010: 43 BGN

Net Profit

(in thousands)



210 BGN

NA
2010: - 401 BGN

EBITDA Margin



46.19%

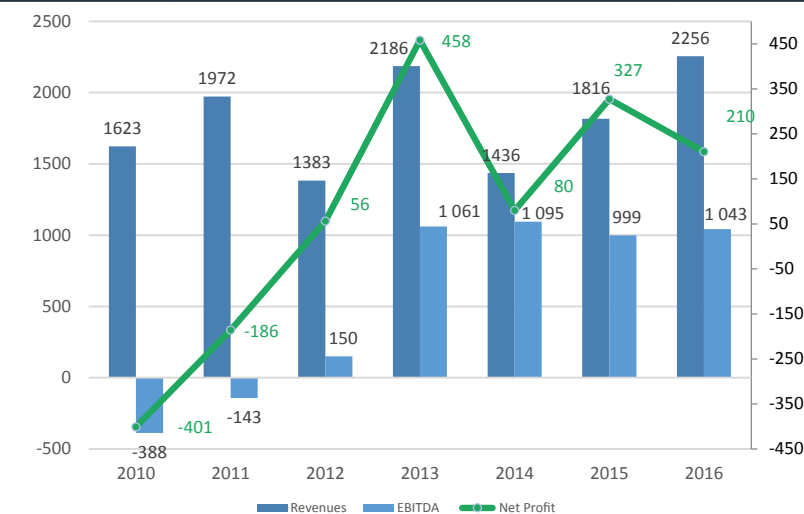
NA
2010: - 23.90%

Net Profit Margin



9.31%

NA
2010: - 24.70%



Key Highlights 2016

- Change of the Sirma ITT name and rebranding.
- Launching of version 2 of Sirma Enterprise Platform.
- Developing a new application for management of documents intended for SME in the USA based on the Sirma Enterprise Platform – “Go Digital”.
- Developing a new system for electronic services based on Sirma Enterprise Platform.



Sirma Group

Thank you for your attention!

We would be happy to address
all your questions now:

@ ir@sirma.bg



sirmair