



datalab

2015 annual report

The annual report and the consolidated annual report of DATALAB d.d and its subsidiaries

for the financial period from 1 July 2014 to 30 June 2015

Ljubljana, November 2015

Table of Contents

1	KEY FINANCIAL DATA AND INDICATORS	6		
2	REPORT OF THE EXECUTIVE DIRECTOR	11		
3	REPORT OF THE CHAIRMAN OF THE MANAGEMENT BOARD	14		
4	COMPANY PRESENTATION	17		
4.1	GENERAL INFORMATION	17		
4.2	ABOUT THE COMPANY	18		
4.3	PERSONNEL MAKE-UP	21		
4.4	COMPANY GOVERNANCE HOLDERS	23		
4.5	COMPANIES IN THE DATALAB GROUP – SUBSIDIARIES	24		
5	BUSINESS REPORT	27		
5.1	SALES IN THE 2015 FINANCIAL YEAR	27		
5.2	SALES AND MARKET COMMENTARY BY COUNTRIES	36		
5.3	PARTNER NETWORK	46		
5.4	DIRECT SALES AND SERVICEDESK	50		
5.5	SOFTWARE DEVELOPMENT IN THE 2015 FINANCIAL YEAR	50		
5.6	MARKETING AND COMMUNICATIONS	64		
5.7	TRAINING – DATALAB ACADEMY	74		
5.8	KEY EVENTS IN THE FINANCIAL YEAR 2015 (FROM 1 JULY 2014 TO 30 JUNE 2015)	80		
5.9	KEY EVENTS IN 2016 FINANCIAL YEAR SINCE THE CLOSING BALANCE OF THE FINANCIAL YEAR 2015 (FROM 1 JULY 2015)	83		
5.10	PLANS FOR THE 2016 FINANCIAL YEAR	83		
5.11	RISK MANAGEMENT IN THE DATALAB GROUP	84		
5.12	CORPORATE SOCIAL RESPONSIBILITY	86		
5.13	SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL POLICY	86		
5.14	PARTICIPATION IN ORGANIZATIONS AND WORKING BODIES	87		
6	FINANCIAL STATEMENTS OF THE DATALAB GROUP	89		
6.1	CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF THE DATALAB GROUP FOR THE PERIOD FROM 1 JULY 2014 TO 30 JUNE 2015	90	6.4	CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE DATALAB GROUP FOR THE PERIOD FROM 1 JULY 2014 TO 30 JUNE 2014
6.2	CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE DATALAB GROUP AS AT 30 JUNE 2015	91	6.5	CONSOLIDATED CASH FLOW STATEMENT OF THE DATALAB GROUP FOR THE PERIOD FROM 1 JULY 2014 TO 30 JUNE 2015
6.3	CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE DATALAB GROUP FOR THE PERIOD FROM 1 JULY 2014 TO 30 JUNE 2014	92	7	NOTES TO THE FINANCIAL STATEMENTS
			7.1	REPORTING COMPANY
			7.2	BASIS FOR COMPILING FINANCIAL STATEMENTS
			7.3	SIGNIFICANT ACCOUNTING POLICIES
			7.4	DETERMINING THE FAIR VALUE
			7.5	FINANCIAL RISK MANAGEMENT
			7.6	REPORTING BY SEGMENTS
			7.7	OPERATING REVENUES
			7.8	COST OF MATERIALS, GOODS AND SERVICES
			7.9	LABOR COSTS
			7.10	FINANCIAL REVENUES
			7.11	FINANCIAL EXPENSES
			7.12	NET CASH FLOW
			7.13	TAX ON INCOME
			7.14	DEFERRED TAX REVENUE
			7.15	PROPERTY, PLANT AND EQUIPMENT
			7.16	INTANGIBLE ASSETS
			7.17	LONG-TERM FINANCIAL INVESTMENTS AND BUSINESS COMBINATIONS
			7.18	LONG-TERM OPERATING RECEIVABLES
			7.19	LONG-TERM DEFERRED COSTS AND ACCRUED REVENUE
			7.20	DEFERRED TAX ASSETS
			7.21	INVENTORIES
			7.22	SHORT-TERM FINANCIAL INVESTMENTS
			7.23	SHORT-TERM OPERATING RECEIVABLES
			7.24	CASH
			7.25	SHORT-TERM DEFERRED COSTS AND ACCRUED REVENUE
			7.26	EQUITY

7.27	LONG-TERM FINANCIAL LIABILITIES	123	10	OTHER OPERATING EXPENSES	159
7.28	LONG-TERM PROVISIONS	124	11.	FINANCIAL REVENUES	159
7.29	LONG-TERM ACCRUED COSTS AND DEFERRED REVENUES	124	12.	FINANCIAL EXPENSES	159
7.30	SHORT-TERM FINANCIAL LIABILITIES	125	13.	TAX ON INCOME	160
7.31	SHORT-TERM OPERATING LIABILITIES	125	14.	DEFERRED TAX REVENUES	161
7.32	ACCRUED COSTS AND DEFERRED REVENUES	126	15.	PROPERTY, PLANT AND EQUIPMENT	161
7.33	INVESTMENT IN RESEARCH AND DEVELOPMENT	126	16.	INTANGIBLE ASSETS	161
7.34	TRANSACTIONS WITH RELATED PARTIES	127	17.	LONG-TERM FINANCIAL INVESTMENTS	162
7.35	FINANCIAL INSTRUMENTS	129	18.	LONG-TERM LOANS	164
7.36	AUDITING COSTS	129	19.	LONG-TERM OPERATING RECEIVABLES	164
7.37	POTENTIAL LIABILITIES FROM LAWSUITS	130	20.	DEFERRED TAX ASSETS	164
	AUDITOR'S REPORT FOR THE DATALAB GROUP	133	21.	SHORT-TERM (CURRENT) FINANCIAL INVESTMENTS	164
8	FINANCIAL STATEMENTS OF DATALAB, D. D.	135	22.	SHORT-TERM OPERATING RECEIVABLES	165
8.1.	STATEMENT OF COMPREHENSIVE INCOME OF DATALAB TEHNOLOGIJE, D.D. FOR THE PERIOD FROM 1 JULY 2014 TO 30 JUNE 2015	136	23.	CASH AND CASH EQUIVALENTS	166
8.2.	STATEMENT OF FINANCIAL POSITION OF DATALAB TEHNOLOGIJE, D.D. AS AT 30 JUNE 2015	137	24.	SHORT-TERM DEFERRED COSTS AND ACCRUED REVENUE	166
8.3	STATEMENT OF CHANGES IN EQUITY FOR DATALAB TEHNOLOGIJE, D. D., FOR THE PERIOD FROM 1 JULY 2014 TO 30 JUNE 2015	138	25.	EQUITY	167
8.4	STATEMENT OF CHANGES IN EQUITY FOR DATALAB TEHNOLOGIJE, D. D., FOR THE PERIOD FROM 1 JULY 2013 TO 30 JUNE 2014	139	26.	LONG-TERM FINANCIAL LIABILITIES	168
8.5	CASH FLOW STATEMENT FOR DATALAB TEHNOLOGIJE, D. D., FOR THE PERIOD FROM 1 JULY 2014 TO 30 JUNE 2015	140	27.	LONG-TERM PROVISIONS	169
9	NOTE TO THE FINANCIAL STATEMENTS	143	28.	LONG-TERM ACCRUALS AND DEFERRED REVENUES	169
1.	REPORTING COMPANY	143	29.	SHORT-TERM FINANCIAL LIABILITIES	170
2.	BASIS FOR COMPILING FINANCIAL STATEMENTS	143	30.	SHORT-TERM OPERATING LIABILITIES	170
3.	SIGNIFICANT ACCOUNTING POLICIES	146	31.	ACCRUED COSTS AND DEFERRED REVENUES	171
4.	DETERMINING THE FAIR VALUE	152	32.	INVESTMENT IN RESEARCH AND DEVELOPMENT	171
5.	FINANCIAL RISK MANAGEMENT	153	33.	TRANSACTIONS WITH RELATED PARTIES	172
6.	SALES REVENUE	156	34.	FINANCIAL INSTRUMENTS	174
7.	OTHER OPERATING REVENUE	156	35.	AUDITING COSTS	174
8.	COSTS OF GOODS, MATERIAL AND SERVICES	156	36.	POTENTIAL LIABILITIES FROM LAWSUITS AND OTHERS	175
9.	LABOR COSTS	158		AUDITOR'S REPORT FOR DATALAB TEHNOLOGIJE, D. D.	177

1

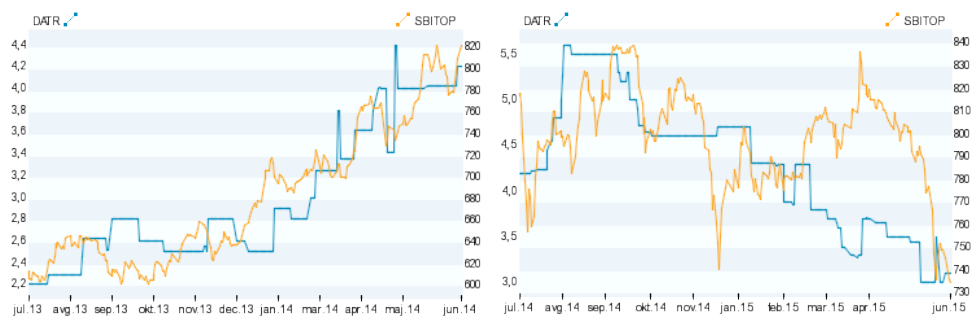
Key financial data and indicators

Key consolidated financial data	FY' 15	FY' 14	Index
Sales revenues	5,805,476	5,281,140	110
Other operating revenues	2,312,804	2,012,895	115
Gross operating income	8,118,280	7,294,035	111
Pre-tax profit & loss	-601,754	515,957	
Net profit or loss for the financial year	-427,581	642,921	
Net cash flow (profits + depreciation)	948,534	1,890,408	50
Total assets	12,564,093	9,964,569	126
Fixed (non-current) assets	9,660,825	7,428,117	130
Current (short-term) assets	2,903,268	2,536,452	114
Equity	6,359,675	5,310,695	120
Long-term liabilities and provisions	3,102,055	2,626,776	118
Short-term liabilities and accrued costs and deferred revenues	3,102,363	2,027,098	153
KEY PERFORMANCE INDICATORS			
Total profit/operating revenue – %	-7.41	7.07	
Total profit/equity – %	-9.46	9.72	
Net profit/equity – %	-6.72	12.11	
Net profit/share – euros	0.004	0.37	1
Degree of independence (equity/total assets) – %	50.62	53.30	95
Liquidity (short-term assets/long-term debt and accrued costs and deferred revenues) – %	93.58	125.13	75
Number of users	42,009	35,673	117
Number of companies	13,981	12,269	113
Number of certified consultants	514	515	100
Number of partner companies	292	308	95
Number of all FULL-TIME employees	188	136	138
Number of all employees in the Datalab group	233	178	131

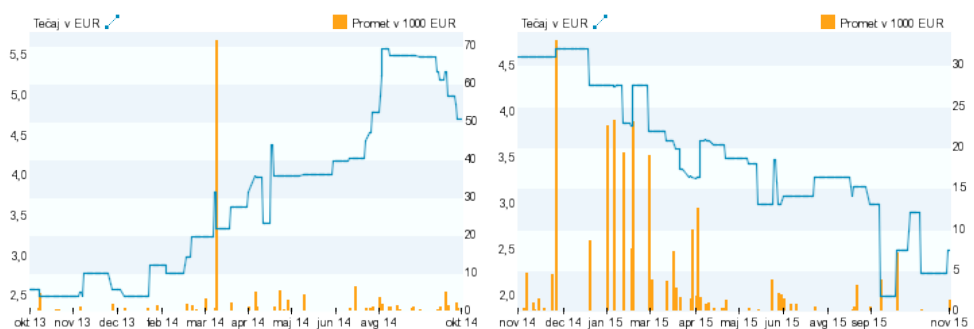
Stock information

SHARE	30 June 2015	30 June 2014	Index
Number of issued common shares	2,120,401	1,737,412	122
of which purchased shares	19,441	12,652	154
Book value of stock on the last day of Financial Year (in euros) (equity/No. of issued ordinary shares)	3.03	3.08	98
Market price of stock on the Ljubljana Stock Exchange			
Highest quote in the year (in euros)	5.60	4.20	133
Lowest quote in the year (in euros)	3.00	2.2	136
Average yearly share price (in euros)	4.31	2.98	145
Quote on the last trading day in the year (in euros)	3.10	4.20	74
Market value of capital (in euros) (number of issued common shares * quote on the last trading day of the year)	6,573,243	7,297,130	90
Yield per share in current year (quote on the last trading day of the current year/ quote on the last trading day of the previous year)	0.74	1.91	39
Yield per share in current year (quote on the last trading day of the current year/ quote on the last trading day of the previous year) (in euros)	-1.10	2.00	-55
P/BV (average market price of share/book value of share)	1.42	0.97	147
P/E (average market price of share/gross profit of Financial Year per share)	/	8.37	/

Fluctuation of Datalab stock compared to the SBITOP index for the period 1 July 2013 to 30 June 2014 and 1 July 2014 to 30 June 2015. Source: LJSE.



Fluctuation of Datalab stock and trading volume. In FY' 14 and FY' 15



ABRIDGED AND ADAPTED PROFIT AND LOSS STATEMENT OF THE GROUP

The table contains distribution of revenue and major expenses by subsidiaries for this year (1 July 2014 – 30 June 2015) and last year, in thousand EUR. #2 Revenue from RLGS oscillated – contracts concluded and converted to revenue from upgrading.

	SI			HR			BA		
	FY' 15	FY' 14	Index	FY' 15	FY' 14	Index	FY' 15	FY' 14	Index
A. Net revenue	2,778	2,247	124	1,435	989	145	633	609	104
I. Sales revenues from domestic market	2,497	2,204	113	1,226	940	130	592	581	102
1. Net sales revenues from domestic market, excluding rents	2,497	2,204	113	1,225	940	130	592	581	102
a. License fees	296	414	71	491	452	109	257	286	90
b. Upgrading	1,104	1,102	100	493	380	130	223	202	110
c. Membership fees	30	34	88	19	17	112	15	11	136
d. Services	428	290	148	111	21	529	68	65	105
e. Marketing	35	28	125	23	25	92	17	13	131
f. Training and certification	53	34	156	21	20	105	7	3	233
g. Hosting services	568	302	188	26	11	236	0	0	
h. Other	209	0		42	14	300	5	1	500
2. Net revenue from rent	0	0		1	1	100	0	0	
III. International net sales revenues	54	43	126	120	43	279	41	28	146
a. License fees	18	13	138	0	0		3	1	300
b. Upgrading	16	18	89	0	0		0	0	
c. Membership fees	0	0		0	0		0	0	
d. Services	2	1	200	0	0		4	0	
e. Marketing	4	5	80	0	0		0	0	
f. Training and certification	14	6	233	0	0		0	0	
g. Work for hire	0	0		120	43	279	34	27	126
h. Other	0	0		0	0		0	0	
H. Costs	2,472	2,208	112	1,554	979	159	589	693	85
I Costs of material and services	1,362	1,380	99	1,050	699	150	392	477	82
1) license fees	136	179	76	186	139	134	98	113	87
2) rents	46	42	110	36	16	225	8	12	67
4) cost of services	377	354	106	416	277	150	139	174	80
j) of which cost of sales	90	100	90	192	121	159	69	93	74
II Labor costs	1,027	703	146	455	220	207	188	195	96
J. Financial revenues	5	6	83	2	6	33	0	0	
K. Financial expenses	14	7	200	6	6	100	0	1	0
V. Net profit/loss for the period	82	40	205	-105	13	-808	47	-78	-60

* Countries not using EUR as primary currency have their results calculated to EUR by average daily exchange rate.

** Information in the table below is for analytical purposes only and may differ from the information used in consolidation balance sheets of subsidiaries.

SR			CG			MK			BG			AL			Total		
FY' 15	FY' 14	Index	FY' 15	FY' 14	Index	FY' 15	FY' 14	Index	FY' 15	FY' 14	Index	FY' 15	FY' 14	Index			
851	707	120	290	285	102	585	509	115	16	82	20		26		6,588	5,454	121
805	685	118	290	285	102	494	399	124	16	82	20		26		5,920	5,202	114
805	684	118	290	285	102	494	399	124	16	82	20		26		5,919	5,201	114
291	248	117	94	124	76	206	175	118	5	24	21		14		1,640	1,737	94
363	333	109	121	86	141	116	81	143	10	13	77				2,430	2,197	111
17	17	100	0	0		5	5	100	1	1	100				87	85	102
84	66	127	73	73	100	121	114	106	0	40	0		12		885	681	130
2	1	200	1	0		0	0		0	0					78	67	116
5	6	83	0	0		5	2	250	0	3	0				91	68	134
42	12	350	0	0		40	22	182	0	0					676	347	195
0	0		-1	2	-50	1	1	100	0	0					256	18	1422
0	1	0	0	0		0	0		0	0					1	2	50
46	22	209	0	0		91	110	83	0	0					352	246	143
21	2	1050	0	0		6	12	50	0	0					48	28	171
6	1	600	0	0		14	9	156	0	0					36	28	129
0	0		0	0		0	1	0	0	0					0	1	0
0	0		0	0		30	18	167	0	0					36	19	189
0	0		0	0		0	0		0	0					4	5	80
0	0		0	0		1	0		0	0					15	6	250
19	18	106	0	0		40	68	59	0	0					213	156	137
0	0		0	0		0	2	0	0	0					0	2	0
940	729	129	270	234	115	559	498	112	13	19	68		56		6,397	5,416	118
637	479	133	136	120	113	292	279	105	13	19	68				3,882	3,453	112
79	105	75	33	28	118	52	65	80	3	11	27		3		587	643	91
24	22	109	10	11	91	16	18	89	0	0			2		140	123	114
206	123	167	24	28	86	101	105	96	0	4	0		24		1,263	1,089	116
109	47	232	0	0		35	41	85	0	0					495	402	123
284	236	120	133	113	118	253	204	124	0	30	0		26		2,340	1,727	135
7	3	233	0	0		1	1	100	0	0					15	16	94
31	15	207	0	0		4	4	100	0	0					55	33	167
-110	-38	289	17	46	37	24	11	218	3	0			-29		-42	-35	120

Naziv: Likvidnost podjetja

Privatno Področje

12/2013 12/2014

Osnovni kazalniki likvidnosti

Kazalnik	Vrednost
Kratkoročni koeficient	0,58
Pospešeni koeficient	0,37
Hitri koeficient	0,04

Ostali kazalniki likvidnosti

Kazalnik	Vrednost
Koeficient finančne stabilnosti	0,00
Kratkoročna sredstva proti vsem sredstvom	0,35
Neto obratna sredstva	-126.420,67

Prejeto od: Področje

Prejeto od: Področje

Prejeto od: Področje

Prejeto od: Področje

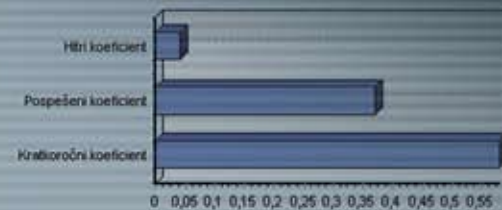


Kratkoročni koeficient podjetja za izbrano obdobje.
Razpon: 0-1, 1-2, 2-4



Pospešeni koeficient podjetja za izbrano obdobje.
Razpon: 0-0.5, 0.5-1, 1-2

Primerjava kazalnikov likvidnosti



Kazalniki likvidnosti po mesecih



■ Kratkoročni koeficient ■ Pospešeni koeficient ■ Hitri koeficient

2

Report of the Executive Director



It is our mission to facilitate the use of a cost-efficient business IT system on a worldwide level, and to provide this service to even the smallest businesses, thereby simplifying their operations, helping them to become more competitive, enhancing their chances for survival, and turning their data into profit.

At the start of the financial year 2015 we had 35,673 users and we ended it with 42,009. Gross operating profit from operations of the Group totals EUR 8,118,280 (+11%), while sales revenue was up 10% at EUR 5,805,476. The operations of SME division show strength and are profitable, however, investments have pushed the consolidated group to loss totaling EUR 427,581 (planned EUR -500,000 or half the capital increase amount).

Capital increase in the amount of EUR 1 million in June 2014 was intended to broaden and strengthen the company:

- EUR 500,000 EUR for the GoToMarket division Agro: marketing in Slovenia, Croatia and Macedonia (scale up); start of sales in Serbia, Poland in Romania; opening of markets in Switzerland, Austria and the Czech Republic.
- EUR 250,000 for tighter and more in-depth cooperation with Telco operators and development of new services.
- EUR 250,000 EUR for Pfc activities

The financial year 2015 was a year of investments:

- *Transition to the cloud: investment in an associate who took over the arrangements with telecom operators is paying off. On 20 March 2015, we signed a letter of intent on cooperation with Telekom Srbija and on 24 June a cooperation contract. The start of cloud services in Serbia is planned in beginning of December 2015. On 23 December 2015, we signed contract with Telekom Slovenije on joint appearance in the sale of fiscal cash registers in Slovenia, which shall be mandatory from 1 January 2016. Towards the end of FY'15 a contract is finalize with IPKO, the leading telecom company in Kosovo, which will together with the newly opened subsidiary offer cloud services at the end of November 2015. There are also other telecom companies that we can count on here. Our transformation from the leading on-premise business information systems provider (sales of licenses installed in the company) to a double-play provider having a leading position in cloud services shall end with the issue of the optimized new version of PANTHEON X (ten) in FY'16.*
- *We continued with investments in the Retail product line and finished RA/RC versions of Android mobile (fiscal) register and RF version for payment terminals. In cooperation with Telekom Slovenije we plan a sale of at least 5,000 licenses with an average monthly income of at least EUR 10/ license. WE record activations from the start of August. Due to competitive offers for free of charge testing, we will only be able to charge them after 1 January 2016. After Slovenia we will also present these new products on other markets.*
- *In FY'15, the investment in the Universal Service Desk (USD) support services totaled EUR 356,057 (recorded losses in all subsidiaries). Because we want to build capacities, we increased the number of employees in the department by 38%. Consequently, the costs of the time needed for training (3 – 6 months) increased while recording equivalent income. In FY'15, total services increased by 32%, while a significantly higher growth is expected in FY'16.*
- *In FY'15, investment in the Agro division totaled EUR 1,518,294 (recorded losses by subsidiaries + development). Furthermore, we invested EUR 468,538 in software development of these product lines. In addition, we invested in building a subsidiary network or operations in countries where no subsidiary existed (yet).*

In Slovenia, net EUR 197,799 was invested and the sales grow satisfactorily, reaching EUR 106,048. We are slowly gaining confidence. Croatia: net EUR 86,334 was invested in building of sales and service capacities and initial marketing. We are still waiting for tenders for improvement of farms. A revenue of EUR 3,426. Serbia: net EUR 54,251 was invested in building of sales and service capacities and initial marketing. Sales equaled EUR 0. Macedonia: the Farming division is operating close to zero (EUR -7,569) with revenue EUR 47,610. We hired a new salesman. Switzerland: revenue equal EUR 35,808, with invested EUR 703,533, of which a good half represent costs for setting up in Romania and Poland, the rest represents unsuccessful attempt to penetrate the local Swiss market. The Czech Republic and Austria: this has not started due to the focus on existing markets and improving the product. Increased investment is covered with the planned second round of recapitalization of Datalab Agro AG in the amount of EUR 1 million of both partners and funds acquired in European tenders (EUR 668,406 AgroIT, EUR 356,483 in drawn funds).

- Pfc is the only field in which we invested less than it had been planned. Despite a dedicated head of the program, we moved slower than anticipated due to objective and subjective reasons. This was reflected both on the side of lower investments (we invested EUR 30,823) as well as on the side of revenue which reached EUR 82 thousand in license and EUR 26 thousand in upgrade revenues.
- In November 2014, we purchased the business premises at Hajdrihova 28c in Ljubljana for EUR 414,150 from the bankruptcy estate, which we full renovated (investment worth EUR 400,274) by June 2015 and in this way obtained 917m2 net surface area of modern and bright office space (EUR 892/net m2). Both Datalab d.d. and Datalab SI d.o.o. and at the end of FY'15 established

	SME		Agro		Retail	
	FY' 15	FY' 14	FY' 15	FY' 14	FY' 15	FY' 14
HQ						
License fees	2,607,384	2,293,639	35,808			
Subsidies	0	191,095	271,489	140,000	0	
Development	1,382,046	1,360,194	468,538	308,040	156,854	79,546
Subsidiaries						
Income	5,648,392	5,216,328	157,084	64,812		
Costs	5,397,190	4,813,890	1,206,840	-112,891		
P/L	251,502	402,438	-1,049,756	-48,079		**Revenue and expenses of the Retail Division are currently included under the SME Division

1 SME division is our »old« business – business information systems for micro, small and medium-sized companies and their accountants (i.e. PANTHEON LT,LX,SE,ME,MF,GE) and related services (maintenance via ServiceDesk, e-Invoices, eDocuments, etc.). Agro division consists of all software products that are intended for agriculture (Pantheon Farming, Mobile, veterinary solutions) and related services. Retail division consists of retail products (the existing PANTHEON RT and RE versions and new mobile cash registers PANTHEON RA, RC and RF) and services thereof. Central administration, cloud operations, Pfc are referred to as support horizontal operations, whereby costs are distributed to these three divisions via distribution keys.

2 Farming subsidies are not considered in the consolidated income statement – see note in the text below

company Datalab Agro SI d.o.o. have been moved to the premises. Purchase and renovation was refinanced with a 7-year loan with Banka Celje (3-month EURIBOR +0%) worth EUR 600,000 and EUR 214,424 of own funds. Instead of paying approximately EUR 55,700 of average annual rent in the last 5 years we will pay approximately EUR 86,000 per year on bank loan repayments and interest thereof.

To show more clearly the fulfillment of investment plans and more accurately shed light on the situation of the company which boosts acceleration of growth in the mature SME business and at the same time invests in the Agro and ¹ divisions, we decided to keep books of account for these three branches separately.

Therefore, let us take a look at the most important indicators by divisions:

If we analyze these indicators, we can see that the growth of the SME division is good with revenue, i.e. it generates a healthy cash flow in subsidiaries and covers development costs in the HQ. If we also take into account the investment in USD totaling EUR 356,057 of the disclosed current costs (labor costs, etc.) in subsidiary SME, we see an incredibly positive cooperation and performance in subsidiaries generating considerable reserves. Unfortunately, we are still waiting for development tenders in Slovenia due to which subsidies are lacking in the SME segment.

In the Agro field we draw directly from EU tenders and use these subsidies to cover investments in development. Revenues of the Agro division are otherwise more than tenfold, however, a significant product deployment time on the market can be felt and revenue hockey stick is only starting its upward curve.

The Retail division in H1 of the financial year 2016 is monitored only as investments, but in the future we will also disclose revenue and costs since the importance of the division will grow and was therefore carved out from the SME division.

Upon issue of the new PANTHEON X (ten) generation at the end of the first half of FY'16 we will adjust the prices both for on-site as well as cloud licenses. Productivity savings of the new generation more than compensate for price adjustment which remained unchanged since 2006 (inflation 21%, average price rise 18%). The same holds good for upgrade contracts, for which we will change the billing method to come closer to the targeted 17% of license value per year from 2010 (most competition +20%).

Shares are dropping. Developments on the Ljubljana Stock Exchange Market does not help in holding stock market price. Business is good which is ultimately reflected in the growing number of customers and their accelerated growth. The Management and the employees believe in the company and strive to be always better. For now we are not selling shares unless it is absolutely necessary.

For more information and details read the pages below.

Andrej Mertelj,
Executive Director

Ljubljana, 22 October 2015



3

Report of the Chairman of the Management Board

From 1 July 2014 to 30 June 2015, the Management Board consisted of Andrej Mertelj, Lojze Zajc and Nedim Pašić.

The Management Board convened on several regular and extended meetings, on which were also present all directors of subsidiaries as well as on correspondence sessions, at which they primarily discussed materials for the General Meeting and working papers related to the further development and expansion of business. Among other things, it discussed the recapitalization and business plan for the financial year 2015. It reviewed the annual results for the financial year 2014, which was completed on 30 June 2014 and regularly discussed monthly and quarterly operating results in accordance with the provisions of the Ljubljana Stock Exchange, d.d. and relevant laws of the company Datalab Tehnologije, d.d., Ljubljana and also regularly posted them on the company and stock exchange websites (SEONet).

On 7 July 2014, the Management Board adopted a decision on preliminary allocation of newly issued shares on the basis of preliminary decision on the increase of share capital by cash contributions as of 20 June 2014. On the basis of discretionary right of the Management Board ten investors were preliminarily allocated 250,000 new shares, and investors have been invited in writing to pay for the shares on behalf of the issuer. Upon receipt of decision of the Ljubljana Stock Exchange, the Management Board notifies the public on the same day about the increase in the number of ordinary of ordinary registered no-par value shares with ticker DATR with entry listing on the stock exchange, namely the number of these shares increases by 132,989 shares. The total number of no-par value shares DATR totaled 1,870,401.

On 10 July 2014, the Management Board issues a decision about the success of public offer of shares and the amount of share capital. On the basis of subscribed and paid 250,000 newly issued company shares in the total emission value of EUR 1,062,500 (i.e. EUR 4,25 per share) the Management Board considers the offer of newly issued shares to be successful. On the basis of the above, the Management Board adopted the decision on increase of share capital of the company by EUR 293,685.21 which now amounts to EUR 2,490,921.65. It is divided into 2,120,401 ordinary freely transferrable no-par value shares that are of the same class as the existing shares. As has been mentioned earlier, the total emission value of all newly issued shares totaled EUR 1,062,500.00, of which EUR 293,685.21 was paid up in share capital, while EUR 768,814.79 in capital reserves. The public was informed about the increase on the stock exchange portal SEONet on the same day.

At the 46th Meeting of the Management Board On 30 October 2014 the latter approved the annual report for the financial year 2014. It also adopted a decision on the closure of the old company Datalab Kosovo and establishment of a new one under the supervision of Nedim Pašić.

In October 2014, the company Datalab Tehnologije, d.d. purchased the company APEX Informacijske tehnologije and thereby acquired intellectual property relating to the Android POS cash register. From the said application Datalab also took over operations of the company SL Solucije d.o.o. from Croatia. Datalab will continue to develop applications for Android POS cash registers into various derivative market niche products and offer it on all markets where it operates. The company classified the product as an important part of the offer for the Agro segment, i.e. for the marketing of PANTHEON Farming.

At the 47th Meeting of the Management Board on 17 November 2014 we analyzed operations of subsidiaries in Q1 of the financial year 2015. A decision was adopted on the profit participation of employees for the financial year 2014. At the meeting we determined the deadline for establishment of Datalab Kosovo, namely until 31 December 2014.

At the 48th Meeting of the Management Board on 9 December 2014 the latter approved the payment of liabilities of the company Datalab KS L.L.C and continuation of the liquidation proceedings. Moreover, a request was expressed that subsidiaries with the risk of failing to achieve the planned license sales (for the H1 of the financial year 2015) should regularly inform the Management Board about this.

At the 49th Meeting of the Management Board we adopted a provisional organizational structure of the company Datalab Agro AG, namely Andrej Mertelj remains his function of Director and Torsti Pullola as Sales Manager.

At the 50th meeting as of 16 January 2015 the Management Board adopted the business plan for the Farming Division. It stressed the need for calculation of revenue of the Retail Division, which develops and markets POS, together with the revenue of PANTHEON Farming. Therefore, it stressed that subsidiaries must underline sales revenues from Farming and RA licenses. New target market share was presented, namely each individual subsidiary should have a 10% market share in ERP and 20% market share in ERP Farming.

At the 51st meeting as of 29 April 2015 the Management Board reviewed the plans of subsidiaries for the financial year 2016 published on the intranet websites. A new department Disra UC&Host was presented, which combines the previous two departments Dirsa Host and Dirsa UC. A decision was adopted that operations of the company Datalab Albania (Datalab AL sh.p.k) shall be placed under short hibernation until a new team is composed. For the time being the company Datalab MK from Macedonia shall take care of existing customers.

At the last 52nd Meeting of the Management Board On 22 June 2016 plans for the financial year 2016 were analyzed in detail. Max Von Gone, a new Sales Manager for Datalab Agro AG Switzerland was appointed. We decided to establish new companies AGRO which will take over the marketing of services of the Farming Division, namely in Slovenia, Croatia and Macedonia. We started business cooperation with the UniCredit Bank.

On 24 June 2015, the Management Board informed the public about beginning of cooperation with Telekom Srbija with the following note: "As the largest provided or telecommunications services in Serbia, Telekom Srbija recognized the significance and development potential of cloud business information system and selected Datalab as strategic partner for the next three years."

Users will have at their disposal the fully functional PANTHEON program for company asset management, training and user support, while Telekom Srbija will provide online services and hosting services.

Datalab and Telekom Srbija believe that the cooperation shall contribute to creating a better business environment and facilitate and speed up digitalization and development of operations, in particular in the sector of small and medium-sized companies.

On 26 June 2015, a new company Datalab Agro SI d.o.o. will be established The company shall be established due to exclusion of the business information solutions activity in the agro sector of the company Datalab SI d.o.o. and their transfer to the new company. Mr. Lojze Zajc is authorized to represent the new company.

*Lojze Zajc
Chairman of the Management Board and
Chairman of the Audit Committee*

Ljubljana, 23 October 2015

4

Company presentation

4.1 GENERAL INFORMATION

Company name

Short company name: Datalab, d. d.

Full company name: Datalab Tehnologije, družba za razvoj poslovno-informacijskih sistemov, d. d.

Registration

The company is registered at the District Court in Ljubljana under the number 03/06489 (21 November 2003), application number 138651000.

Type of organization: Publicly Traded Company

Share capital: EUR 4,240,802

Company registration No.: 1864629

Tax ID number: 87965399

Industry SIC code: 58.290 – Other software publishing

Bank accounts

IBAN SI56 2420 3906 2687 181, Raiffeisen Krekova banka d.d., Ljubljana

IBAN SI56 0600 0010 0049 106, Banka Celje d.d.

IBAN SI56 0600 0010 0049 135, Banka Celje d.d. – for AgrolT

IBAN SI56 0201 0025 6382 412, NLB d.d.

Address

Address: Hajdrihova 28c, 1000 Ljubljana

Telephone: +386 (1) 252 89 00

Fax: +386 (1) 252 89 10

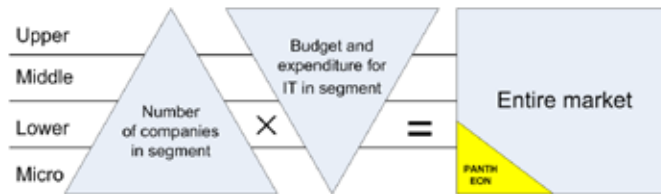
E-mail: info@datalab.si

Website: www.datalab.si

www.datalab.eu

4.2 ABOUT THE COMPANY

Datalab is a Slovenia-based business software developer. It offers comprehensive business IT solutions for small and mid-size companies (SME) and farms under the simple but telling slogan Turning data into profit. From 2000, when consulting and support activities were taken up by partner companies, to the present, we have grown to become a company that manages an entire ecosystem. Datalab develops and sells the software and manages implementation and the distribution of



knowledge and experience through its Partner Channel. We view the future of the company in providing software as a service (SaaS) and managing a cluster of companies.

Datalab was founded in 1997, became a stock company in 2003 and started to be quoted on the Ljubljana Stock Exchange in June 2008. Subsidiary companies operate in Croatia, Serbia, Montenegro, Bosnia and Herzegovina, Macedonia and Bulgaria.

Key Products and Services

Our product – PANTHEON – contains a transaction system for processing orders, invoices, and financial and personnel data and manufacturing and agricultural resource planning. It is based on MS SQL Server data structure, and has been developed for Windows environment. In the cloud mode, it functions as a fat-client with a data server in the data center. It supports e-business operations and digital archives, enhancing the competitiveness of those who use it.

The development of Pantheon FarmAccounting, a system for monitoring agricultural production, started in fiscal year 2011 and the product was first publicly released in June 2012. Market opportunities for the product are significant because of FADN requirements in all EU countries and candidates. Selling is not easy because it is necessary to build local points of sale and support points, while at the same time also establishing a partner channel.

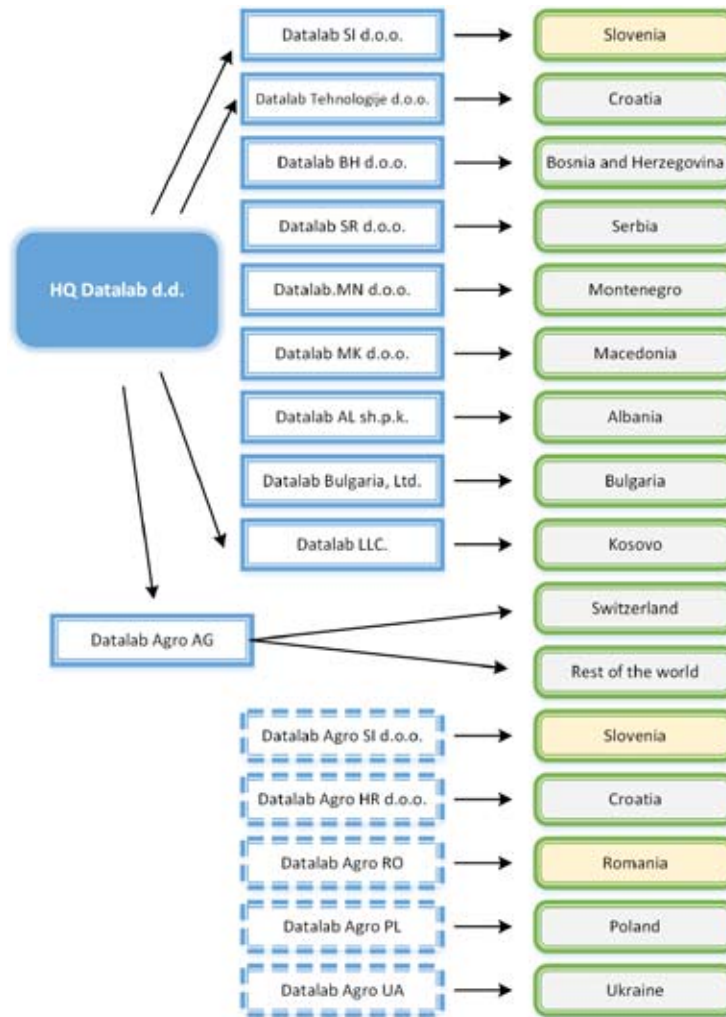
The third supporting pillar represents the emerging Retail division which offers cash register solutions. A linked solution is available ranging from PC cash registers to Android tablets and smartphones to EFT terminals where the products communicate among themselves and back-end PANTHEON.

Marketing strategy

The Datalab Group is made up of the parent company, Datalab d.d., and its subsidiary companies in individual countries. In Slovenia, Datalab Tehnologije, d. d., transferred management of the partner channel to the subsidiary Datalab SI, d.o.o. in August 2010, as is the case in all other countries where Datalab is present. The business plan for the next five years reflects this; the parent company Datalab Tehnologije, d.d., sees to development, brand marketing and group management, while subsidiaries (i.e. SUBs) manage the partner channel in their respective countries. The Kosovo market was covered by the Datalab's subsidiary in Macedonia until FY'15. In March 2015, it became an independent company. The Albanian market was covered by the subsidiary in Tirana, founded in October 2012, whose operations have been frozen due to lack of personnel. The existing users are covered by Datalab MK. Sales in those markets are presented in statements of DI MK as revenue in other markets. The subsidiary in Bulgaria has been frozen and the operations have been transferred to our local partner – the company Kontrax. Datalab AGRO AG was founded on 1 April 2014 in order to trade with PANTHEON Farming in Switzerland and third markets (markets not covered with subsidiaries). Operations in Datalab AGRO started as at 1 October 2014 with the appointment of a director of sales. The company in Poland has been preparing the start of sales; while the company in Ukraine is conducting market research. However, in Romania operations are conducted through a partner company Mattig Management Partners Rumania.

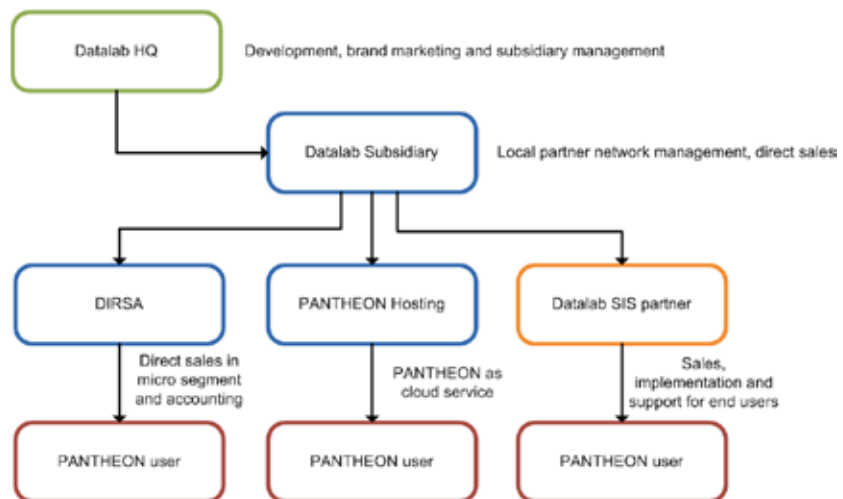
Parent company or headquarters (HQ).

Subsidiary (SUB) – a subsidiary in charge of partner network management. Partners take care of Sales, Implementation and Support (SIS) activities in the market.



Datalab AGRO subsidiaries have either been established towards the end of FY'15 (SI, HR, PL, UA) or are being established (RO).

Relationship between management and sales in a market



Datalab has a number of sources of revenue.

The primary source (after license fees and usage fees) are **upgrade fees** (contracts that entitle end users to upgrade PANTHEON with the latest legislative changes and technological enhancements).

The secondary source are **license fees** from newly sold PANTHEON licenses. Due to market pressure we are forced to grant discounts; another factor is the paradigm shift to cloud computing (Hosting) and we anticipate the trend of declining license sales will continue in the future.

The third source are **usage fees** (subscriptions for Hosting) that include license fees, upgrade fees and server resources. Users pay these fees to subsidiaries for the right to use PANTHEON and for upgrades.

Membership fees are paid by registered consultants to Datalab in exchange for access to Datalab's tools and support (secondary revenue).

For quick help, most users of Hosting use **ServiceDesk services**.

Other revenue includes the following:

- training conducted by the Datalab Academy (founded in 2007) is billed directly to participants (partners or end users); this includes the price of courses and certification;
- advertising on Datalab's websites (UserSite) and in PANTHEON News, where partners, users and others can advertise their products and services;

Other revenue: PANTHEON Conference (a traditional event for partners and end users with the goal of exchanging information and best practices), revenue from interest on loans to subsidiaries.

Although the organization seems to operate on a franchise model, Datalab does not collect a share of the revenue that customers pay to our Datalab's partners.

Division of Tasks

Datalab has divided its operations into three levels, which also reflect cash flows.

Level 1: The parent company develops the software and related business practices and manages the entire network.

Level 2: Subsidiaries are in charge of localizing PANTHEON for their country. Localization includes translating the user interface and adapting the program to the legislative and business environment of the local markets. Subsidiaries provide support to Partners and form a link between consultants at Partner companies and developers at the parent company.

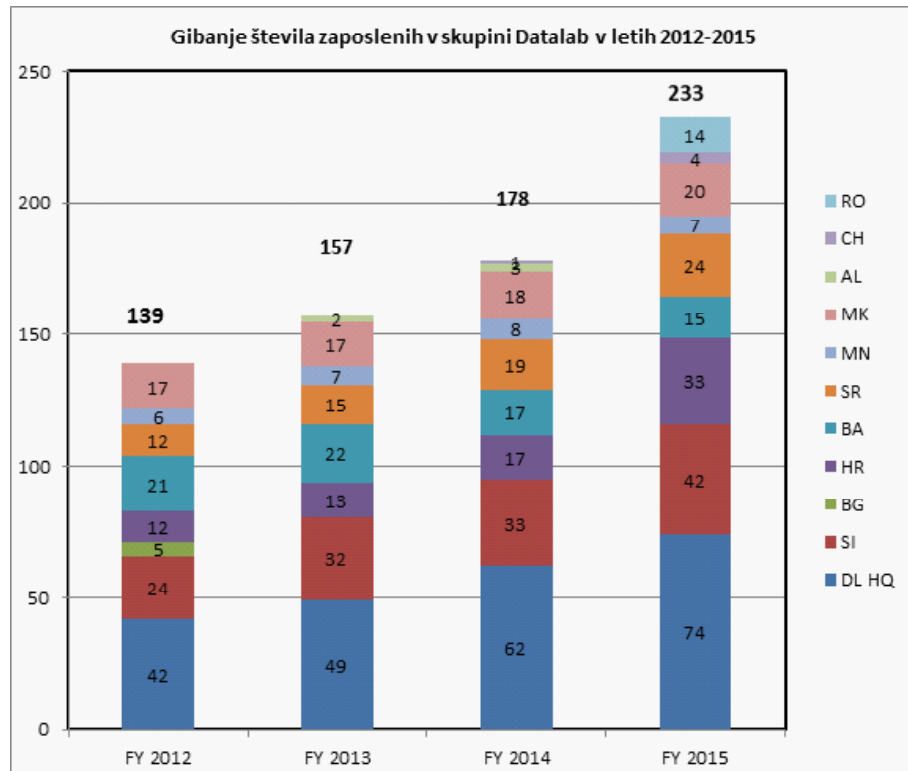
Each subsidiary must establish a local support center that provides support for sales, licensing, and smaller technical problems via telephone, online applications, and e-mail.

Level 3: Datalab's partners or Datalab's own ServiceDesk (provides support for direct customers and PANTHEON Hosting) implement PANTHEON, provide support and activate subscriptions for users. Due to shortcomings of the partner channel, which was not prepared/trained to support micro companies and which lacked focus on accounting firms, in 2010, we began offering Datalab Direct sales and support via the Datalab ServiceDesk service. We further expanded this in FY'11 with direct sales of upgrade subscriptions and in FY'13 with forming a separate department with the purpose of correcting developments in the market.

Danica Starič,
Personnel
Department

4.3 PERSONNEL MAKE-UP

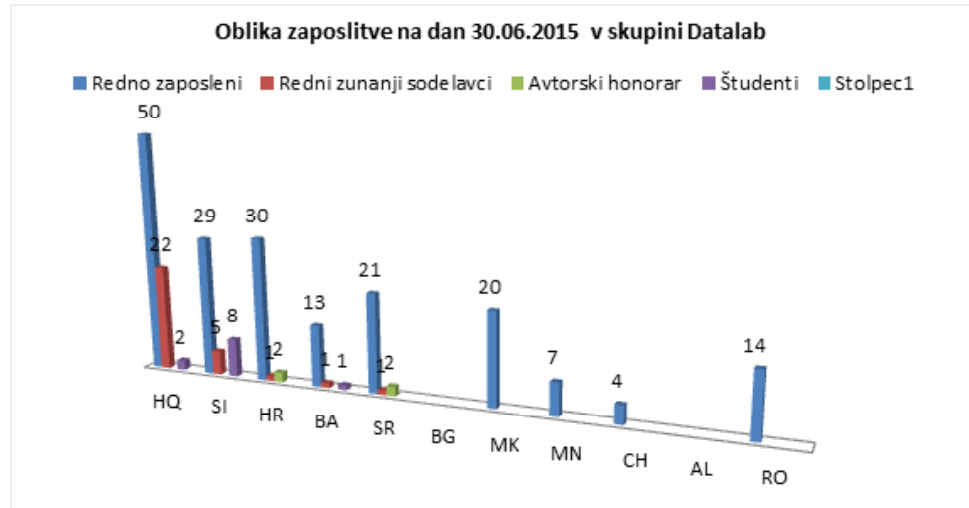
Datalab is trying to create a friendly and low-stress working environment for its employees, because employees are the company's key asset and the IT sector is rather stressful. Employees are therefore encouraged to independent thinking and assuming responsibility; it is also desirable that they actively participate in company management. Our employees are committed to their work, self-initiative, highly skilled, creative and professional. They expand their knowledge through continuous education and use of the latest state-of-the-art technology. The interdisciplinary character of the team of employees contributes to reaching high added value and product development based on the latest knowledge, technologies, research and innovation.



At the end of the financial year 2015, the Datalab group had 233 employees. In comparison with the end of the financial year 2014, the number of employees in the Datalab Group increased for 55 co-workers or by 24 percent.

Type of employment

The number of employees is constantly rising due to the development of an efficient business IT system and increased activities in sales teams. Thus, the number of employees in the Datalab Group went up 24% in the last year. On the level of the Datalab Group, we have had the highest increase in the number of regular employments (28%) and the number of outworkers (20%), while the number of students and independent providers decreased.



Number of employees by type of employment and companies in the Datalab Group

Type of employment	DL	HQ	SI	HR	BA	SR	BG	MN	MK	CH	RO	AL	DL Group											
	30 June 2015	1 July 2014	30 June 2015	1 July 2014	30 June 2015	1 July 2014	30 June 2015	1 July 2014	30 June 2015	1 July 2014	30 June 2015	1 July 2014	30 June 2015	1 July 2014										
Full-time employees	50	43	29	20	30	15	13	15	21	18	0	0	7	6	20	18	4	1	14	0	0	188	136	
Regular external contractors	22	13	5	4	1	1	1	1	1													3	30	24
Author's fee	0	3		1	2	1		1	2	1													4	5
Students	2	3	8	9			1																11	12
Total	74	62	42	33	33	17	15	17	24	19	0	0	7	8	20	18	4	1	14	0	0	3	233	178

Educational structure

Datalab is a growth- and development-oriented company, which also applies for key personnel. The main driver of our growth is an ambitious and highly motivated team, thanks to which the company is a leader in its field in target markets. We are investing into staff development, their knowledge, skills and formal education. We have formed interdisciplinary teams to facilitate knowledge exchange. We are trying to attract high-level professionals from public research institutions, students and junior researchers who, in connection with their professors and armed with new knowledge, enrich the company and improve the educational structure.

Intensive investments into development and building a competitive advantage demand highly skilled professionals in all fields. The number of employees with a university degree is rising and has reached 57% in the Group. At the end of FY' 2015, 100 employees had a university degree, 15 a master's degree and 2 a doctor's degree.

Number of employees by level of education and companies in the Datalab Group

Level of education	HQ		SI		HR		BA		SR		BG		MN		MK		CH		RO		AL		DL Group	
	30 June 2015	1 July 2014	30 June 2015	1 July 2014	30 June 2015	1 July 2014	30 June 2015	1 July 2014	30 June 2015	1 July 2014	30 June 2015	1 July 2014	30 June 2015	1 July 2014	30 June 2015	1 July 2014	30 June 2015	1 July 2014	30 June 2015	1 July 2014	30 June 2015	1 July 2014	30 June 2015	1 July 2014
Primary school																								
Trade school					1	3	1	1	10														12	4
Four-year high school	18	18	24	21			3		2	8			4		1	2	1	1				50	53	
Higher education	24	18	8	3	8	4	2	2	6	6			3	3			1		2		1	54	37	
University education	28	22	9	7	24	10	7	13	6	5			3	1	18	13	1		4		2	100	73	
Master's degree	3	3	1	2			2	1					1		2	4			6			15	10	
Doctorate	1	1																	1			2	1	
Total	74	62	42	33	33	17	15	17	24	19	0	0	7	8	20	18	4	1	14	0	0	3	233	178

Health and safety at work

We strive for the best possible working conditions for our employees. In this financial year, we organized a training for the employees about safety and health at work. In addition, we realized a program of preventive medical examinations and made an assessment of safety with the assessment of risk at the workplace.

4.4 COMPANY GOVERNANCE HOLDERS

Company governance holders:

- Shareholder assembly
- Executive Board

The Assembly is made up of shareholders in the company.

The Executive Board consists of three members:

- Lojze Zajc, Chairman of the Executive Board;
- Nedim Pašić, Vice Chairman of the Executive Board;
- Andrej Mertelj - Chief Executive Director

The Internal Audit Committee consists of the following members:

- Lojze Zajc, Chairman of the Executive Board;
- Nedim Pašić, Member
- Izidor Jerman from Alpen Invest d.o.o. as an External Member

In the financial year 2015, the Executive Board was helped by the following department directors:

- Dare Rihter, Vice President of Development
- Matija Kešpret, Vice President of Operations
- Tihomir Stričević, Vice President of PFC Mergers
- Ivo Paunovski, Vice President of Telco Affiliation

4.5 COMPANIES IN THE DATALAB GROUP – SUBSIDIARIES

SLOVENIA

Datalab SI, d.o.o.

Hajdrihova ulica 28c
1000 Ljubljana, Slovenia
Telephone: +386 1 252 89 00
Fax: +386 1 252 89 10
info@datalab.si
www.datalab.si
Director: David Čeplak until May 2013

CROATIA

DataLab Hrvatska, d.o.o.

Trg. 1. Istarske brigade 6
52100 Pula, Croatia
Telephone: +385 52 500 084
Fax: +385 52 500 087
info@datalab.hr
www.datalab.hr
Director: Vedran Grbčić

MONTENEGRO

Datalab MN, d.o.o.

Vuka Karadžića 8/1
81000 Podgorica, Montenegro
Telephone: +382 81 232 101
Fax: +382 81 232 101
info@datalab.rs
www.datalab.rs
Director: Danko Obradović

SERBIA

Datalab SR, d.o.o.

ul. Bul. Mihajla Pupina 10v/115
11000 Belgrade, Serbia
Telephone: +381 1 311 94 39
Fax: +381 1 311 94 39
info@datalab.rs
www.datalab.rs
Director: Aleksandar Bukumirović

BOSNIA AND HERZEGOVINA

Datalab BA, d.o.o.

Hamdije Cemerlica br. 2/10
71000 Sarajevo, BIH
Telephone: +387 337 120 35
Fax: +387 337 120 36
info@datalab.ba
www.datalab.ba
Director: Nedim Pašić

MACEDONIA, FORMER YUGOSLAV REPUBLIC OF

Datalab MK, d.o.o.

Samoilova 102
1000 Skopje, Republic of Macedonia
Telephone: +389 2 3290 956
Fax: +389 2 3212 845
info@datalab.com.mk
www.datalab.com.mk
Director: Irina Rizinska

BULGARIA

Datalab Bolgarija Ltd.

13 Tintyava Str.
1113 Sofija, Bulgaria
Phone: +359 2 960977
Fax: +359 2 9609797
info@datalab.bg
www.datalab.bg
Director: Marussia Margaritova

SERBIA

Datalab Automotive, d.o.o.

Bulevar dr Zorana Đinđića 4 a
11000 Belgrade, Serbia
Telephone: +381 11 214 67 27
Fax: +381 11 214 01 83
info@dl-automotive.rs
www.dl-automotive.rs/
Director: Persida Pandurović

ALBANIA

Datalab AL, s.h.p.k.

Rr. Perlat Rexhepi, Pallati Unicom, Shk. 1,
Tirana, Albania
+355 44 503 863
+355 44 503 864
info@datalab.com.mk
www.datalab.com.mk
Director: Kreshnik Qorraj

KOSOVO

Datalab d.o.o.

Str. Bill Clinton, No. 36 1A,
10000 Prishtina, Kosovo
Telephone: + 381 38 749 045
Fax: +381 1 311 94 39
info@datalabks.com
www.datalabks.com
Director: Armend Zeqiraj

Besides the aforementioned subsidiaries, Datalab (the Agro Division) also operates in other countries where it is either in the process of establishing companies or company take-overs.

SWITZERLAND

Datalab Agro AG

Bahnhofstrasse 3
CH-8808 Pfaeffikon (SZ)
Telephone: +41 55 415 5400
Fax: +41 55 415 5401
info@datalab.ch
www.datalab.ch

Directors: Andrej Mertelj and Andreas Mattig

SLOVENIA

Datalab Agro d.o.o.

Hajdrihova 28c
1000 Ljubjana, Slovenia
Telephone: +386 1 252 89 00
Fax: +386 1 252 89 10
info@datalab.si
www.datalab.si

Director: Lojze Zajc (provisionally)

CROATIA

APEX, d.o.o. (presently Datalab Agro HR d.o.o.)

Trg. 1. Istarske brigade 6
52100 Pula, Croatia
Telephone: +385 52 500 084
Fax: +385 52 500 087
info@datalab.hr
www.datalab.hr

Director: Vedran Grbčić

ROMANIA

Mattig Management Partners RO SRL

Bd. A.I. Cuza, Nr. 32A, Et. 3, Sector 1
RO-011055 Bucharest
Telephone: +40 21 318 55 11
Fax: +40 21 318 55 14

Directors: Andreas Mattig and Benjamin Stengl

POLAND

DATALAB AGRO POLSKA SP Z O O

ul. Szewska 3
PL-50-053 Wrocław
Telephone: +48 71 321 04 28

Director: Janusz Kosoń

UKRAINE

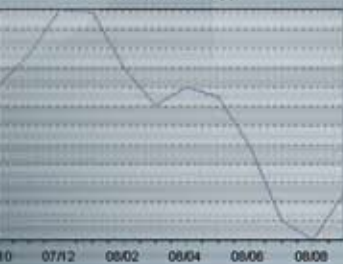
Даталаб Агро Юей/Datalab Agro UA

Poltavska Street 64V, app.59;
08200 – Irpin, Kyiv Region
info@datalab-agro.ua

www.datalab-agro.ua

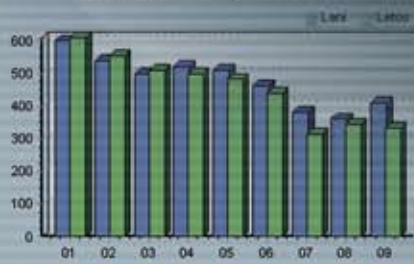
Director: Kristina Kuznetsova

Stroški električne energije



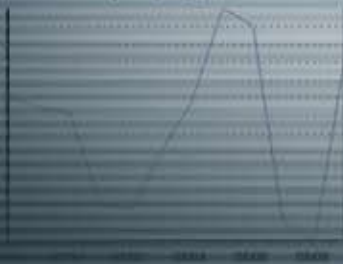
Stroški porabljene električne energije za zadnjih 12 mesecev. V primarni valuti.

Stroški električne energije letos tani



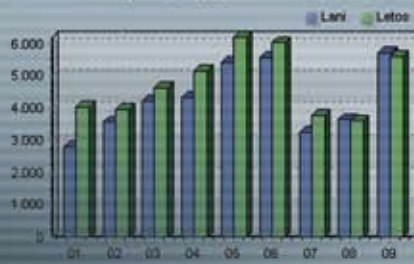
Stroški električne energije letos v primerjavi s stroški lani po mesecih. V primarni valuti.

Stroški porabljenega goriva



Stroški porabljenega goriva za zadnjih 12 mesecev. V primarni valuti.

Stroški porabljenega goriva letos tani



Stroški porabljenega goriva letos v primerjavi s stroški lani po mesecih. V primarni valuti.

Zaposleni

Franc Referent	
Sandra Uršič	
LR Novak	
Petere Pan	
Laura Lotrak	
Vil Kotnik	
Simon Jug	
Andrej Referent	123
Andrej Šef	456
Maja Novak	789

Zaposleni po številu kilometrov, ki so jih opravili v zadnjem letu.

Promet na prepotovan kilometer

Obdobje	KM	Promet EUR	EUR na KM
2008/09	5596	502.154,00	89,73
2008/08	3603	261.397,65	72,55
2008/07	3804	279.251,64	73,41
2008/06	6021	424.721,34	70,54
2008/05	6204	387.996,16	62,54
2008/04	5147	207.063,81	40,23
2008/03	4601	322.622,12	70,12
2008/02	3958	269.618,96	68,12
2008/01	4025	238.763,00	59,32
2007/12	4412	243.586,52	55,21

Prihodki na prepotovan kilometer po mesecih v zadnjem letu.

5

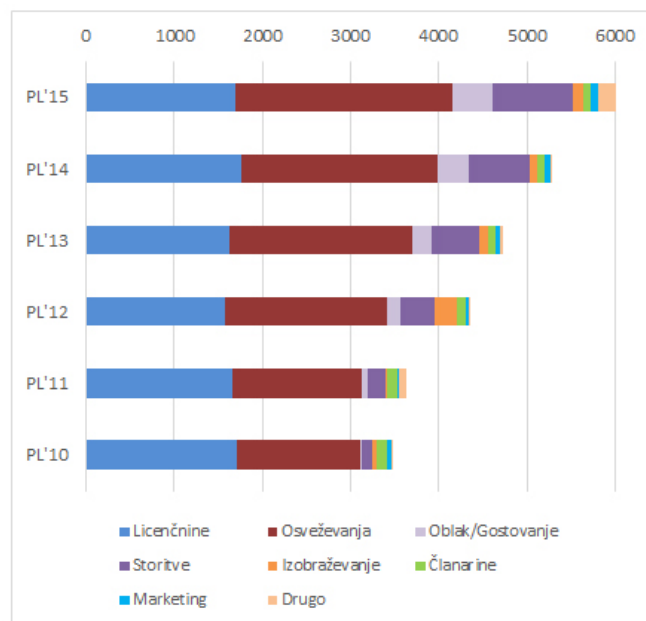
Business Report

5.1 SALES IN THE 2015 FINANCIAL YEAR

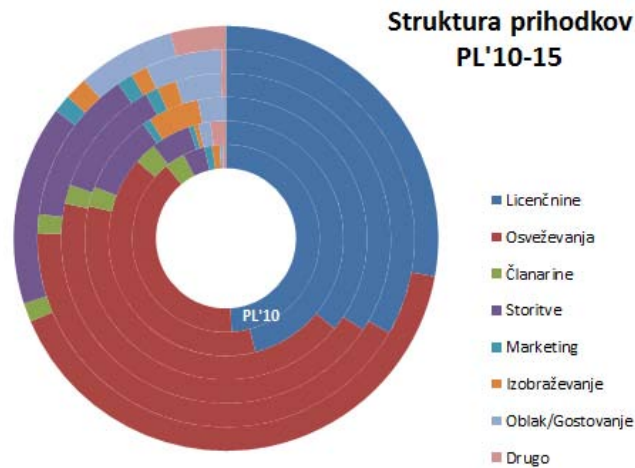
Total sales of the Group are up 10%, totaling EUR 5.805.476. The sales report shows consolidated data of all three divisions: SME, Agro and Retail since subsidiaries in every county have been selling the entire product range. In FY'16, we shall exclude the operations of the Agro Division as independent operation under the auspices of Datalab Agro AG, while the Retail Division will due to its affiliation and proximity to the SME be merged with existing subsidiaries and own manager.

GROUP	
Net sales revenues:	+ 17%
Sales of licenses:	- 4%
Revenue from upgrades:	+ 11%
Services:	+ 32%
Hosting:	+ 29%
Marketing revenue:	+ 14%
Training:	+ 43%

Revenue growth by groups in the period FY'10 – FY'15



The sales structure is persistently moving from licenses (one-off revenues), which formed 50% or more of sales in the past, toward upgrade subscriptions and hosting and of course the share of services (repeatable revenue). If the one-off revenues formed 46% of Group revenues already five years ago, in PL'15 they occupy only 27% of total revenues despite the amount being nominally virtually the same, while as much as 73% of Group revenues are repeatable and long-term revenues.



	FY'15/FY'14	FY'14/FY'13	FY'13/FY'12	FY'12/FY'11	FY'11/FY'10
Licenses	96	109	104	94	98
Upgrading	111	107	112	126	105
Membership fees	101	98	90	89	91
Services	132	127	139	200	152
Marketing	114	121	149	157	55
Training	143	83	35	1139	48
Hosting	129	165	154	222	345
Other	1280	88	754	4	393

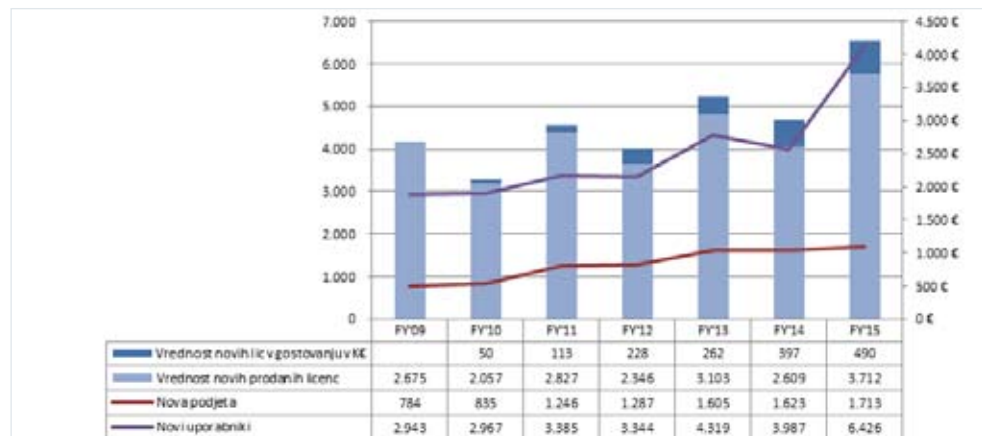
Growth indexes by areas and years; increase under Other in FY'15 is a consequence of activated subsidies (mainly Agro) which we were not allowed to activate in previous years.

5.1.1 License Activation

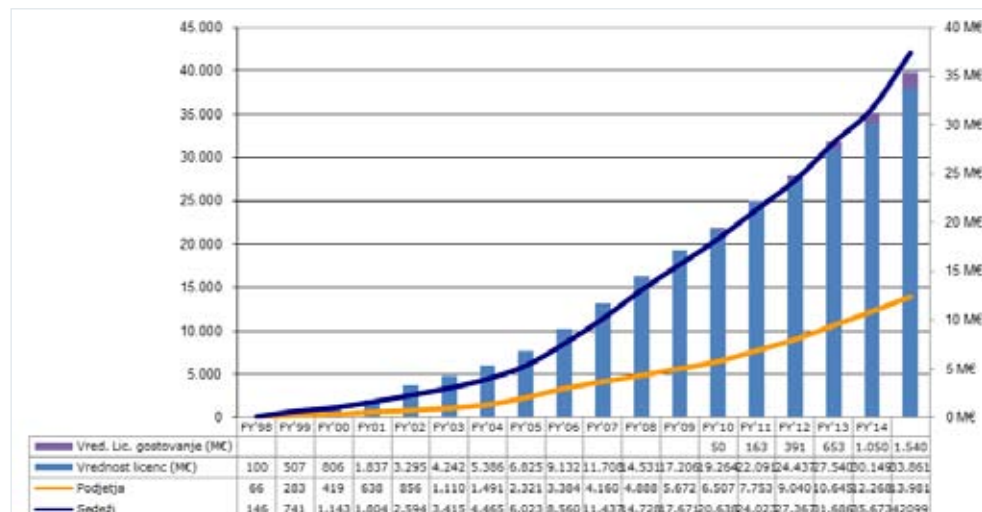
Discounting of sales is moderate, the campaign with the implementation of Connector Licenses is an extraordinary event where old users had an opportunity to buy them at a super discount price of EUR 1. Hosting grew in nominal terms by 29%, but due to transfer of hosting to cooperation with Telekom Slovenije this represents real growth of 95%.

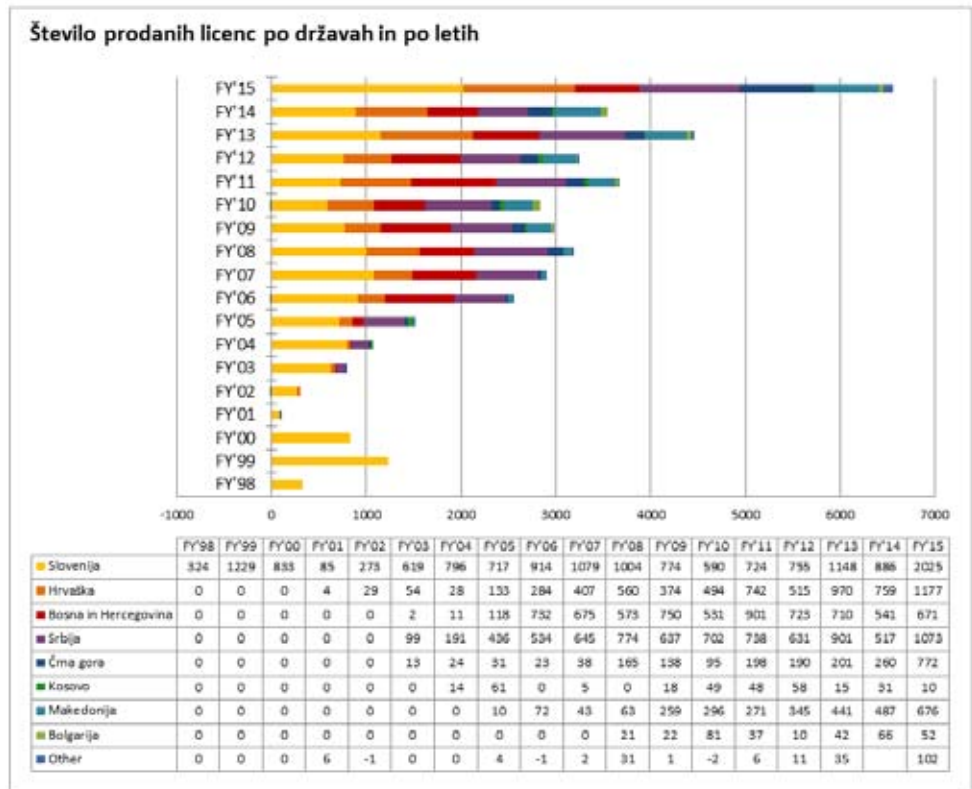
In all the following tables we consider license accrual as new licenses, i.e. the delta between activated and deactivated (returns, contract terminations, etc.) users (licenses), value and companies. At the end of FY'15 we carried out final clearing of the quantity of licenses after transfer to Telekom Slovenije and synchronization of deactivation of terminated contracts to subsidiaries with a central database. That is why the individual data for the years FY'10 – FY'14 could have changed according to the last year's reported statistics. The disclosure applies to all hosting-related data.

With license sales, we recorded a 4% drop of revenue, to 1.67 million euros (compared to last year's 1.77 million euros) for the whole group. The value of newly installed licenses totals EUR 3.7 million, which is up 42% compared to last year. The difference between the value of newly installed licenses and sales revenue can be attributed to PFC realization and even more to introduction of Connector Licenses (value of EUR 150–200/license) which we offered to existing users at a promotional price of EUR 1. This way we increased the value of installed licenses, which is the basis for upgrade revenues in the coming years, more quickly.

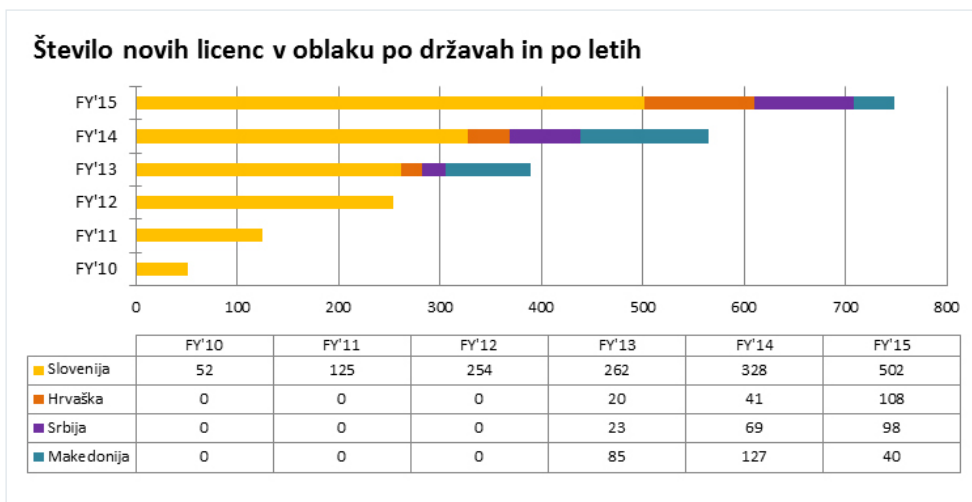


We sold a bit less new customers than last year (1,688 in FY'15 vs. 1,713 in FY'14). Significant was the impact of the trend of hosting (+50% of new licenses) since the sale of OTC licensing (license + upgrade) is relatively and absolutely decreasing with new users.

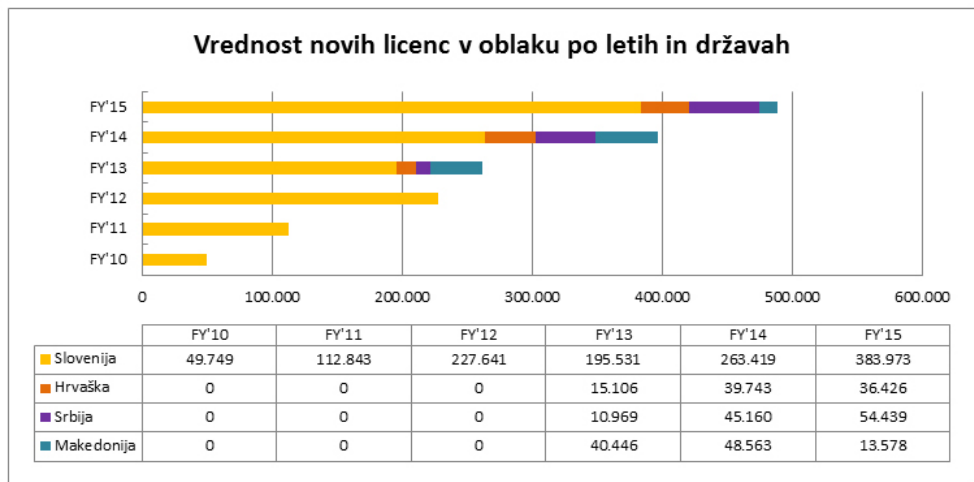
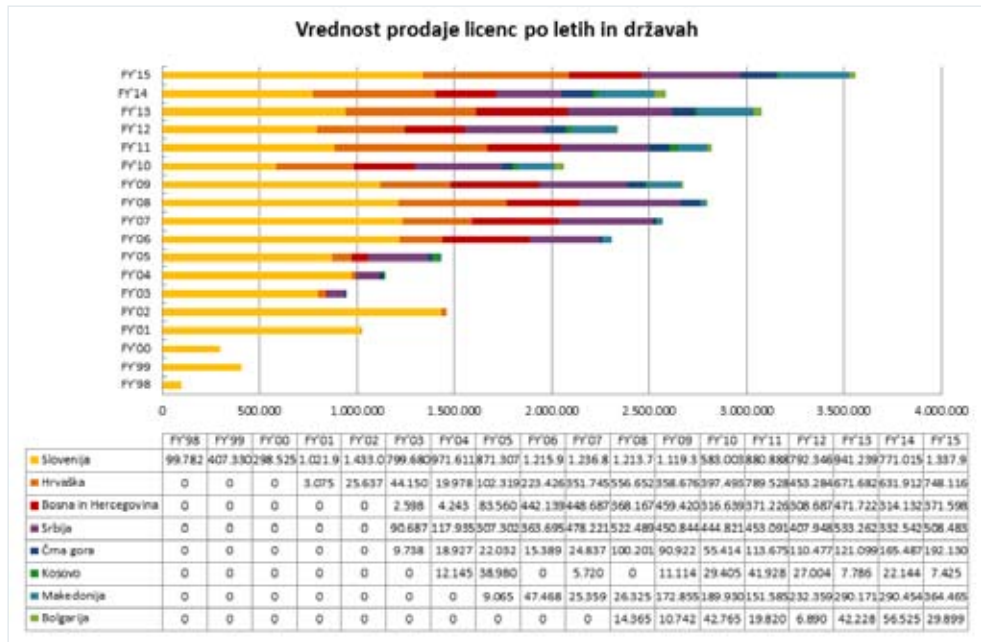


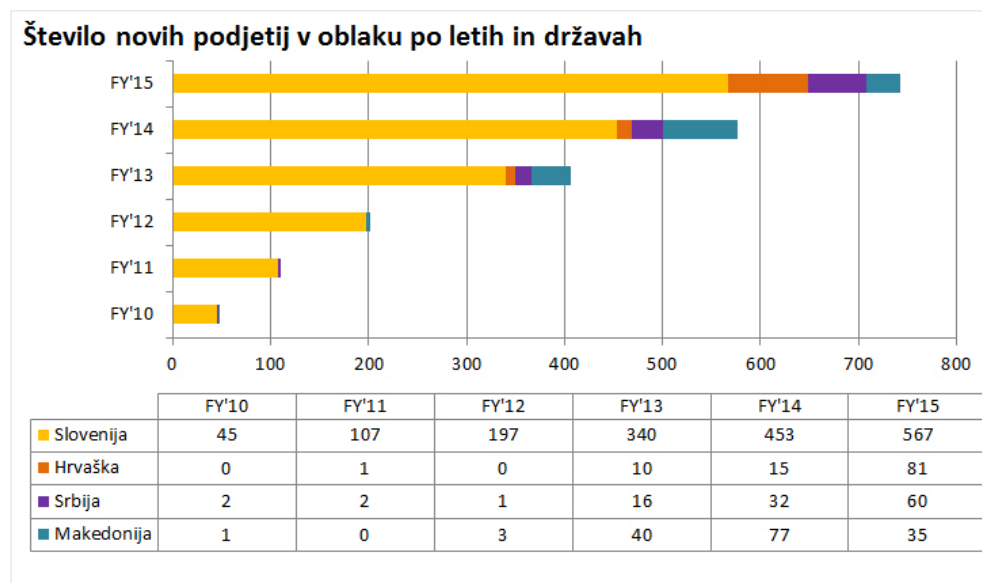
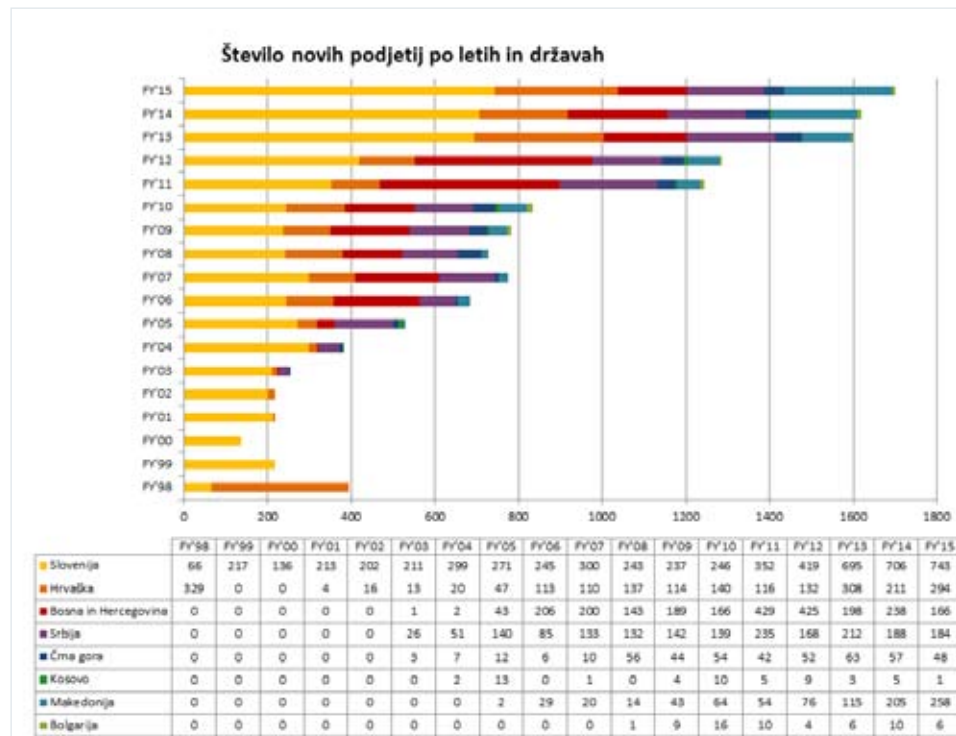


License sales increased mainly due to the sales of Connector Licenses (more than 800 sold in all countries) and accelerated acquisition of new and more complex operations (usually on-premise and not cloud licensing) and lastly also expansions of operations of our existing users.



Transition to the cloud is a general trend in modern computing. The growth of cloud licenses is the highest in Slovenia where the effect of cooperation with Telekom Slovenije can be noticeable; the pace is also picking up in Croatia. Activation of the new cloud licenses in Serbia came to a slight standstill due to preparation for cooperation with Telekom Srbija.





5.1.2 Cloud operations

The revenue from the service in the cloud (hosting) increased by 29% to EUR 0.45 million. The increase is lower than the actual because it is affected by the changed method of charging due to cooperation with Telekom Slovenije and great role of the Slovenian market in the segment of our cloud services. If in the past year we disclosed full value of cloud operations under revenue, because we directly invoiced customers, for Slovenia they are now issued by Telekom Slovenije (the same as in Macedonia and other countries where we offer cloud services in cooperation with telecommunication companies), and we record the discounted revenue that we charge Telekom under revenue. The effect of cooperation is at the same time visible on the cost side because there is no need any more for datacenter cost and the marketing investments of the company are also adjusted (part of advertising transferred to Telekom). If revenue are compared according to gross value, then our

cloud-generated revenues in FY'15 would grow by 95% to EUR 0.68 million.

In FY'15, we offered cloud services in all countries with the exception of Bosnia and Herzegovina and Montenegro where cooperation is still in its preparatory stage. Hosting in Macedonia is conducted in cooperation with the Macedonian Telekom (subsidiary of the Deutsche Telekom since December 2012); in Slovenia in cooperation with Telekom Slovenije (since 2014) on the profit-sharing principle. At the end of FY'15 we signed a contract with Telekom Srbija and cooperation will begin in Q1 of FY'16. In Croatia, we will sign the contract with the Croatian Telekom in the first half of FY'16. Talks are also underway with telecommunications operators in the markets of Bosnia and Herzegovina, Montenegro, Romania and Ukraine.

Cooperation with telecommunications operators is extremely interesting since it provides a marketing boost (basic positioning of the service is advertised by the telecommunications operator), variabilization of datacenter costs and considerably greater recognizability of our position on the market.

Telesales has developed from the generator of sales opportunities into sales service for micro segment with the responsibility for the entire sales cycle. In Slovenia, we changed this market segment from a loss-generating to profit-generating operation that can be scaled up.

In FY'15, the shift of the micro segment continued which was slowly followed by medium-sized companies and accounting firms from purchasing licenses to concluding hosting contracts. This can be attributed to increasingly more confident use of cloud services, improved performance of the application, sensitivity in allocating cash flow to investments and easier sales for sales services (since the initial investment is quite low).

5.1.3 PANTHEON Farming Sales

In FY'15, sales of PANTHEON Farming licenses was carried out in the same manner as the sales of SME licenses – per user. In the next FY we will transition to the so-called asset based pricing where the use will be charged per unit (e.g. per hectare, per animal, etc.).

In FY'15 we achieved the following activations of PA Farming licenses:

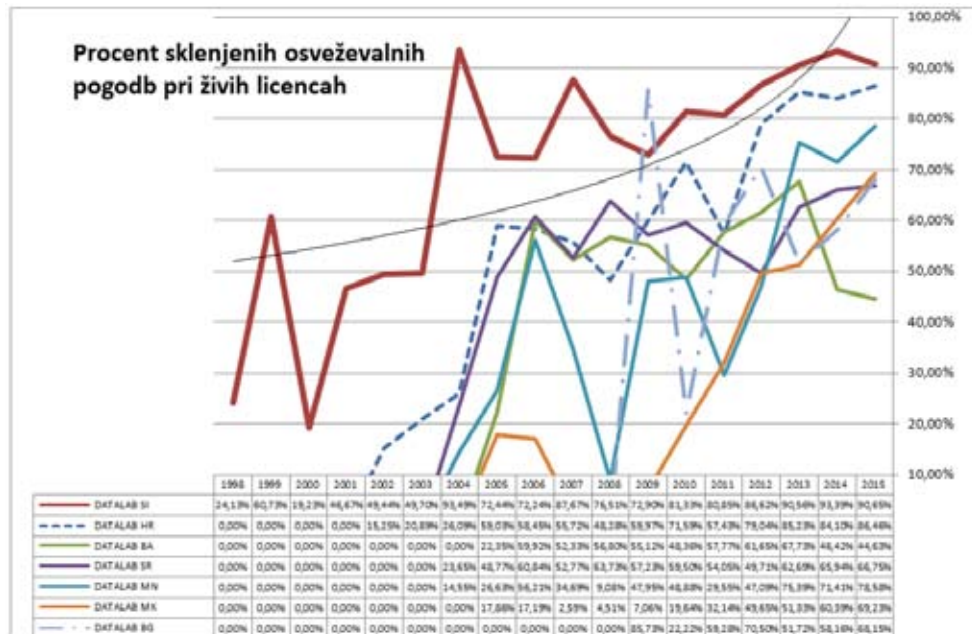


5.1.4 Upgrade contracts

Net revenues from the sale of upgrade contracts grew to EUR 2.47 million and were 11% larger.



The gross value of the sale of Upgrade Contracts by years and countries.



The above graph is showing the number of live sold licenses (the company did not go bankrupt or otherwise stopped its activities) which are upgraded or under the upgrade contract in a specific country. We can observe that other countries do not lag behind Slovenia.

5.1.5 Services

The value of charged membership fees has remained the same as the previous year, namely it generated EUR 87,000. For a monthly membership fee of 50 EUR in Slovenia or 30 EUR in other countries, certified Team members at our Partners are entitled to technical support and to use the support tools on Datalab's Partner Site. There is a notable decrease in memberships because partners are rationalizing and cutting costs; there are also many "grey" consultants – they offer the usual support services, but are not registered with Datalab, are not eligible for direct support (they usually request support through registered colleagues) and don't pay membership fees.

Service revenue (USD – Unified Service Desk) from providing assistance and implementations as well as finding solutions for partner escalations have increased by 32% and in FY'15 totaled a substantial EUR 921,000 (compared to EUR 700,000 last year). In FY'15, we increased the number of supporting staff from XXXX to XXXX people. Because we made substantial investments in their development, we expect a similar growth of revenue also in the next financial year.

All our subsidiaries generated marketing revenue. We've generated revenue from the sale of advertising space on our websites, advertising of our partners and from organizing smaller events. In the financial year '15 they increased by 14% to EUR 82,000.

The revenue of Datalab Academy increased by 43% to EUR 106,000. Introduction of payable training in all subsidiaries and increasing number of students using webinars is quite notable. On-line training is proving to be a rapidly growing revenue source. DLA revenue would be significantly higher if conferences would not have been re-scheduled from the end of FY'15 to the beginning of FY'16 due to the issue of the new generation PANTHEON X at the end of the year 2015.

Other revenues increased almost 13-times to EUR 256,000. Slovenia made the greatest contribution to this increase by sales in the Farming Division in DL Agro AG totaling EUR 209,000, followed by Croatia with sales of Microsoft licenses bundled with PANTHEON software totaling EUR 42,000.



Andrej Brlečić,
Managing Director of
Datalab SI

5.2 SALES AND MARKET COMMENTARY BY COUNTRIES

5.2.1 Slovenia

In Slovenia, a total of 14,775 licenses are used (+16% compared to the previous financial year) in 5,553 active companies (+8 compared to the previous financial year). In addition, there are 1,201 users of the PANTHEON HOSTING service (+50%) in 1,435 companies (+40%). In total, there are 16,298 users in 6,988 companies.

In the fiscal year 2015, Datalab SI d.o.o. made EUR 2,543,923 of gross operating income, which means that the growth index is 112.7 compared to the previous financial year.

Of the realized EUR 2,543,923, the sales of:

- the Farming Division share totals EUR 106,087 and growth index 192.2 in comparison with the last financial year
 - licenses total EUR 304,260 and growth index 72
 - the Farming Division share 21.942 and growth index 51 (most of the activated Farming licenses were sold last year, and this year through the Hosting service),
 - the partner channel share: EUR 205,459 and growth index 85
 - UC upgrades: total EUR 1,120,085 and growth index 100 irrespective of a considerable transition of the existing users to Hosting services and consequent replacement of income from upgrades with income from hosting
 - hosting services HOST:
 - total EUR 340,928 and growth index 113 in comparison to the last financial year (the actual growth is considerably higher since in FY'14 we did not share income from hosting with Telekom Slovenije)
 - Farming Division share 21,324 and growth index 560
 - In FY'15, the USD department earned EUR 353,169 by carrying out support services and implementations: with an index of 124 compared to the previous financial year.
 - the Farming Division share totals EUR 30,134 and growth index 241 in comparison with the previous financial year.

The company assured a two-figure growth in practically all areas except in sales of licenses which is a consequence of a considerably increased sales in hosting services. This is a characteristic typical of direct sales as type of sales conducted via a partner channel.

In the financial year 2015, the company strengthened the segment of providing support services and implementations with a focus on the acquisition of competences needed for advising on project implementation of solutions to support business processes in small and medium-sized companies.

An important milestone in operations is represented by the final transition of the users of hosting services to the infrastructure of Telekom Slovenije. Strong growth by as much as 29.6% was also identified in the sales of hosting services, i.e. regardless of the transition to the infrastructure of Telekom Slovenije which in terms of absolute numbers is a relatively slightly lower realization. Increasing number of customers choose to lease the so-called cloud services instead of purchasing licenses and renewing upgrade contracts. This is in particular evident in the Farming segment.

Operating expenses totaled EUR 2,471,572 and are according to the previous financial year higher by 12%.

Operating profit/loss before taxes therefore amounts to: EUR 68,449 and growth index 139.2 in comparison with the last financial year.

	FY' 15	FY' 14	Index
ASSETS			
Fixed assets	1,002,510	88,326	1,135

Operating current assets (short-term assets)	666,492	645,073	103
– of which due receivables	646,802	628,438	103

LIABILITIES AND RESERVES

Equity	119,899	71,571	168
Liabilities	1,460,195	606,606	241
Long-term	545,847	3,905	13,978
Short-term	914,348	602,701	151

Abridged PROFIT AND LOSS statement				FY' 15	FY' 14	Index
	SME	FARMING	RETAIL	TOTAL		
Sales revenues	2,421,611	106,051	0	2,527,662	2,247,006	112.49
Total revenue	2,448,187	106,090	0	2,554,277	2,264,355	112.80
Expenses	2,186,866	301,950	0	2,488,816	2,216,251	112.30
Operating profit or loss	265,254	-195,890	0	69,364	48,104	144.20
Net cash flow (the difference between financial revenue and financial expenses)	-8,885	0	0	-8,885	-1,117	795.43
Tax	9,106	0	0	9,106	9,021	100.94
Net profit or loss	252,245	-195,890	0	56,355	40,140	140.40



Vedran Grbčić,
Managing Director of
Datalab HR

5.2.2 Croatia

In Croatia, a total of 6,530 licenses are used (+22% compared to the previous financial year) in 2,104 companies (+16% compared to the previous financial year). In addition, there are 169 users of the PANTHEON HOSTING service (+177%) in 107 companies (+310%). In total, there are 6,699 users in 2,211 companies.

In FY'15, Datalab Tehnologije d.o.o generated a total revenue of EUR 1,434,552 which represents income growth of 45% as compared to FY'14.

In FY'15, a 30% more licenses were sold or activated in Hosting services as in FY'14, namely in FY'15 1133 licenses and in FY'14 797 licenses. All company revenue grew; i.e. license revenues were up by 8%, while revenues generated from upgrade contracts (UCs) increased by 30% according to FY'14. Service revenues were five times higher compared to FY'14, and Service desk contracts increased threefold, implementation was six times greater and billable hours ten times.

We continued with promotion in almost all accounting, business and computer magazines, whereby we strengthened the PANTHEON brand in Croatia. We organized an annual conference PANCON 2015 which was attended by 200 participants.

We started forming a Farming department for sales of PANTHEON FARMING in Croatia. The department is led by Mrs. Valentina Pankretić and has 3 people.

We developed the partner channel also through the acquisition of new companies and consolidation of PFC competition. We acquired twenty implementation partners, of which 9 are Premium partners and 11 partners. The most important DEV and EDU partners are My e-Invoice, Aktiva info and Algebra with which we expect further cooperation in FY'15. In the PFC program we managed to incorporate three companies which led to an increase in revenues from PFC by 365% compared to FY'14.

In Croatia, where we in FY'14 in the context of Retail Division merged a competitive company APEX with solutions in the field of Android cash registers, we continued with strengthening of the development team for this product. By the end of the year we renamed the company APEX to Datalab Agro HR through which we will carry out agricultural operations in Croatia.

Due to heavy investments (mainly in the USD department and partner channel) the company ended the year in red numbers although we expect significantly improved results in FY'16 with the return on investment.

	FY' 15	FY' 14	Index
ASSETS			
Fixed assets	35,903	20,388	176
Operating current assets (short-term assets)	480,857	385,911	125
– of which due receivables	452,008	313,034	144
LIABILITIES AND RESERVES			
Equity	-16,863	87,530	
Liabilities	529,557	307,948	172
Long-term	8,679	10,439	83
Short-term	520,878	297,509	175

Abridged PROFIT AND LOSS statement				FY' 15	FY' 14	Index
	SME	FARMING	RETAIL	TOTAL		
Sales revenues	1,412,782	1,655	9,374	1,423,811	984,450	145
Total revenue	1,432,608	3,116	9,374	1,445,098	996,945	145
Expenses	1,460,821	86,252	1,877	1,548,950	973,756	159
Operating profit and loss	-26,380	-83,136	7,497	-102,019	16,955	
Net cash flow (the difference between financial revenue and financial expenses)	-2,519	0	0	-2,519	-676	373
Taxes	0	0	0	0	3,927	0
Net profit and loss	-28,213	-83,136	7,497	-103,852	13,094	



Nedim Pošić, Managing Director of Datalab BA

5.2.3 Bosnia in Herzegovina

The total number of companies that use PANTHEON in Bosnia and Herzegovina is 2,406 (+7%). The total number of license users is 6,938 (+20%). In Bosnia and Herzegovina, we do not offer Hosting services.

The total income index of Datalab BH, d.o.o., for the period from 1 July 2014 until 30 June 2015 (FY'15) is 104 in comparison to FY'14. With a maximum cost control and index of 104 it generated a revenue totaling EUR 46,752, while last year it generated a loss totaling EUR -78,230.

Last year we recorded a drop in the license sales index of 90. For this period, the total license sales was equivalent to: EUR 257,024. Number of licenses sold in this period is 628. In comparison to the previous year, the number of sold upgrade contracts reached the index of 110. In this period, the total sales of upgrade contracts totaled EUR 222,794.

In comparison to the previous year, the receivables have an index of 163. The total short-term receivables amount to EUR 82,245.

In comparison to the previous year, the liabilities have an index of 119. The total short-term liabilities amount to EUR 111,601.

The index of income from services towards partners is 137. Income from services towards partners totals EUR 14,529.

In comparison to the previous year, the marketing income index is 130. The marketing income in FY'14 totals: EUR 17,137. The largest share of revenue consists of sales of advertising space on user websites, where advertisers are already cooperating or in some other way form part of the wider PANTHEON community. Regarding user websites we made it our goal in the previous year to raise the quality of communication with customers through a forum with the help of a corporate wiki, video gallery as well as up-to-date data in the Newsfeed section and additional content.

The index of income from the DL Academy is 213. The total revenue is EUR 7,262. For education of Pantheon in support of sales activity for specific activities, the Academy in cooperation with the department for the provision of services provides training through webinars all year round.

At the end of FY'15 we had a total of 26 partners, of which 6 are Premium partners. Altogether we have 39 consultants. The partner channel reached the maximum and shifted focus to services. The sales activities are minimized.

	FY' 15	FY' 14	Index
ASSETS			
Fixed assets	7,340	12,476	59
Operating current assets (short-term assets)	143,426	66,964	214
– of which due receivables	82,330	50,436	163
LIABILITIES AND RESERVES			
Equity	52,195	6,756	773
Liabilities	111,504	92,390	121
Long-term	0	0	
Short-term	111,504	92,390	121

Abridged PROFIT AND LOSS statement	FY' 15				FY' 14		Index
	SME	FARMING	RETAIL	TOTAL			
Sales revenues	632,057	0	0	632,057	608,682	104	
Total revenue	636,013	0	0	636,013	615,455	103	
Expenses	585,998	3,426	0	589,424	691,273	85	
Operating profit and loss	50,038	-3,426	0	46,612	-75,831		
Net cash flow (the difference between financial revenue and financial expenses)	-7	0	0	-7	-499	1	
Taxes	0	0	0	0	0		
Net profit and loss	50,016	-3,426	0	46,590	-78,220		



Aleksandar Bukumirović,
Managing Director of
Datalab SR d.o.o.

5.2.4 Serbia

In FY'15, the total number of licenses sold is 7,678 (16% growth), and there are 190 users of Hosting services (106%). In Serbia, PANTHEON is used in 1,835 companies (+7%), while 113 companies use Hosting services (+113%).

In comparison to the previous year the total income growth was 20.42%, whereby the index from the sales of new licenses for FY'15 amounted to 17.31%. Sales through partners rose by 54%.

ServiceDesk had excellent results in FY'15 irrespective of the fact that most of the work in the business year was performed with a team that was reduced by one third (with a total of 4 employees out of the planned 6). We realized 96% of the planned income from sales of services or +26% on the previous year.

At the end of the previous and the current business year, the company Datalab carried out unplanned free certification of consultants and offered a possibility to those that could not do so in the past. Thus, we achieved growth in total number of registered and certified consultants (from 51 to 63) in the partner channel.

In FY'15 the sales of licenses for cloud services (Hosting) continued so that we ended the year with 200 such users. From this we generated EUR 42,000 income which represents an increase with an index of 350%. In December 2014, we established contacts with Telekom Srbija. We started negotiations on the partnership agreement for the sale of Pantheon software through their cloud platform. From the operational aspect, the negotiations took less than five months so that we have signed a cooperation agreement in June 2015. The agreement was concluded for the period of three years and represents an exceptional incentive to the joint cooperation of the company Datalab Srbija as well as a confirmation of the quality of ERP products which coincided with the wishes and requirements of Telekom Srbija to include an ERP solution in the selection and thus remaining the leading provider of quality services and products in the field of telecommunications and information technology.

In FY'15, we made a debut on the Serbian market with our solution PANTHEON Farming. Because implementation of information technology in this sector is in its beginnings, Datalab estab-

lished a series of contacts with the competent institutions in the country. In May, we publicly presented PATHEN Farming at the Novi Sad International Agricultural Fair in cooperation with Telekom Srbija.

	FY' 15	FY' 14	Index
ASSETS			
Fixed assets	258,133	178,351	145
Operating current assets (short-term assets)	158,541	181,883	87
– of which due receivables	124,841	68,505	182
LIABILITIES AND RESERVES			
Equity	-135,192	-24,196	559
Liabilities	496,550	361,605	137
Long-term	36,261	64,357	56
Short-term	460,290	297,248	155

Abridged PROFIT AND LOSS statement				FY' 15	FY' 14	Index
	SME	FARMING	RETAIL	TOTAL		
Sales revenues	856,653	0	0	856,653	684,754	125
Total revenue	866,558	0	0	866,558	706,882	123
Expenses	921,185	55,312	0	976,497	729,217	134
Operating profit and loss	-31,568	-54,251	0	-85,819	-19,999	429
Net cash flow (the difference between financial revenue and financial expenses)	30,131	-54,251	0	-24,120	-37,796	64
Taxes	0	0	0	0	0	
Net profit and loss	-55,692	-54,251	0	-109,943	-37,796	291

The reason for the recorded loss in financial year 2015 were investments – mainly in person- nel (+5). Due to the relocation and investment in the expansion of the company, costs of rents increased. Furthermore, investments were made in the sales channel for Farming. Renewal of Microsoft licenses is a one-off cost.

From the last year's 6% revenue growth, we have succeeded in generating 20% more revenue and this trend will continue to escalate in FY'16.



Persida Pandurović,
Managing Director of
Datalab Automotive

5.2.5 Serbia – Datalab Automotive, d.o.o.

Datalab Automotive continues to cooperate with Vector CDP car dealership and car repair shop management system which covers the Renault network in Serbia and Croatia. However, talks are also underway with other brands. Development of the Croatian interface between PANTHEON and Vector CDP is in the closing stage as initial concessionaire.

The offered new features also include the development of PANTHEON module for rent-a-car companies. Currently, we work on the integration with a regional solution for Next Studio Budget Car Rentals.

At the end of the financial year 2015 we still hold just a 25% ownership share in the company Datalab Automotive, while revenues of this company account for a negligible share. Therefore, its data is not consolidated or audited.



Danko Obradović,
Managing Director of
Datalab MN

5.2.6 Montenegro

In Montenegro, there are currently 2,148 users (+56) of our software, i.e. 454 (+11%) companies. The total value of licenses on the Montenegro market totals EUR 1.04 million (+23%).

In comparison to FY'14, sales revenues increased by 1.7%. The method and system of operations were the same as last year. The company on the Montenegro market operates independently without a partner channel. A reason for this is market size. In FY'14, the number of companies increased by 45. The increase in the number of users was influenced by good sales of Connector Licenses. I am very pleased that in Montenegro we exceeded the limit of EUR 1 million licenses sold.

The measures undertaken in relation to upgrade contracts have given good results since in comparison to FY'14 the sales value of UC increased by 41%, to 88%. The turnover amounted to EUR 121,360. We realized a total sales of licenses in the amount of EUR 94,354, which represents 73.11% on the sales in the previous year.

The company Datalab MN has 7 employees (director, assistant, 4 USD supporters, 1 trainee). The rented business premises are located at a very good location. They cover the surface area of 100 m2. Here we can organize presentations for up to 10 participants.

A 10% growth is planned for FY'16. We intend to realize the business plan, while positioning PANTHEON, the leading business IT system in Montenegro, as well as possible. Moreover, one of the main goals is also the on-going activity of signing as many upgrade subscriptions as possible.

The sales of Datalab MN only include the SME product line, therefore the table does not show breakdown into divisions.

Abridged PROFIT AND LOSS statement	FY' 15	FY' 14	Index
Sales revenues	289,520	285,283	101
Total revenue	289,520	285,283	101
EXPENSES	270,746	235,505	115
Operating profit and loss	19,144	49,779	38
Net cash flow (the difference between financial revenue and financial expenses)	-370	-188	197
Taxes	1,550	4,463	35
Net profit and loss	17,223	45,126	38

BALANCE SHEET	FY' 15	FY' 14	Index
ASSETS			
Fixed assets	5,980	5,795	103
Operating current assets (short-term assets)	163,476	136,084	120
– of which due receivables	128,266	88,778	144
LIABILITIES AND RESERVES			
Equity	105,639	88,415	119
Liabilities	63,817	53,464	119
Long-term	0	0	
Short-term	63,817	53,464	119



Sašo Jovanovski,
Managing Director of
Datalab MK d.o.o.

5.2.7 Macedonia (FYR)

In Macedonia, there are 2,963 installed licenses (+29%) in 880 companies (+41%). The total value of licenses on the Macedonian market totals EUR 1.8 million (+25%). We have sold 252 new licenses (+18%) of the Hosting cloud services platform in 156 (+28%) companies totaling EUR 0.1 million.

According to the business plan for FY'15 realization of DLMK is 102.95%. In comparison to the previous year, we recorded an increase in growth of 114.08%. The Management Board of DLMK is very pleased with the achieved results. In particular when taking into account the security risks and political crisis which the country has been experiencing for some time and which is most evident in recent months.

Results:

- In comparison to the previous year, USD realization is 96.52% with a generated growth of 114.08%. This is a result of a maturity of organization and sales team. At regular sales meetings we also introduced a practice for maintaining motivation and personnel focus. In addition, we introduced non-material incentives as a special award which has proven to be an excellent stimulation contributing to the improvement of results.
- In relation to the planned realization PFC achieved a great success with 112% realization generating a 394% growth in comparison to the previous year. In order to increase the market share in Macedonia, it is our strategy to achieve everything that is required in the sales channel with the help of partners.
- Farming has an index of 149.31% of the planned and generated a growth of 479.60% in comparison with the previous year. This department came to life with the help of two projects, namely AgrolT and 100Farms. In Q4, we also managed to start direct sales of licenses in this segment.
- Upgrade contracts have an index of 112% of the planned and generated a growth of 394% in comparison with the previous year.
- The cloud services have an index of 97.53% of the planned and generated a growth of 204.5% in comparison with the previous year. Hosting gained its continuity and became a stable revenue source for DL MK. We marked increasing interest for transitioning from proprietary to cloud licenses.
- Sales to micro companies has an index of 81.64% of the planned and a generated a growth of 98.61% in comparison with the previous year. Type L licenses are the mostly commonly sold.
- Sales through partners continues a negative trend because all partners discontinued support. They generated 75% of the planned and 76% in comparison with the previous year. That is why we conducted a Q4 team building training for the entire partner network in the hope that this will contribute to better sales in FY16. Moreover, our new sales manager is directed to generation of new partners.
- DLA Academy has an index of 73.53% and generated a growth of 144.32% in comparison to the previous year. Since June we also have a new DLA leader which will strengthen our activities and revenues in this segment.

BALANCE SHEET	FY' 15	FY' 14	Index
ASSETS			
Fixed assets	15,724	18,917	83
Operating current assets (short-term assets)	275,614	196,067	141
– of which due receivables	245,089	171,493	143
LIABILITIES AND RESERVES			
Equity	101,989	78,327	130
Liabilities	176,080	126,164	140
Long-term	1,179	11,833	10
Short-term	174,901	114,331	153

Abridged PROFIT AND LOSS statement				FY' 15	FY' 14	Index
	SME	FARMING	RETAIL	TOTAL		
Sales revenues	538,699	47,610	0	586,309	508,555	115
Total revenue	540,057	47,610	0	587,667	512,556	115
Expenses	508,736	55,148	0	563,884	497,456	113
Operating profit and loss	32,722	-7,538	0	25,184	14,249	177
Net cash flow (the difference between financial revenue and financial expenses)	-2,014	-31	0	-2,045	-3,225	63
Taxes	0	0	0	0	0	
Net profit and loss	31,352	-7,569	0	23,783	11,024	216



Armend Zeqiraj, Managing Director of Datalab KS

5.2.8 Kosovo

In Kosovo, there are 309 installed licenses (+3%) in 53 companies (+2%). The total value of licenses on the Kosovo market totals EUR 0.2 million (+4%).

The decision to establish the company Datalab KS d.o.o. was adopted on the initiative of a group of investors from Prishtina who requested a joint opening of subsidiary at the end of FY'14. On 1 June 2015, we appointed Director of the company, rented the premises and started with the operations.

Until the full operations of Datalab KS d.o.o., the USD department of Datalab MK d.o.o. provides support for the existing users on the Kosovar market. The revenues are disclosed under DL MK sales to foreign markets. Due to the transfer of operations to the Kosovar sister company, the Macedonian subsidiary has not invested in acquisition of new users on the Kosovar market, whereby license revenues are incurred only through sales of additional licenses to the existing users.

In FY'15, Datalab Kosovo was not included in consolidated financial statements because of negligible figures.



Marussia Margaritova, Managing Director of Datalab BG

5.2.9 Bulgaria

In Bulgaria, a total of 331 PANTHEON licenses (+18%) were sold to 62 companies (+11%) totaling EUR 223 thousand (+15%).

In FY'15, we gained 4 new companies, while the existing ones are purchasing additional licenses. The integration with Kontrax Hospital Information System was successful, whereby the bundled systems are now sold throughout the country.

Similar integration was performed with the electric utilities billing system.

There is a high local ERP system provider competition. The offer of hosting services in the cloud is generating an ever growing interest.

Kontrax has very good experience in implementing complex projects. It has established a special team with the head, development/support department and sales department specifically for selling Datalab products. In the coming year we plan to split the pre- and after-sales support services as it is currently difficult to make a distinction between services included in the project and after-sales support services incurring unnecessary costs to the company. We will also strengthen the sales.

In FY'16, the company Kontrax plans to freshen the team and appoint a new management which will undoubtedly affect the rapid growth of the Datalab department.

The company Datalab BG has been frozen and operates under a co-owned company. In addition, the revenues of this company represent a negligible share and that is why the data have not been consolidated or audited.



Kreshniq Koraj,
Director Datalab AL

5.2.10 Albania

Due to the inability of establishing a professional team in Albania for formation of new personnel and consequently zero sales results, in the first half of FY'15 we focused on merger agreements with the company ISD which is the leading company in Albania in the field of business information systems, whereby Mattig Management advised regarding restructuring. In February we proposed terms of merger, on which, however, we could not find a compromise due to unreasonable valuation of the company ISD. On 30 April 2015, we therefore agreed with the owners of Datalab d.d and Mattig Management Partners AG to put the company Datalab Albania in hibernation and dismiss all employees, while at the same time intensify the search of a small-scale Albanian ERP company to take-over and thereby obtain a formed team.

Until the reestablished start of the company the existing customer support will be provided through Datalab Macedonia and Datalab Kosovo.

Costs of the company Datalab AL represent a negligible share and therefore are not consolidated or audited.



Andrej Mertelj,
Managing Director
Datalab Agro CH

5.2.11 Switzerland

Switzerland was chosen as the home for agricultural operations of the Datalab Group for the following reasons: easier access to capital, easier penetration to more complex and demanding markets, intellectual property protection and safety as well as a quick and efficient legal system. After the founding in April 2014, we established the basic prerequisites for operations until September and started to employ: first by appointing Torsti Pullola as director of sales in October which was followed in December with the employment of the seller for the German-speaking markets. In January, we began to explore the Swiss market and in February attended the central St. Gallen Agricultural Fair. In mid-March we found that the Swiss market is too small, fragmented and controlled by Agridea, the Swiss Association for the Development of Agriculture and Rural Area, with its program for the development of agriculture and animal husbandry. Despite the outdated applications and technologies, the market is quite inert and consequently the acquisition of users is extremely difficult. In April 2015 we therefore shifted to the analysis of fruit- and wine-growers that are not supported by Agridea. However, by the end of FY'15 we found that there is not enough potential users in order to be able to finance operations on this market. We decided to withdraw from the Swiss market, thereby consequently lowering costs of Datalab Agro AG.

Due to inadequate management and consequently poor performance in sales we terminated cooperation with Mr. Pullola who was in September replaced by Mrs. Mojca Cuderman, leader of the sales team in Slovenia who is now, as director of all sales, transferring experience and approaches from the Slovenian to other markets.

In May 2015, both partners signed an agreement on subsequent capital increases in Datalab Agro AG and planned expansions. As at 31 May 2015, pre-money valuation of Datalab Agro AG was determined at EUR 6 million under the condition that Datalab transfers intellectual property to the company together with agreement on increase of capital by EUR 2 million, of which each partner contributes half. As a basis for the evaluation we prepared a formal valuation of the PANTHEON Farming trademark according to the expected revenues in the next five years on the basis of this and subsequent capital increases and accelerated expansion in the global market. Valuation of the trademark as at 31 March 2015 showed the value of EUR 4.7 million based on a 20% discount factor (the estimated market value of the trademark established according to the discount method of future earnings totals EUR 5,5052 thousand, while the share of participating funds totals EUR 3,894 thousand).

First, we arranged the substitution of the initial share of Mattig Management Partners for shares in Datalab d.d. by the first next capital increase. In June 2015, Datalab d.d. increased the capital in Datalab Agro AG by transferring CHF 1.5 million worth of intellectual property (PANTHEON Farming source code and trademark) and cash in the amount of EUR 300,000. Mattig Management Partners provides provisions for its receivables in form of a mezzanine deposit in the amount of CHF 340,920 for conversion to capital and in August 2015 additionally paid up the first part of its liabilities in cash in the amount of CHF 300,000, and in September 2015 also entered them in the register. Datalab d.d. will pay its investment through investments in development which remains within the context of Datalab d.d. because of easier management, lower costs and significantly

higher productivity rate of Farming development if it is part of a larger group that develops the whole platform, while using the same tools and equipment.

BALANCE SHEET	FY' 15	FY' 14	Index
ASSETS			
Fixed assets	1,574,686	0	
Operating current assets (short-term assets)	585,290	0	
– of which due receivables	330,438	0	
LIABILITIES AND RESERVES			
Equity	1,771,143	0	
Liabilities	376,557	0	
Long-term	188,995	0	
Short-term	187,562	0	

Abridged PROFIT AND LOSS statement	FY' 15			FY' 14	Index
	SME	FARMING	RETAIL	TOTAL	
Sales revenues		35,808		35,808	0
Total revenue		45,514		45,514	0
Expenses		747,129		747,129	0
Operating profit and loss		-711,321		-711,321	0
Net cash flow (the difference between financial revenue and financial expenses)		8,127		8,127	0
Taxes		338		338	0
Net profit and loss		-703,533		-703,533	0

5.2.12 Romania

As at 1 October 2014, a three-member team consisting of project manager, sales manager and agricultural engineer started operations. Its main goal was to bring Pantheon Farming on the Romanian market. By the end of the same year an analysis of the Romanian market was drafted, which served as a basis of the strategy for entering into this very large agricultural market. In addition, the development department in Ljubljana compiled and set stringent requirements for localization of Pantheon Farming into the Romanian language. In February 2015, Datalab Agro RO started building five two-member teams which would operate in five agricultural regions in Romania. Each team consists of a vendor and user support specialist. In May 2015, an additional team was selected that immediately began with corresponding training. First sales are expected in early FY'16.

5.2.13 Poland

First activities concerning entry onto the Polish market started in December 2014 when talks with a potential partner Feroma in Wroclaw have been initiated. The Polish branch office was established at the end of February 2015 in cooperation between Datalab Agro AG and Mattig & Feroma Investments. The local team consists of a director, sales manager and external partners. The basic idea is to enter the Polish market in a similar way as was done in Romania, for which purposes Pantheon Farming was first localized and sales teams have been built subsequently in the most suitable parts of the country. The first detailed presentation of Pantheon Farming took place at the international conference of agricultural universities. Response of participants to the presented solution was very positive. First sales are expected at the end of the first half of FY'16.



Kristina Kuznetsova, Director

5.2.14 Ukraine

The company Datalab Agro AG was registered on 16 March by Mrs. Kuznetskova under the authorization of Datalab Agro AG from Switzerland. Company ownership will shortly be transferred to Datalab Agro AG. All documents required for the registration process have been prepared and submitted to the relevant authorities. Plus, a bank account was opened and share capital transferred. The documents were translated into English.

Proposal for PPP project "100 farms" has been developed for submission of the USAID. The meeting took place at the Slovenian Embassy in the Ukraine resulting in the support of the Embassy, received advice on key public interests of the participants and the promise of media assistance.

The presentation persuaded the Slovenian Embassy to organize a business forum SLO-UA "IT in Agriculture" which took place in June 2015 where a number of Slovenian companies, Ukrainian agricultural producers and Vice-President of the Ministry of Agriculture and Environment as well as the Slovenian ambassador were present.

Together with CSO, Torsti Pullola, we prepared basic financial planning to start operations in the Ukraine as well as key analyses. Website localization was prepared to be added a few months later with a new online corporate identity and up-to-date content.

In June 2015, DL UA was a panelist at the international AGRO Fair in Kiev. We translated marketing materials and created a website. All localization of software and accompanying documentation were completed by the end of FY'15 and they are constantly updated.

We established contact with two distributors that have shown interest. With the amendment of the Rules on the identification and registration of bovine animals in FY'16 we expect increased sales in this segment.

5.2.15 Other markets

We are inspecting other European markets with Pantheon Farming. We translated the program into Polish, Czech, Ukrainian, Russian and German.

In the financial year 2015, there were no substantial sales to markets outside subsidiaries.

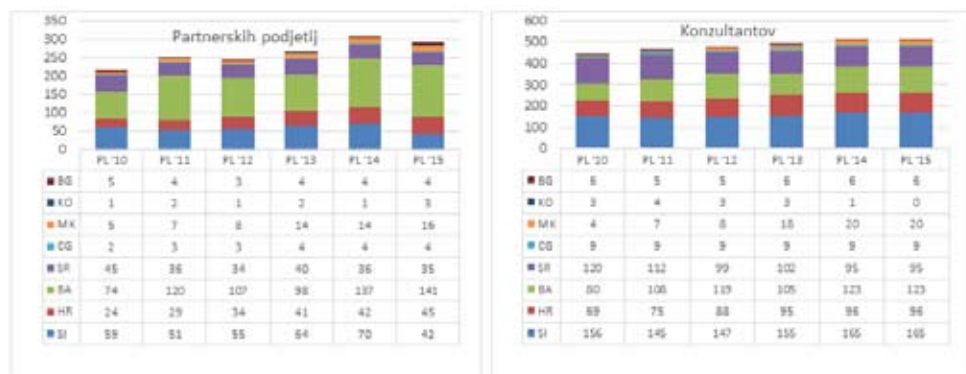
5.3 PARTNER NETWORK

5.3.1 Sales and Implementation Partners

The partner network remains stable. But staying still is not good in this case. Most partners have switched to survival mode; they cut costs and focused on providing services to existing users. The number of partners who fulfill the requirements for Premium Partner status remains stable; this status mostly requires sales capacity. This means that existing partners do not understand the need for intensifying their sales and adapting to the changed market conditions.

Partner from Competitor activities remain a good source for recruiting motivated partners. Partner sales in Bosnia and Croatia have had great results with this approach this year.

Technology-oriented partners (implementation and support) are strong and growing and are, in general, well adapted to the market.



The table shows the change in the number of Partner consultants by countries from FY'10 to 15. The total number of all Partners includes Sales and Implementation Partners, Development Partners, and EDU Partners (companies that train end users) and Implementation Partners. We estimate that the total number of Partners in the market is actually about 20% higher than the one shown in the table, as the latter only includes those Partners who pay a monthly membership fee.

5.3.2 Partner from Competitor (PFC)

Our theory that the recession is slowing down most investments into ERP systems, which is evident from lower license sales across the region, is proving to be valid and increasing. Most affected are smaller competitors with outdated technology who had trouble selling even before the recession. Their user base is eroding, driving up the cost of maintaining existing software. Users will in the following years reach the point of no return with some vendors. Our goal is reaching those competitors while they still have good relations with their users. We offer them to join the PANTHEON ecosystem and give their business a new boost. Thus program is for ex-competitors and current partners internally called "PFC – Partners from Competitors".

In Slovenia, Serbia, Croatia and Macedonia, the "Partners from Competitors" program has already been put in action. Datalab's idea is visionary; consolidation is becoming the logical future and self-evident mindset of ERP vendors. The idea is becoming somewhat of a template for some other competitors with similar ambitions. It must be stressed that Datalab is the only ERP vendor in the region with a business model and ecosystem structure suitable for such a market consolidation.

In FY'15, Mr. Tihomir Stričević was appointed PFC administrator sets a good example of a successfully completed PFC incorporation and will easily formulate the strategy of approach to competing companies. Tihomir performed market analyses across all countries and compiled materials to be used by directors of subsidiaries when addressing, preparing and carrying out PFC activities. In this way he selected potential companies and walked them through the entire process. By the end of FY'15 the organization was so streamlined that directors can independently continue with these activities.

MARKET	SIGNED IN PREVIOUS YEARS		SIGNED IN FY'15		TALKS IN PROGRESS	
	Company	Potential/realized	Company	Potential/realized	Type of company	Potential
SI	Vinar Datapoint (2014)	EUR 35,000/EUR 20,500			Specialists for larger midsize companies	EUR 2,000,000
	MC ii Ljubljana (2013)	EUR 860,000/EUR 127,000				
	C-Ring Šempeter (2012)	EUR 35,000				
HR	FruitDiscovery (2014)	EUR 45,000/EUR 9,600	Bone Software	EUR 110,815/EUR 53,114	Larger midsize companies	EUR 68,000
	Compa Đakovo (2013)	EUR 85,000/EUR 40,000	Frisd	EUR 15,268/EUR 17,465	Existing	EUR 70,000
	DataLink Zagreb (2013)	EUR 105,000/EUR 32,000	Datalink	/EUR 54,000		
	Excel Osijek (2010)	EUR 45,000/EUR 230,509				
RS	BlueSoft Beograd (2010)	EUR 1,200,000/EUR 161,000				
	Sinus Plus (2009)	EUR 84,000/EUR 35,000				
MK	ITC S	EUR 80,000/EUR 14,725	Megasoft Infocentar	EUR 100,000/EUR 36,677	Software for micro-enterprises	EUR 25,000
	Anel Štip (2013)	EUR 50,000/EUR 1,000	Comeo	EUR 25,000/EUR 7,712		

Infosoft Skopje (2013)	EUR 50,000	Pelings	EUR 60,000/EUR 4,063
MegaSoft (2009)	EUR 30,000/EUR 50,000	Zonels	EUR 15,000/EUR 0
SoftMaki (2009)	EUR 3,000/EUR 10,000	Nubes	EUR 40,250/EUR 12,431
SNS (2009)	EUR 20,000/EUR 30,000		
Gord Sistemi (2009)	EUR 20,000/EUR 50,000		
TrakonNet Veles	EUR 40,250/EUR 6,700		
Quttro Tetovo	EUR 20,000/EUR 2,000		

Saving competitors (and their users) from the way to the downfall, from problems and unnecessary costs is a difficult, time and energy consuming task. But when it works out, it is one of the fastest ways to grow PANTHEON's user base as well as save and grow established companies, now partners.

5.3.3 DEV Partner Program

The PANTHEON Developer Program encourages cooperation with companies which develop their own software solutions to supplement the features of the PANTHEON ERP system.

By making information available on our server and through regular training provided by the Datalab Academy, independent software producers receive support for the development of their solutions.

Partner solutions cover specific and niche-based business processes at companies. Vertical applications extend to the very heart of a company's operations: from B2B/B2C portals on the Internet to barcode solutions, business timekeeping, access control systems, production management and machinery control, project management support, etc.

Combining PANTHEON and partner-developed solutions provides users with comprehensive solutions for all their business processes.

In FY'14, we expanded the program with special OEM licensing for our DEV partners and we have the first two applications licensed that way. We perfected information support for ordering and parametrization and connected it to CRM.

In FY'15, we offered OEM licenses in OTC (One-time concurrent) – one-time purchase + upgrades – as well as in perpetual (monthly payments).

Moreover, we introduced an additional source of revenue – licensing "Connector license" connections to PANTHEON database and API via web, mobile and other interfaces. More and more users use PANTHEON outside a licensed Windows client which may cause a decrease of license revenue and with it of development budget in the face of growing demands. To neutralize this, we are inviting users to legalize such connections and uses (finally for the common good – long-term safe use of a modern tool), and we offer them particularly favorable conditions (the price of a "Connector license" amounts to 20% of the full license price). Besides OTC licensing, licensing in perpetual mode is also possible which enables DEV partners and their customers to reach a more adequate allocation of resources. Last year we sold almost 800 such licenses.

5.3.4 EDU Partner Program

The PANTHEON EDUcational Partner program is intended for cooperation with institutions where PANTHEON is used in the educational process. Through the program, educational institutions are outfitted free of charge with PANTHEON licenses, and also acquire the right to use Datalab Academy materials. In FY'12, we started setting up partnerships for PANTHEON FA training. We started in Slovenia are now expanding regionally.

We are pleased that in the year 2015 we managed to include three Ukrainian institutions in

the EDU program: Lviv National Agricultural University, Zhytomir National Agroecological University and Lviv National Stepan Gzhytsky University of Veterinary Medicine and Biotechnology. Furthermore, we started to prepare curriculums in cooperation with the Ukrainian Association of Young Farmers.

Slovenia

- Faculty of Organizational Sciences
- Faculty of Economics and Business Maribor
- Faculty of Economics, University of Ljubljana
- College of Accounting, Ljubljana
- Biotechnical Faculty, University of v Ljubljana
- Rakičan Biotechnical School
- Biotechnical Center Naklo
- Grm Agriculture School and Biotechnology Grammar School, Novo mesto
- The Rakmo Institute, Ljubljana
- Azura - Adult Education Institute, Pula (no longer operative)

Croatia

- Faculty of Economics, University of Split
- Algebra – IT Education and School of Computer Science, Zagreb
- College for Information Technologies, Zagreb
- People’s university Morana, Zagreb
- Excel Educa, Adult Education Institute, Osijek
- Split Adult Education Center
- Consultant Center, Split
- Public Open University, Pula

Bosnia and Herzegovina

- School of Economics and Business Sarajevo
- Banja Luka College, Banja Luka
- Vitez University, Travnik
- University Sarajevo School of Science and Technology, Sarajevo
- Pan-European University Aperia, Banja Luka
- University of Zenica

Serbia

- Graduate Vocational School of Accounting and Stock Exchange Operations, Belgrade
- Graduate Vocational School of Electrical Engineering and Computer Science of Applied Studies, Belgrade
- Economics and Trading School Šabac
- Association “National Parliament”, Leskovac

Macedonia, Former Yugoslav Republic of

- Faculty of Economics – Ss. Cyril and Methodius University, Skopje
- Goce Delcev University Štip
- Faculty of Mechanical Engineering – Ss. Cyril and Methodius University, Skopje

For more information, visit our website at: www.datalab.eu/partners/education-partners/



5.4 DIRECT SALES AND SERVICEDESK

We established channels for direct user contact in order to correct the market situation.

Datalab has traditionally been selling through partners. In FY'11, we started with direct sales in the micro segment in Slovenia, which proved that we are able to profitably sell in a segment where partners are not able or are reluctant to operate. As a side effect of our direct sales activities we observe increased partner activity and professionalism. Because we are selling in very fragmented markets (we are below 20% of market penetration in all markets), the risk of extensive cannibalization of sales is relatively low, despite two sales channels (direct and through partners).

5.4.1 DIRSA – “Direct Sales« departments

Investing more into direct sales and own implementation services (or outsourced to partners) is the logical next step for compensating sales capacity in the partner network and its inability to invest into their own sales capacity. New internal sales processes (pre-sales technical support, preparing offers, implementation quality control assurance, performance-based pay) and new, improved partner relations (teaming and subcontracting) will be the focus of our efforts.

5.4.2 ServiceDesk

A ServiceDesk department was established in each subsidiary. The purpose of the ServiceDesk is support for users that:

- are either left without a partner, or
- have had several negative experiences with partners, or
- are too small for on-site consulting and need optimized remote support.

Service Desk is not meant to be a competitor to partners, but supplement their offer in segments where it is ineffective or not available.

Almost half of the Service Desk revenue represent Service Desk contracts and implementations, while the other half is represented by partner and ad-hoc consulting billed in 15-minute intervals.

In FY'15, we introduced in Slovenia project management, system support and optimized support processes. By the end of H1 of FY'16 we will complete the renewal and transfer operational methods to other subsidiaries. This way we will raise utilization of new personnel and trained supporting staff, consultants and implementators.

Overview of the results and growth of the USD department in FY'15

	Revenue	Cost	Result	# people as of 1 July 2014	# people as of 30 June 2015	People index
SI	352,546	453,364	-100,818	8.0	13.0	163
HR	102,426	233,179	-130,753	5.0	13.0	260
BA	81,770	103,023	-21,253	6.0	4.5	75
SR	97,427	163,804	-66,377	6.0	5.0	83
MN	75,087	88,155	-13,068	3.5	4.5	129
MK	138,311	162,117	-23,806	7.0	9.0	129
Total	847,567	1,203,642	-356,075	35.5	49.0	138



Dare Rihter,
President of
Development

5.5 SOFTWARE DEVELOPMENT IN THE 2015 FINANCIAL YEAR

In FY'15, we prepared (and partly also posted) the basic building blocks for the upcoming new, tenth PANTHEON generation, which will be released in FY'16.

As each year, improvements this year do not form the greatest, but nevertheless a considerable part of development. A major part of improvements is in the field of legislation of individual localizations, while others deliver improved user experience, including greater software stability, faster

performance and easier maintenance of the software code. Let us just list two major ones:

In FY'15, release of the first Documentation version, a module for company-wide comprehensive document management system. In the first stage we supported the electronic document management processes, i.e. invoices, receipts, orders, etc. with the Documentation module and workflow. This was in part required by the legislative environment in Slovenia (the requirement by the public administration to submit e-invoices), and even more so because of the steady technological progress and business practices.

Consequently, eDocuments (e-Invoices and other goods documents) were supported in all PANTHEON modules.

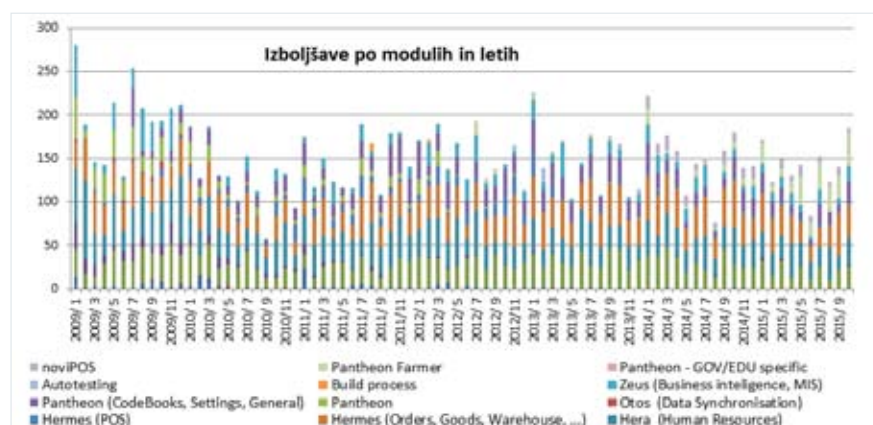
For quite some time, a transition to more modern, Unicode-supported development instruments is being prepared in the background, away from the public gaze of users. A parallel system for creating PANTHEON was established in a new development environment (Delphi Xe3) which already underwent testing and autotesting in this financial year. First, extensive adaptations to the new environment were necessary, especially to new components brought along by a substantially newer version of a development environment. It is a sizeable project, on which the development takes place in a way that does not disturb the usual cycle of issuing new versions of Pantheon and does not represent a disturbance for users in a production environment.

For the transition we have prepared a new component structure and set a method for adding new components and thereby ensured the same arrangement of components in the future. With the new system we also introduced a new method of translating the code which, unlike the current in 2007 that for the entire process of creating an executable translates 5 million lines, translates only 1.7 million lines. This speeds up work of the entire development and also solves the problem of Delphi, version XE3.

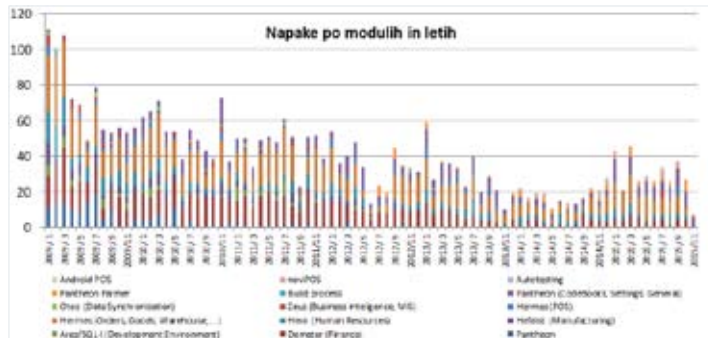
The entire installation process was documented, all DL components were assembled into packages, which were further assembled in groups, thereby enabling fast translation of all components. This way we have among other things raised the productivity level of development.

Furthermore, we also introduced libraries for faster development and unification of operation. The basic structure and some functionalities required for the transition to Unicode were set. This will be followed by further development and connecting all programmers with know-how and extensions.

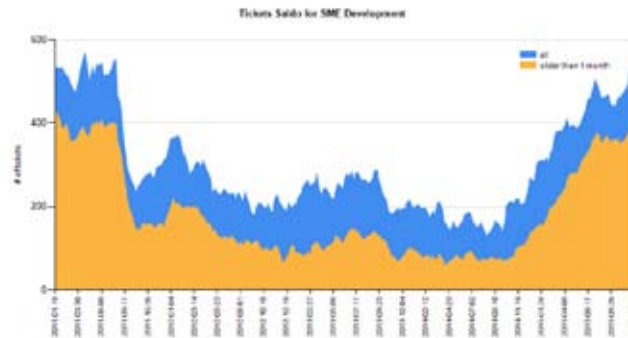
The charts below display the structure of improvements in its entirety which is in continuation followed by the structure of legislative improvements, i.e. tasks for each individual localization.



In the area of software quality assurance, we upgraded the software that executes automated tests (TestComplete ver. 10). Thus we acquired new useful features for better testing on the production branch of Pantheon, and at the same time we started with automatic tests on the Unicode version that was not supported by the previously installed version of TestComplete. All databases that are subject to everyday testing were upgraded from MSSQL Server 2008 to MSSQL Server 2012 that became the primary platform for production testing.



By pursuing the distribution of PA FA, we also had to customize the existing build system that automatically builds everything necessary to issue new versions of Pantheon in all existing and newly included localizations (translation of PA into all supported languages with a new localization program, speeding up of making all program files for all localizations and installation programs for new installations of PA on all supported localizations).



The workload of the Development department with preparations for release of the new PAN-THEON X generation led to poorer responsiveness of the department in answering questions and issues of supporting staff. The accumulated questions will be answered swiftly after the release of a new version.

5.5.1 Investment in Software Development

We invested EUR 2.01 million into the development of PANTHEON product line (SME, Farming and Retail) in FY'15 (compared to EUR 1.75 million in the previous year). The production value of PANTHEON as of 30 June 2015 was EUR 17.99 million (giving a carrying value of EUR 5,908 thousand in financial statements). The value of this intangible asset was determined using the Hierarchy of Valuation Standards and other applicable valuation models*.

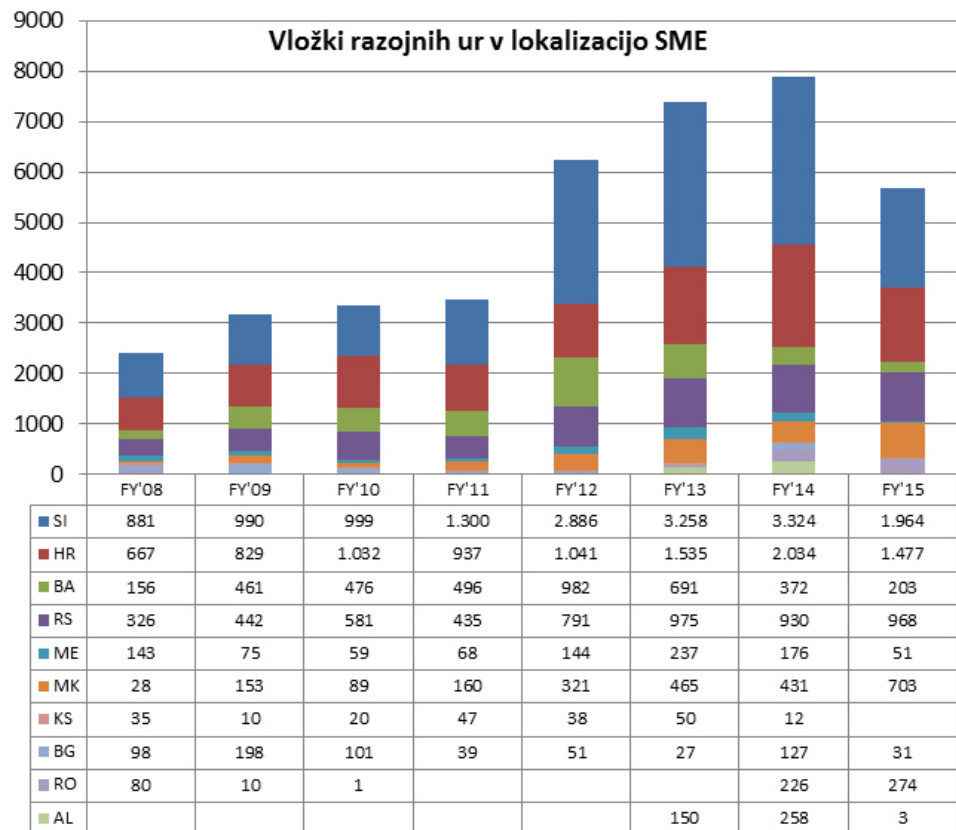
Investments in development of individual divisions from FY'08 to FY'15 in thousand EUR.



The effective price of a development hour is calculated by dividing gross (2. coverage = labor, space, training costs, etc.) development costs by the number of hours put in the development of a new feature (development hours = all hours - support - overhead hours). General cost suppression influences the decrease of the effective price in the denominator, and decrease of the necessary support and ineffective work influences the value in the numerator.

Due to a more productive programming, depreciated equipment and better recording of number of hours worked, the average price of development hour dropped to 44.14 €/h.

It is also interesting that monitoring the hours required for creating localizations – mainly legislative changes that need to be maintained to preserve the intended use of the product in a specific market.



Bojan Jelen,
Product Manager

5.5.2 Development of PANTHEON 5.5 in FY'15

5.5.2.1 Registers and common modules

In the financial year 2014/2015 we implemented many new features in the System and Ares module. We started updating the Documentation system. The greatest contribution in this time period was the transition to Unicode – XE3 which was carried out in three months and from June 2015 we started issuing Unicode and ANSI versions of Pantheon. We have implemented many XE3 components that enabled quick transition to Unicode. In the System module, we performed a number of optimizations and code acceleration on components that are used by all Pantheon modules. We implemented automatic translation and build of Pantheon versions for Ansicode as well as Unicode.

We have gradually introduced a system for "License Connector" to control and monitor applications (for example: eShop, eCRM, CMS and others) which are using our database. By implementing the License Connector we enabled users to legally access PANTHEON database.

Below I would like to list some of the most important improvements:

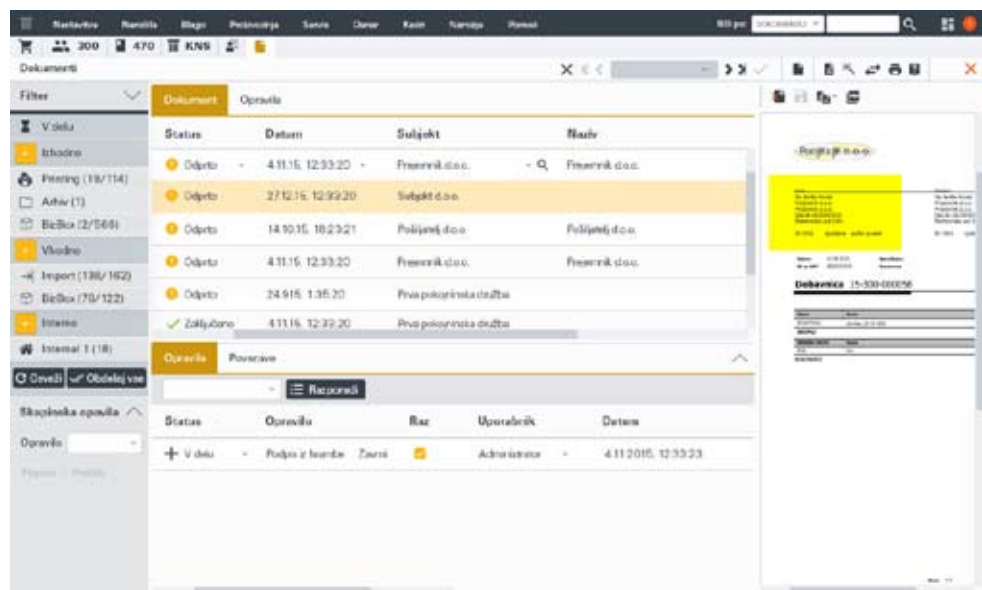
- Quick upgrade for the selected databases enables fast and easy Pantheon upgrade
- Disabled upgrading of “demo” Pantheon version in order to protect our license policy
- Implementation of additional report for printing authorizations in order to enable an overview of authorizations structure and authorizations tree structure for individual user or group
- Implementation of geographical coordinates for individual countries, which are filled automatically with Webservice. This is also useful in other modules, e.g. the Zeus module: geographical maps and other reports with geographical information.
- Automatic refresh function for currency rates
- Simple import and export of subjects using Excel enabling quick updating or loading of subjects and items since they can be easily be edited with Excel beforehand
- Simple import and export of items. Similarly, you can edit items (products) in an Excel table and easily imported in Pantheon
- Conversion and simple recalculation of different units of measurement used in the sale of various products and their quantities

Documentation:

In 2015, we covered two innovations in the field of legislation. Obligatory e-exchange of invoices with budget users for the SI legislation and Journal (Delovodnik) for the MK localization.

We have also carried out implementation of e-exchange of invoices for the HR localization.

These changes increased the use of the Documentation module which required many improvements.

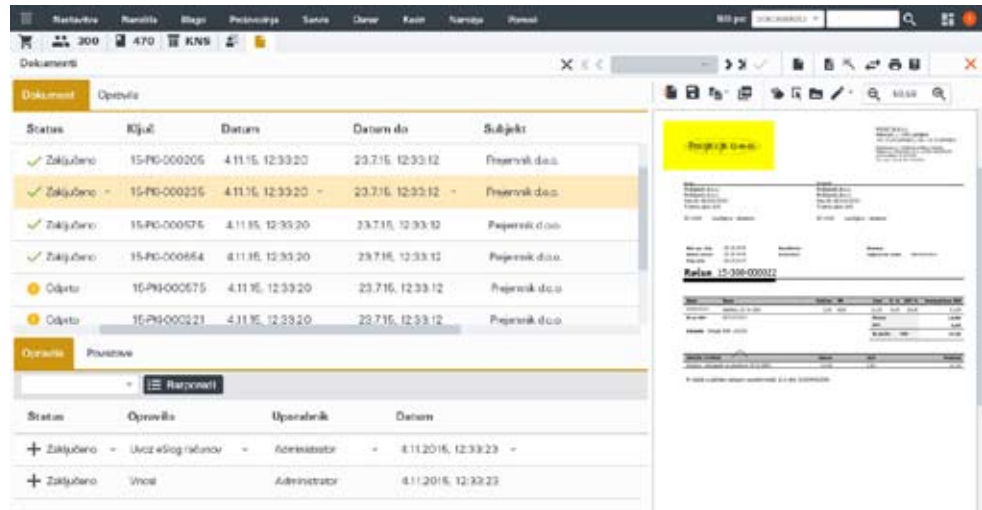


We developed a wizard for easy setup of the entire documentation, and added mass signing of documents, support for reading certificates from smart cards, task settings controls, controls for subjects and documentation inbox links, sent attachments controls. Moreover, we have added transfer of Item Categories and Tasks registers using Webservice, as well as wizards for quick adding of tasks.

We have enabled adding of custom e-document attachments (for the SI and HR localization) including data updates on document envelopes. Signing of PDF documents was added as a new feature which was implemented in all localizations.

We have enabled creation of links to invoice documents for documents that are imported or manually added to documentation. Furthermore, we have enabled document organization using a drag&drop method. That is, documents can be freely moved between inboxes, whereby you can change the method of exchange (electronically, paper).

Multi-threaded documentation functions are also a new feature to PA. Receiving and sending was moved to threads thereby speeding up both the sending of invoices to documentation as well as transmission of documents from documentation. The multi-thread system is now developed for the whole PA and is generally applicable.



Mateja Korelc,
Product Manager

5.5.2.2 Hermes Module – Orders, Goods, VAT, Customs and Service Modules

In the financial year 2014/15 we implemented 295 new features in the Hermes module.

A multiselect function for the purpose of deleting positions was enabled on documents. The Currency Converter panel was added to the orders and goods documents enabling you to calculate any amount or amounts in documents with two currencies. The calculated amounts in the selected currency can also be displayed in the document.

The Re-Read Customs Tariffs function was added to receiving documents, while Find Item by EAN Codes was enabled in receiving, issue and orders documents with entry in position. Furthermore, calculation by retail price from contract prices was also enabled. The appearance of Pricing Overview message which is created in the grid with print-out option was changed.

The navigator in documents enables display of the name of the first and third party as well as documents 1 and 2 as set in the Document Types register).

Discounts and a value line were added to the Interwarehouse Transfer form. In addition, a reference number was added to the Prepayment Invoice form.

The Serial Number button was added to the Adding form. Furthermore, we added the authorization Add Only Confirmed Documents.

A column for entering or selecting the first person which is also used in creating documents was added to the Recurring Invoicing form. We also added the option Mass Clear Last Document Date. A new control was added in approving the inventory which takes into account turnover created after the inventory date. The option for transfer of serial numbers was also added to the Inventory.

New settings were added to the Subjects and Document Types registers for setting up default print-outs associated with each subject/document type. Setting for printing period of validity according to the type of serial number was also added as well as a new piece of data on the packing slip print-out: Show quantity by U/M. Datasets for displaying the scanned signature of a contact person were also added to print-outs.

Multiselect criteria for document No. was added to all larger reports. A new option By Document Currency was added to the issued invoice report and a new group of reports Prepayment Invoice Report was added for an overview of prepayment invoices which are fully or partially linked with issue or receiving documents. The following two new reports were added to the warehouse card reports: Warehouse Card by U/M and Warehouse Card by Dimensions. A new Serial Number History with Retail Prices and an Serial Number History with Validity was added to the Serial History Overview.

Custom fields were added to the Customs module and the Overview of Serial Numbers form.

An optimization of the estimation was performed for the purposes of speeding up cost estimation. Optimizations were also carried out for the following: Mass Add – detailed, Available Stock report, the function Mass Price Change, Revenue Received reports, Issued Invoice reports, printing of document range and in commercial records.

The option for archiving documents was also added. It is intended for archiving documents (under Orders, Goods and Posting modules). In the process of archiving, the given data (documents) are stored in the archive database or archive tables. This reduces the size of the working database and at the same time also increases the performance speed of various checks and processing operations because of smaller database. For this purpose, all the necessary initial states and adjustments of reports have been made to display active and archived data. An option for restoring an archived database was also added.

We also carried out a transition from Delphi 2007 to XE3.

SI

An option for exporting SAD to XML was added and in the Intrastat documents and the option Re-Read Weight.

In the VAT module, we enabled automatic filling of sector B in the Summary Report and Report on Supplies. In addition, we added a new tab for collecting reporting data on telecommunications and electronic services. We also added the function for exporting data to XML. Improvements and supplements have also been made in import and export forms for eSlog.

HR

We created a new PDV-K report for the year 2014. In accordance with the legislation changes we created a new VAT form and its export to XML. We also added the following two reports: PZ and PP-MI-PO. Moreover, the reports KIR and KPR were optimized.

BA

Optimization of reports in commercial records.

RS

In accordance with the legislation changes we created a new PPPDV form and its export to XML. Furthermore, a change was made in reporting under Flat-rate Tax Payer, i.e. the data are now reported according to payment. Optimization was carried out in the KEPU reports.

MK

A new VAT EPF report was created. New tax records associated with legislation changes were created and we added two additional tax rates.

The following two reports were created: KDFI-01 and Rate Types register.

An option of sending PDF documents to documentation was also added to receiving and order documents.

BG

The report Name 2 was also implemented in tax records.

RO

New form 300 for the financial year 2014 and cessation of the 90-day period in cash sales accounting. An additional column was added to KPR for the purposes of deductible share. In addition, data were added to documents for inverted tax liability.



Simon Klemen,
Product Manager

5.5.2.3 Demeter Module – Financials

In this financial year, we made 174 major and minor software improvements on the Demeter module.

In connection with the Hermes module (transactions in goods) we implemented an option of archiving postings outside the manufacturing database. Users with large databases can disburden and streamline the work in the manufacturing database. On the basis of requests and proposals by our customers we created a refactoring of the import and export procedure using the OVD standard, which we fully integrated in the program. For faster creation of set-off amounts, we added a wizard for creating set-off amounts from the balance report of customers and suppliers. Automatic posting of issued and received invoices was expanded with an option for determining the matrix of goods accounts according to the type of purchase or sales.

For Romanian localization we complemented the posting of VAT report according to the Romanian legislation. For Serbian and Macedonian localizations we complemented the function for export of annual reports. In addition, for Macedonian localization we complemented the preparation of the KIPO report.

We carried out performance optimizations on the following parts of the module:

- when selecting candidates for generating payment orders from invoices,
- for HR localization we optimized the account card report with a fiscal number,
- optimization of cash receipt generation from invoices.

Other minor improvements in the financial year 2015 include the following:

- we enabled entry of revenue/cost account for individual types of material assets with the subject in the Subjects register,
- for summary reports we added a new control for unconfirmed journal entries and interim posting controls according to the settings in the Chart of Accounts,
- for balance sheet controls we added controls for included and excluded accounts as well as the control for accounts that have been included multiple times,
- we enabled export to Microsoft Excel in all grid views,
- we added an additional support for functional depreciation of fixed assets to the existing depreciation methods,
- for users we enabled transfer of individual balance sheet reports to other, i.e. selected, databases,
- for users of the version ME+ we added the drill-through functionality also on the trial balance,
- minor improvements and supplements were made in the field of support for different formats of export of payment orders and import of statements for Croatian, Slovenian, Bosnian, Serbian and Macedonian localization,

This year we also tried to increase the set of groups for autotesting. We, therefore, formed 273 new autotest groups so that now approximately 1260 autotest groups are carried out for the module on a daily basis.

5.5.2.4 Hera – Personnel, Payroll, Travel Management

In the financial year 2015 we implemented 269 new features in the Hera (personnel) module.

We could list the following as the most important improvements:

We added a multiselect option to the criteria in personnel, payroll and travel management reports allowing the user to simultaneously select for example a custom number of employees instead of only one or all employees in an individual report.

Multiselect was added to the criteria for employee, department, cost center, payout location, position of employment, etc.

Additional variables DDDD – length of service for other work and DDSP – length of service in and outside company were added in the Formula Builder. An option for referencing previous periods of payroll accounting was also added to some variables (Del11, Del31, Inv00, etc.). An option for referencing the Start date from the Employment Record was added to the variables of thereof.



Mateja Cejan,
Product Manager

Due to a precise calculation of length of service bonus an option for entering a joint formula for calculation of length of service bonus prior and after the entry to the company was added in the Administration Panel whose result is recorded in custom fields of the Employee File. In payroll accounting we added distribution of length of service bonus by individual positions of employment in case of several positions of employment.

At the request of users (e.g. trading companies) whose employees have a different number of hours worked within the company on a monthly basis, we added a field for entering the monthly hours worked in the Employee File. The user may monitor the monthly hours worked for the entire company from the Average Salaries register or for individual employee from the custom fields in the Employee File.

In case of repeated renewal of part-time contracts within the period of a single year we added a view with calculation of proportional part of leave within the interval of individual fixed-term contracts in the data on leave and annual decisions.

Various notices and controls were added or supplemented which help the user, such as for example IRIS messages for calculation of union fees. Here a control is carried out for payroll accounting whether an earnings type exists in payroll accounting if an active union is included in the Employee File. It is checked in the distribution of planned working time whether the planned working time exceeds the monthly hours worked, the entry check for field Del29 and many others.

For sake of better traceability and monitoring of the history of recipients of trips we added an option of sending trips in PDF format in the Documentation system.

At the request of users we added a wizard Split by Distribution Key to travel management whereby an individual trip position or all positions at the same time are split according to a pre-defined distribution key from the Distribution Key register. On the basis of the distribution share the trip costs are posted accordingly.

During transfer of travel expenses we enabled an additional transfer of expenses separately with regard to the following: per diems and allowances, mileage allowance, other expenses (e.g. tolls, parking fee, overnight stays, etc.) and additional costs.

Because personnel data are most specific in terms of localization, the improvements or legislative changes are below listed separately by functionalities:

SI

A wizard for informative calculation of the retirement date in accordance with the Pension and Disability Insurance Act (ZPIZ-2). The form M12 was added to the eVEM portal. Compliance with the minimum basis for calculating contributions with the difference to minimum salary. Automatic contribution calculation up to 3-times the minimum salary in accordance with the Vocational Rehabilitation and Employment of Persons with Disabilities Act (ZZRZI-D) for sheltered workshops including payment order and posting. An option of displaying two REK forms within one report for sheltered workshops. Display of the Duty report on temporary and occasional work on the form REK-2. Calculation of refund for varying hours worked per month, reporting on benefiting from international contracts in the REK form.

HR

Forms: Records of other persons, certificate of employment, certificate of salary on form ER-1, new pay slips NP1, IP1 and severance pay report IO1, IO2, Summary for Checking Procedure, supplements on the form and new XML structures for JOPPD.

MK

Decision of annual leave. 12-times higher amount for max. contribution basis. Form Trip for passenger transport, the form Notice about work on holiday. Form Notice for night work. Form 3RD – TRUD.1. Forms PDD-GI and XML. The pro rata calculation of leave entered after 1 June.

RS

Forms: PPP-PO, PPP-PD, M-UN, family members, certificate of salary compensation for maternity leave, claim for a refund of paid contributions and income tax for a new employee, pro rata calculation of leave according to the new Labor Law.

CG

Form OPD-2.

5.5.2.5 Hefaiast Module – Manufacturing

We made minor adjustments in the module in terms of manufacturing management, and added an option of additional resources for working operation as well as optimized certain recalculations.

In the financial year 2015, the model remained at low maintenance levels and without a dedicated development team due to poor sales (the sector of small and mid-sized manufacturing companies were severely affected economically). Since an awakening of the market of manufacturing solutions was observed, a re-launch of the module development is planned for FY'16.



Borut Puklavc,
Product Manager

5.5.2.6 ZEUS – Business Intelligence

In the field of business intelligence the financial year 2015 was mainly focused to numerous minor improvements, upgrading of the development environment and adjustments to new systems and tools. The latter include function support for analyses on OLAP server SQL 2012 and independent operation from the SQL Server native client version; functioning of the Task Scheduler on the new Windows operating system etc.

On the basis of user initiatives we introduced an option of using a formula instead of a single account under settings as well as new dimensions and measurements in OLAP cubes, of which the most important are the product variant dimension and historical cost measurement. Besides the aforementioned we introduced many other improvements in the field of analyses, such as for example adjustment of analysis and data capture to archiving. Of course, the following areas of business intelligence were also improved with new features: dashboards (transfer of dashboards, widgets and reports through the Webservice, wizard for shortcuts for exporting reports, etc.), planning (wizard for transfer of prices from the Items register, planning by primary suppliers, improved paste from Excel function, etc.), ad-hoc analyses (possibility of complex formulas and naming of calculated members, etc.). Most of the aforementioned improvements were suggested by users.

Special attention was also paid to the optimization of operation, i.e. optimization of prefetched data for system widgets, optimization of certain parts in cube processing, etc.

As has been already mentioned a significant part of development also focused on upgrading the development environment to Delphi XE3, which ensures development of optimal functionality for users in the future.

5.5.2.7 Ares Module

We stabilized the development environment, prevented “program crashes”, enabled easier development of object code which was also the cause for issues and problems of the ARES environment. We have also posted many examples on the Developer Site and conducted a few classes where we presented new features.

The biggest new feature is multithreading which allows partners to develop state-of-the-art solutions.

We also made extensive adjustments of the Ares environment to XE3 – a switch to the Unicode development environment.



Bojan Jelen,
Product Manager

5.5.2.8 Retail: Hermes POS, RT/RE, RA/RC, RF

Android POS

We implemented mobile cash register using the equipment of Telekom Slovenije and launched new POS products, i.e. Pantheon (RA) Retail Android and PANTHEON (RC) Retail Cloud. PANTHEON license protection and activation through a web server were integrated.

Furthermore, we enabled loading and installing of the application from the Google Play online store. Translation were implemented according to localization version (Android, backoffice, administration server, google play).

Anyone can try out the demo version. The database was migrated from PostgreSQL to SQL server.



Harun Škapurevič,
Product Manager

We integrated the option for tracking stock on the Android platform using the Warehouse Card. An option of entering received invoices was added.

Support for multiple payment methods of invoices. General discount option was added.

All reports can be exported as .csv and can be sent via e-mail. It is possible to print from Android using A4 printers.

Retrieving data of legal persons from the subjects database on AJPES (Agency for Public Legal Records and Related Services).

Integration of the ISL Light tool for remote assistance to provide fast assistance for users via the Internet.

Integration of Bluetooth scale with RA/RC versions.

Integration of the Moneta payment system in RA/RC versions.

Rounding logic adjusted with other components of the PANTHEON product family.

Integration of the audit trail for the user as well as the Financial Administration of the Republic of Slovenia (FURS) (Act Amending the Tax Procedure Act (ZDavP2f)).

New backoffice appearance – online applications for cash register management. The built-in wizards (import of digital certificate, pricelist from Excel, etc.) reduces time required for preparation of cash register for work.



PC POS Development

Implemented system for sales of products with serial numbers (e.g. lottery tickets, GSM cards, etc.).

Integration of PayLife payment terminal.

Accurate setting of user authorizations for usage of different POS cash register functions.

Automatic backup creation.

A new protocol for integration with scales was added as well as support for weighted products.

Implemented formulas for price calculation.

Discount was added to types of payment. It is also possible to set discounts in document types.

Payment by installments in TouchPOS.



Klavdija Kopač Zagožen,
Product Manager for
PA FA

5.5.3 Agro: PANTHEON Farming

In the financial year 2015, the following was enabled on localizations and the financial section:

All localizations:

- recurring invoicing in documents
- authorizations
- the creation of reversed document in the elimination of exclusion
- the cost of artificial insemination and treatment was linked with receiving document
it was enabled that cost center is created for each animal ID
- the appearance of the Farming menu in the Administration Panel was rearranged – grouped by content
- cost center and department can be selected in document positions
- multiple warehouses can be selected under manufacturing for agriculture, viticulture and fruit growing
- wine cellars were enabled in the viticulture section

- the existing setup wizards was supplemented with the function for import of registers for FA (breeds, crop, fertilizers, sprays, fodder, general items)
- development of the fruit growers' module
- preparation of reports for equine animals
- we prepared a wizard that enables calculation of animal weight on the basis of animal growth

SI

- transfer of animals to fixed assets
- creation of purchase slip and report
- the Bovine register with the same data and format as the prescribed book "Bovine Register at the Farming Holding"
- for small ruminants, in addition to AUTOID we added the herd ID as well. The latter consists of the mother's ID + consecutive birth of progeny
- we enabled map view of GERK (graphical agricultural unit of a farm holding) with information on the quantity of material used, labor costs, etc.
- import of data from eRKG via setup wizard
- we created a wizard for transfer of data from Vinar software

HR

- import of bovine to Pantheon Farming from the Bovine Register HR
- we enabled that plot viewer opens when clicking the plot on the map

MK

- we enabled that plot viewer opens when clicking the plot on the map
- we enabled entry of unviable piglets under pig farming
- we created two new reports meeting the needs in agriculture

RO

- database preparation
- we prepared two reports, namely Operation chart and Culture sheet

CH

- database preparation
- we set up registers for produce from grapes, fruit and vegetables on the Webservice
- we set up registers for animal breeds on the Webservice

PL

- database preparation

AT

- database preparation
- we enabled that type of use can be set for any single crop area

Mobile application:

- map of plots on a mobile application
- we enabled entry of tasks for agriculture, fruit growing and wine growing
- we enabled stock tracking
- we enabled wine cellar tasks
- we enabled entry of bovine and small ruminant milk controls
- we added a remote support functionality

In addition to the aforementioned new features we also introduced many minor changes in the Pantheon Farming software that make work easier for users.

Our tasks in the future will be to bring software closer to the user both from the functional and useful perspective. We want that a tool such as Pantheon Farming would enable better and easier decision-making for users, in our case farmers, i.e. how and in which direction should they manage their farm so that business decisions will put smiles on everyone's face.



Kristjan Bratuša

*For presentation go to <https://usersite.datalab.eu/Player/TabId/130/VideoId/100/Avtotestiranje-V-PANTHEONu.aspx>.

5.5.4 PANTHEON Autotesting

In the past financial year the emphasis has been placed on testing of the PANTHEON product in order to:

- improve the quality of PANTHEON,
- improve PANTHEON user satisfaction,
- lower the costs of manual testing,
- reduce cost arising from guarantees and troubleshooting.

The testing system was developed because of the growing number of testing scenarios (from 5043 to 6297 in the financial year 2015) as well as to achieve a larger throughput of tests and a more robust autotesting system.

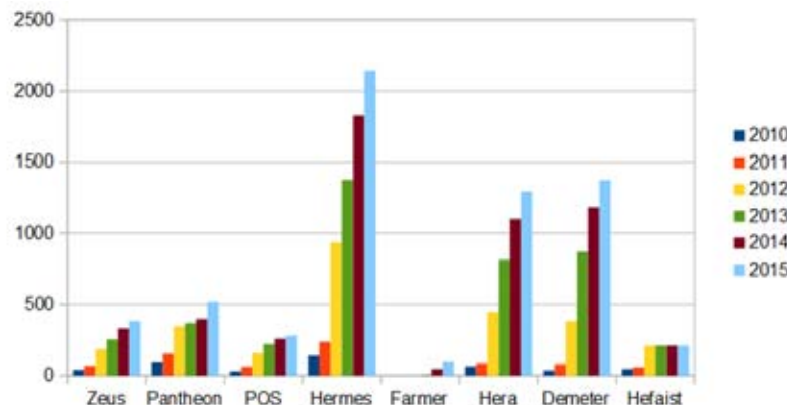
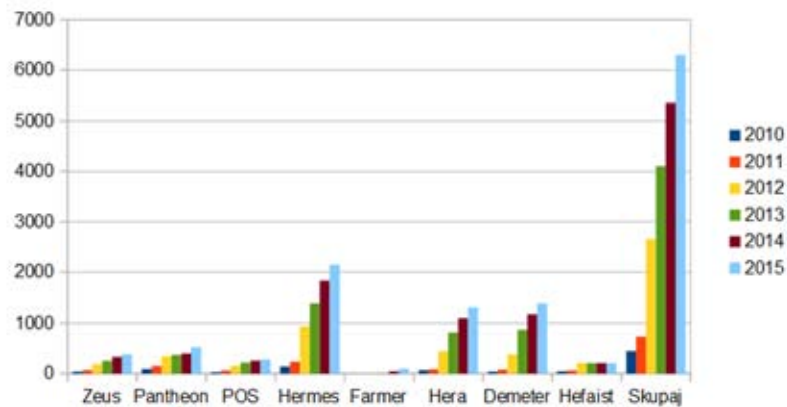
Capacity of the system was increased from 720 to 899 tests per hour so that we get the results in the morning before the start of the working day.

The autotesting system depends also on other related systems. Its integrity is crucial; that is why we will continue to ensure the same optimal conditions for test recording and test execution, but we will also work on further decreasing the influence of other subsystems (like it was the case with the build system) or improving their integration. On the other hand, the autotesting system detects any errors/events in other processes (build, upgrade) and we will continue to improve the system of notifications about those errors/events to process owners.

We created a transition to the new version of the test recording and execution tool that enables testing of the Android environment and we are currently integrating it in our build, upgrade and testing system.

Currently, we also have a simultaneous testing of PANTHEON55 translated for the production with Delphi 2007 and XE3 which means that we conduct 2-times as many tests, i.e. for ANSI and UNICODE.

An overview of annual increase of the number of tests by years:





Matija Kešpret, VP Operations

5.5.5 Internal IT

Support for cloud operations

In the financial year FY'14 we expanded our cooperation with the strategic partner Telekom Slovenije in the field of mobile cash register which has been extremely well received on the market according to the first indicators and that is why we had to supplement our support systems for sales and support. That the new mobile cash register product was introduced on the market in a timely and correct manner confirms the growth of sales which already exceeds the growth of our other products.

The PANTHEON Hosting™ service is being extended to additional new markets, namely the following markets are undergoing a testing phase: Albania, Kosovo, Romania, Poland, Ukraine and Switzerland.

We developed a "Direct HN" sales system where licenses are sold to a customer and then they are directly transferred to hosting. This way the customer is ensured an effective lower lease price for PANTHEON™ Hosting with a higher initial investment. The multi-annual TCO is better for the customer.



Luka Levstek, Head of Internal Development

Corporate IT architecture

In FY'15, Datalab once again moved to a new location. This time for the first time in our own premises. IT department designed the entire IT server infrastructure of the new business premises in three stories and performed migration of the internal datacenter and all other related services to the new location.

This was followed by the renovation of the entire network which now has state-of-the-art design and is fully designed to bridge failure of any component either network or server-side – without downtime or disruption of business processes. Solutions are based on the combination of enterprise vendors Cisco/EMC/VMware.

Internal processes

In the past year we upgraded our IT processes and developed new functionalities:

- We developed new system of upgrade contracts (UC) which is now bound to each new license sold. Thus, we provide a better user experience to our customers in the very first year. This way we also upgraded the system of surcharges for UC, automatic and lifetime contracts UC.
- We have discontinued the use of license classes and thereby considerably simplified and introduced better transparency of license schemes for our customers. With it we also developed a system that allows gradual discontinuing of license classes after the interaction with the customer is made.
- complete overhaul of the system for partner commissions, development of a new system of partner quotas for FY'15
- this year we continued with the development of supporting WebServices with which we control a major part our operations and sales processes
- we developed a new sales mechanism for Pantheon Farming™ product management and sales which is based on the the amount of assets available to the customer on the farm (hectares, heads of cattle, bottles of wine, etc.). In this way we can prepare a better approach for the customer and more accurately determining the size and requirements for ERP back-office needed by the customer for their operations. The new system provides support for Pantheon Farming™ sales in over 15 countries.
- We have once again upgraded our Wiki systems, namely internal. The new Wiki system which now relies entirely on SharePoint architecture allows our group to perform its everyday works and tasks even more efficiently.
- We supported the entire sales process for future or prospective active sales branches in: Austria, Australia, Switzerland, Germany, Romania, the Czech republic, Poland, and Ukraine.
- We supported the system management with a centralized project server and linked it up with backoffice systems of the company and developed generation of maintenance contracts al-

lowing the support to monitor them in an easy way.

- For internal support we developed a system for monitoring tasks which launches automatically when a support department ticket includes a development task. This way we improved notification of our support staff about corrections, improvements and new functionalities of the PANTHEON™ product which is crucial for good customer support.
- We developed a new internal application for monitoring development tasks which we defined anew, brought it closer to users and refreshed the technology with state-of-the-equipment by more than 5 years.

5.6 MARKETING AND COMMUNICATIONS

5.6.1 Strategic policies

In their strategic conception, market communication activities of Datalab are mostly aimed at enterprise public since we wish to present the concept of business IT system the companies of different sizes and activities as simply and clearly as possible. It is essential that companies realize that what they need for a successful business is a software that enables management, review over operations, legal regulation coverage and possibility to analyze data that they can then turn into profit. This is where Datalab's motto comes from: "Turning data into profit".

Positioning of the PANTHEON brand is separated into the following products:

- PANTHEON Small Business
- PANTHEON Enterprise
- PANTHEON Accounting
- PANTHEON Farming
- PANTHEON Retail
- PANTHEON Manufacture
- PANTHEON Public Service
- PANTHEON Specific Solutions

Market communication for the two sub-brands takes place separately because it is easier to segment target groups this way. We put important emphasis on affordability of the program, localizations for ten countries, constant compliance with current legislation within each country and suitability for companies of all sizes and activities. Datalab's "ecosystem" brings together over 100 Partner companies throughout the region on a daily basis; they see to sales, consulting, implementation, the development of custom solutions, and technical support for end users of the PANTHEON business IT system.

5.6.2 Marketing as Active Sales Support

Positioning and strengthening the recognition of the Datalab® and PANTHEON™ brands are the clear goals of all marketing activities conducted on the markets of the Adriatic region, including Switzerland.

In Slovenia and other countries where Datalab is present, we've set up call centers whose main task is generating new sales opportunities. All other marketing activities are also aimed at acquiring new users; throughout the year, we conduct the so-called ATL (above the line) and BTL (below the line) campaigns and activities through which we optimize resources and mode of communication every year.

We advertise mostly in media that deal with the areas of the economy, entrepreneurship, and financial issues. Advertising for specific activities also appears in relevant sector-specific media (for example, accounting services, manufacturing, etc.) An important partner in the communication of the service PANTHEON Hosting is Telekom Slovenije; a provider of the service in the cloud Customized Office that also includes PANTHEON program. Our annual marketing plan includes ATL advertising, attending events, sale-oriented campaigns coordinated via call center and presence of our product in Telekom's publications.

Our partner channel is an excellent platform for organizing joint campaigns with the aim of generating new users. In the area of sales lead generation and management, this year as well as every year, we have upgraded our approach to potential users. All leads are subject to a more exacting classification, which is a great help for the sales department. At the same time, from the very beginning, we have been working on establishing a closer and more genuine relationship between Datalab and the customer – via in-depth telephone conversations and contact via e- and classic mail with the aim of providing essential information. We use an internally developed CRM tool (Datalab's Partner Site) to manage these kinds of customer relations; the Partner Site is constantly enhanced and upgraded to ensure an optimal overview of the individual statuses of individual potential customers.

Marketing campaigns based on direct contact with potential users (through mail and e-mail and telephone calls) see the inclusion of Implementation partners, as only in this way is it possible to achieve the loyalty of the members of their sales teams. Through joint actions of this kind, we can offer solutions tailor-fitted to the needs of target users – some development and implementation partners have developed custom solutions for specific industrial branches. Such industrial vertical solutions greatly increase the value of PANTHEON, as, in line with our goal of achieving the greatest possible degree of usability of our solution, PANTHEON is not tailored to the needs of any specific sector or type of user.

We organize group presentations for potential users which are fundamentally general presentations of PANTHEON with a focus on the specific fields in which participants have expressed interest. The presentations are aimed primarily at companies who are looking to replace their current IT system or to purchase a new system, and who are collecting information from potential providers.

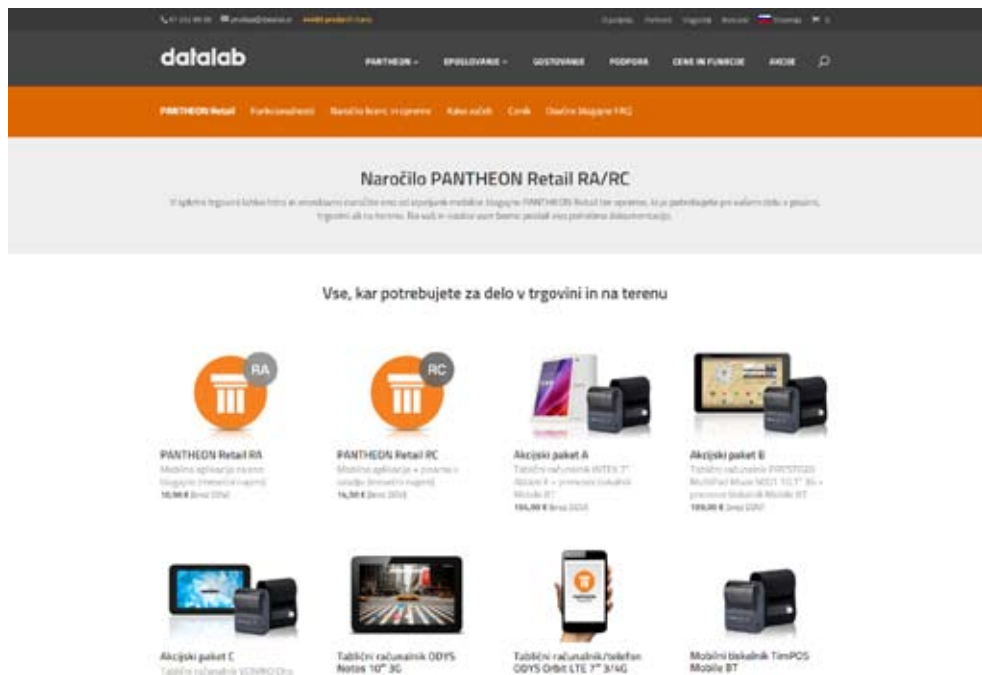
We are mostly advertising special offers and events. Advertisements are published at our web sites (corporate and product web site, User Site), at various portals (e.g. of the newspaper Finance or magazine Računalniške novice, racunovodja.com, etc.), in print (e.g. newspapers Finance, Delo, Dnevnik, etc.), sometimes even on the radio.

We inform customers about special offers by e-mail or printed leaflets. Several campaigns were conducted in cooperation with partners, usually offering a package of software and additional services at a reduced price, for example PANTHEON Hosting bundled with accounting services, or PANTHEON bundled with a new computer.

In the past year, we renewed websites for the Slovenian market and in the next year we plan to renew them for all other countries as well.



In cooperation with our partner Telekom Slovenije we also added the mobile cash register solution in the Retail subsegment and established online store for software and hardware.



5.6.3 User 2 User – Recommend PANTHEON

We reward users that recommend PANTHEON to their business partners, friends, etc. All users who share their experiences with PANTHEON by recommending the system to others will be awarded 10% of the value of the PANTHEON licenses installed at the new user's company. The customers will be credited two monthly subscription fees for recommending PANTHEON Hosting and any new PANTHEON Hosting license sale when leasing the program in the next year where a proportional share is accounted for on a monthly basis.

5.6.4 Events and sponsorship

- In July, PANTHEON Farming was presented at the 5th national exhibition of the breeding Frisian cattle in Komenda.
- In August, under the auspices of the Chamber of Agriculture and Forestry of Slovenian Datalab attended the Fair of Agriculture and Food AGRA in Gornja Radgona. We presented our products PANTHEON Farming and Agri Future Park to many visitors, mainly from Slovenia, Austria, Italy and Hungary. We also received the Gold medal 2014 for mobile application.
- In August, PANTHEON Farming was also presented at the 14th Congress of the European Association of Agricultural Economists.
- This year Datalab has once again enabled holidays for children in the context of the campaign "Sea Hug" of the Cerebral Palsy Association Sonček and in cooperation with the Center for Curricular and Extracurricular Activities.
- In September, we presented at the "BONUS day" event at Otočec how will e-Invoices be introduced and in what way will they be integrated in the PANTHEON program.
- We also attended the Fall Agricultural and Trade Fair in Komenda and presented the comprehensive IT solution for farms PANTHEON Farming.
- In September, we went sailing with our employees in the Datalab Group and partner companies.
- Datalab was once again present at the 16th Congress of Accounting Firms in Laško as a Platinum sponsor together with our partner Telekom Slovenije.
- In October, IT solution PANTHEON Farming Mobile won the excellent 4th place at the Euro-Cloud Europe Award.
- In addition, in October the Datalab team also attended the 19th Ljubljana Marathon.
- In November, Pantheon Farming was presented at the Eurotier Fair in Hannover, Germany.
- In November and January we organized two events for our users on the topic of implementation of e-Invoices.
- In February, we attended the 15th International Tier & Technik Fair in St. Gallen, Switzerland.
- In February, we conducted an educational event the PANTHEON Accountants Day at the Austria Trend Hotel in Ljubljana.
- In March, the PANTHEON Farming team attended the Global Forum for Innovations in Agriculture (GFIA) in Abu Dhabi.
- On 19 March, we in cooperation with the company Telekom Slovenije introduced PANTHEON Mobile cash register at the Grand UNION Hotel in Ljubljana in the scope of the event Changed rules regarding cash transactions and demonstrating cash flows which was organized by the Akademija Finance.
- In April, Datalab presented the product Pantheon Farming at the traditional spring Agricultural and Trade Fair in Komenda.
- In April we acquired our 40,000th user.
- In May, both of our running teams took part in the Three-member Team Run in Ljubljana.
- In June we held a presentation at the Agrobusiness Conference organized in cooperation with the newspaper Finance.

5.6.5 Informing target public

5.6.5.1 PANTHEON News

Once a year, we send an printed version of PANTHEON News to our users, Partners, employees, and other interested parties. Other news are sent via e-mail once a month. PANTHEON News presents the most important events of the previous months, news, program enhancements, tips and new features, presentations of Partner companies, and other interesting news collected from throughout the Datalab community.

Archive storing all the news is available at: <http://www.datalab.si/o-podjetju/arhiv-e-novic/>.

5.6.5.2 Corporate and Partner's Update

At Datalab d.d., we prepare a Weekly and Partner's Update each week. The Corporate Update which is posted on SharePoint every week we keep all Datalab employees at HQ and all subsidiaries informed about what's going on at the company and provides other important news. Through our Partner's Update, DEV and Sales-Implementation Partners receive up-to-the-minute information about new features, improvements, and upgrades in PANTHEON, as well as important information about events at Datalab and within the broader Datalab ecosystem. The goal of the Updates is to keep all employees at Datalab and our Partner companies throughout the Adriatic region informed about actual events within the company and in PANTHEON. All important news also appears on our corporate website (www.datalab.eu).

5.6.5.3 Information for Investors

We have a website section dedicated to information for investors, www.datalab.si/vlagatelj, where results, plans and other information related to the company is published. The basic communications tool for informing investors are releases on SeoNet, which are outfitted with more in-depth information on our website.

At http://www.datalab.si/vlagatelj/analize, we are publishing quarterly analyses of Datalab and its stock, prepared by the financial group Alta, d.d. twice a year (along with annual and half-year results), longer analyses will be published, containing an overview and comments of the results as well as an investment thesis, investment risks, relative valuation and discounted cash flow valuation. Shorter analyses will be published along with the results of the first and third quarters, containing an overview of the results and comments of relative valuation.

5.6.5.4 UserSite

The PANTHEON User Site's purpose is engaging PANTHEON users and other interested parties in sharing their knowledge and experience with others. Crowdsourcing is creating a knowledge base from which the whole Datalab ecosystem can draw from easily and above all free of charge.

The reason why we started considering to provide means of self-support and community support is the limited number of consultants in partner companies. Paying for support is significantly more expensive than those two methods, which decreases the cost of ownership and usage of PANTHEON software for users. Users can find much useful information that will aid them in solving their issue (documentation, video, developer information) or they can ask the community for help (forum, remote support).

United under the motto "Join the Tribe", the members of PANTHEON's online community range from Datalab employees to partners, users, accountants, entrepreneurs, etc.

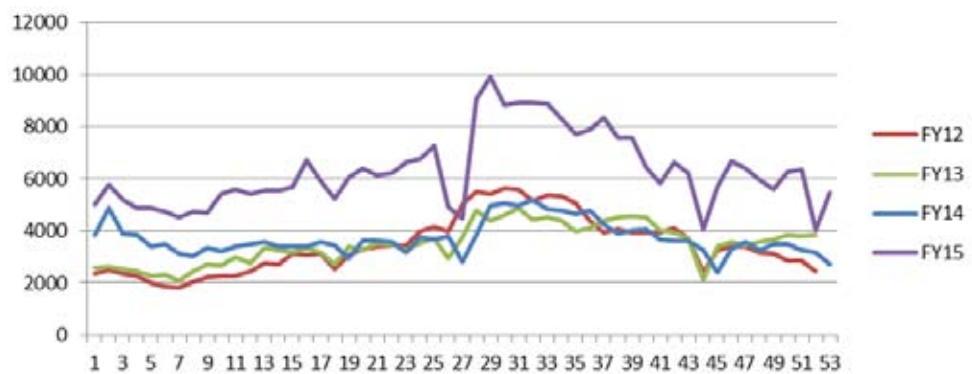


The User Site contains news about the program and related contents (entrepreneurship, legislature, events, etc.), and offers users multiple ways to access support (official support via HelpDesk and telephone, unofficial support via the forum, videos (PANTHEON TV), comprehensive documentation on the site's Wiki (which means that every visitor can edit the contents), an encyclopedia of entrepreneurship (featuring content by guest authors). All of this content is interlinked in a system which can detect what a user is reading or viewing and guide them to similar contents that may be of interest. This leads users from the problem to the solution, making not only support more efficient, but also operations in general.

The User Site is not an ordinary portal that offers only a forum for user communication about working with PANTHEON. Our ambitions are way higher; we have created an information portal for SMEs with complex foundations but which is user-friendly. It offers many interesting contents for businesses in the fields of marketing, leadership, management, accounting, etc.

The User Site offers PANTHEON users numerous features related to content and usability; we are also glad to see that one of our key goals is getting fulfilled – the forum has become an additional free channel of support, where users can help out each other.

On the "Marketplace", our partners can offer and sell their PANTHEON-based or PANTHEON-integrated solutions. We will expand the offer to many more industries and make solutions globally available in all countries; users will thus have more contacts for their projects and PANTHEON will be more usable.



Graphic presentation of number of unique visits to all User Sites by weeks in financial years 2012, 2013, 2014 and 2015.

The User Site opened to the general public in Slovenia on 2 November 2010, that is why statistics of visits are measured from then onwards. The first peak of visits was in March 2010 and can be attributed to public availability of the User Site in the countries where Datalab is present (subsidiaries). A significant drop in visits occurred around the holidays for Christmas, Easter and the first of May. Statistics also show a drop in the summer months, but otherwise the trend of growth and decline is similar every year. The numbers of unique visits range from 3,000 to 5,000 per week, approximately there are 330,000 visitors to the User Site per year. The greatest peak was measured in the middle of January, mainly from content views on the topic of implementation of e-Invoice in Slovenia.

5.6.6 CUSTOMER SATISFACTION INDEX

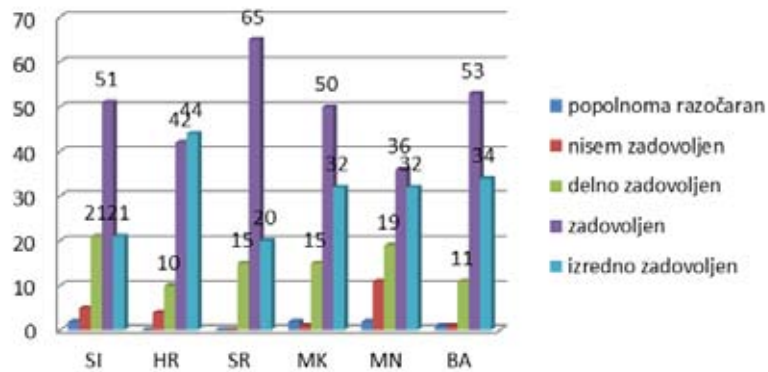
In the financial year 2015, we conducted CSI (Customer Satisfaction Index) research of user satisfaction with PANTHEON in Slovenia as well as in Serbia, Montenegro, FYR Macedonia, Bosnia and Herzegovina and Croatia.

In Slovenia, 600 users were included in the research; 351 in Serbia, 61 in Montenegro, 210 in Macedonia, 509 users were included in Bosnia and Herzegovina, and 350 in Croatia, making a total of 2,081 completed surveys. The research questionnaire contained 20 questions grouped under the following headings:

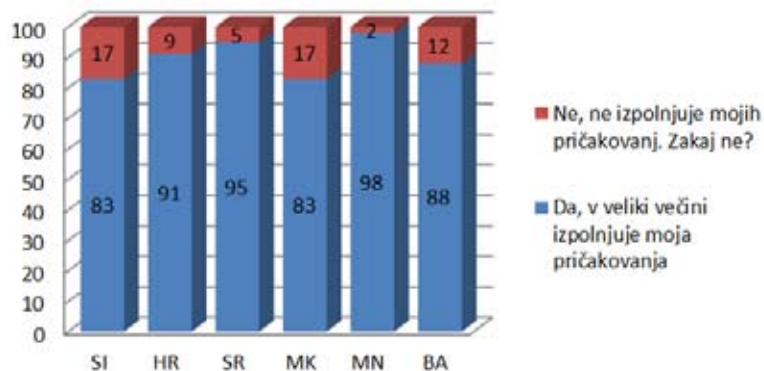
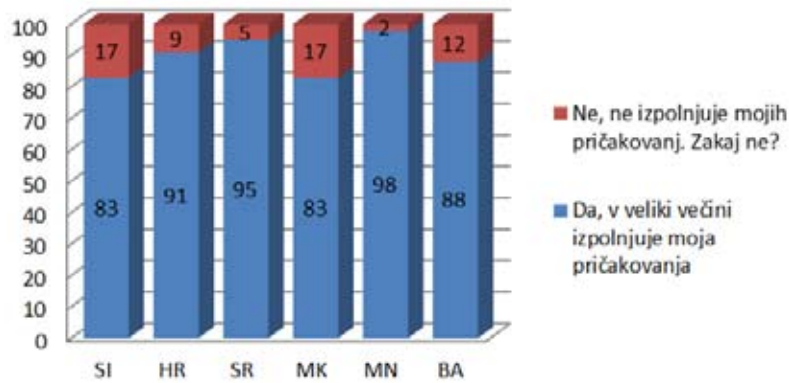
- satisfaction with PANTHEON software and its features,
- questions about marketing,
- satisfaction with customer support and Help,
- satisfaction with documentation and support mechanisms.

Below, you'll find a summary of some of the results analysis by countries (in percentages).

The majority of users is very satisfied with PANTHEON. The most satisfied and extremely satisfied users of PANTHEON are in Bosnia and Herzegovina (87%) and Croatia (86%).

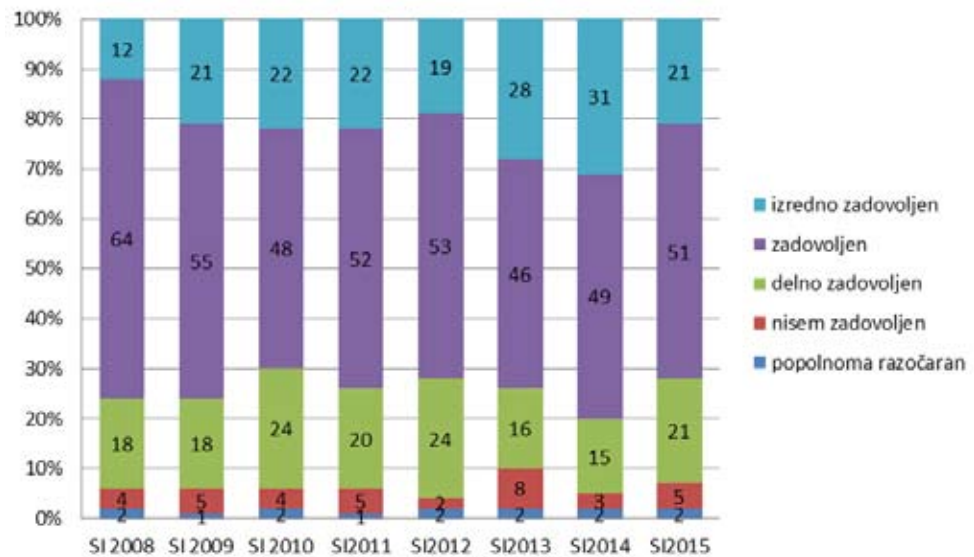


on average, PANTHEON fulfills expectations of 90% of all users. Those for whom the program does not fulfill their expectations, listed complexity and difficulties with software upgrades as most common reasons.

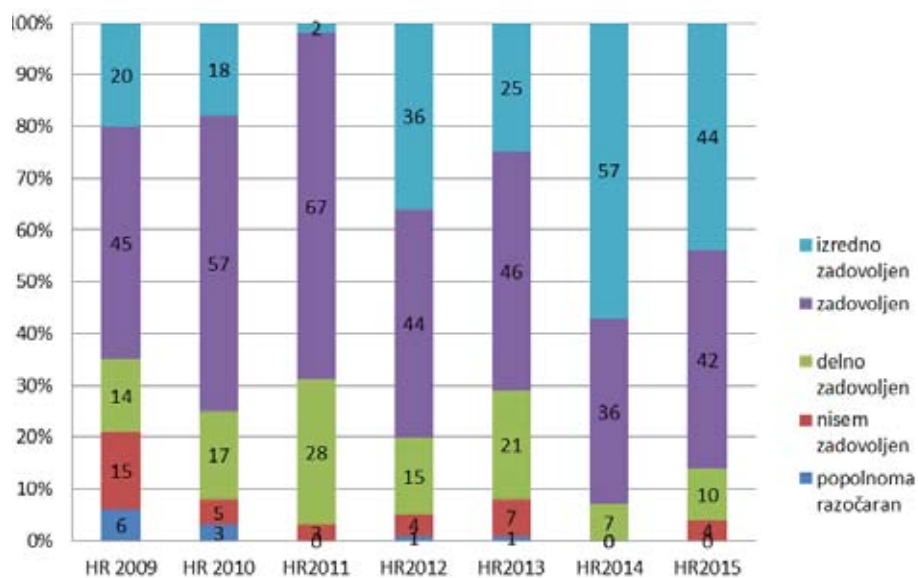


Excellent work of the entire Datalab team is reflected in the fact that 91% of all users would recommend PANTHEON to their business partners and friends in all countries where they are present.

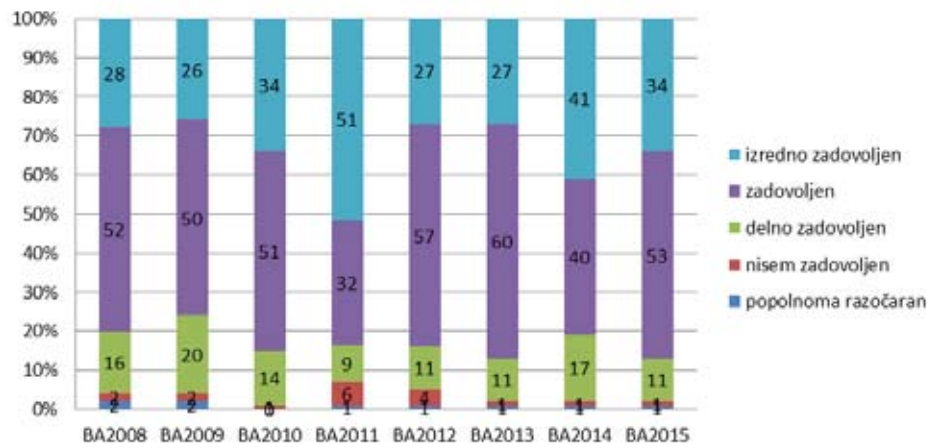
User satisfaction through the years 2008–2014 for countries where a CSI survey was conducted in all eight years:



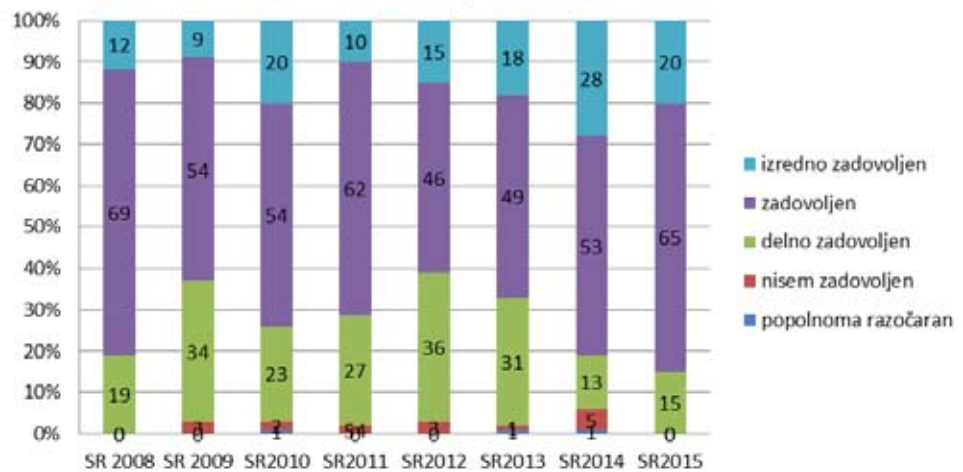
From 2008 to 2015, satisfaction with PANTHEON in Slovenia remained between 70 and 80% (in 2014). In 2015, satisfaction of users who are satisfied or extremely satisfied with the program climbed to 92%.



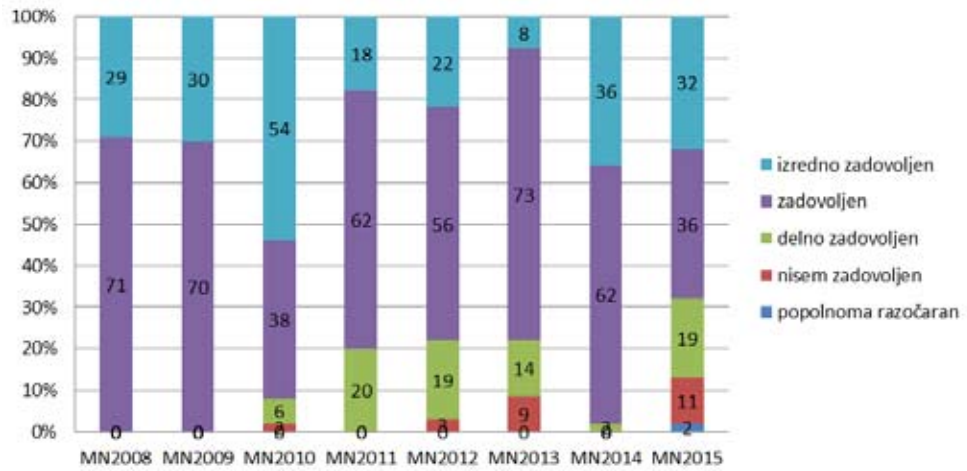
The user satisfaction with PANTHEON in Croatia reached 93% (in 2014). In 2015, almost 50% of the respondents were satisfied and extremely satisfied with PANTHEON.



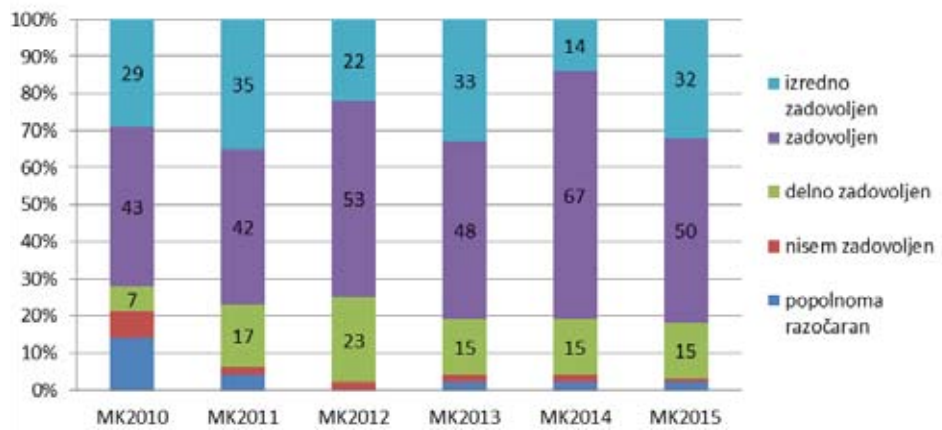
Since 2008, the movement of user satisfaction with PANTHEON (satisfied and extremely satisfied) in BiH ranges from 76% to 87% at the most (in 2013). The highest percentage (87%) of satisfied and extremely satisfied users was marked also in 2015.



In 2015, the percentage of extremely satisfied PANTHEON users in Serbia increased by 12 percentage points compared to 2014. Altogether, we recorded an increase of satisfied and extremely satisfied users: a 4 percentage point increase compared to last year.



In Montenegro, 68% of respondents are satisfied and extremely satisfied users of PANTHEON.



The satisfaction of PANTHEON users is growing over the years. In 2015, we are recording a slight increase (to 82%) and most notably in the segment of extremely satisfied users.

5.6.7 New rewards in the 2015 financial year



For the second year in a row, we received the Gold medal at the 52nd Fair of Agriculture and Food AGRA in the category (new) products of domestic production for PANTHEON Farming Mobile.

We are ranked among the top 10 best innovations in the field of agriculture in the world. Visitors to the Global Forum for Innovations in Agriculture in Abu Dhabi in February 2015 showed great interest in the product FarmingGlass.

5.7 TRAINING – DATALAB ACADEMY

5.7.1 Mission of the Datalab Academy

The Datalab Academy officially began work in June 2007 (FY' 2008). The Academy provides training and certification to Partners and end-users. training courses are carried out in Datalab Academy classrooms as classical frontal teaching, in the form of free and payable webinars (web learning), as well as in the form of individual training. Training and certification is lead by service center technologists, product managers, certified outside lecturers and experts from the fields of accounting, finances, entrepreneurship, IT etc. Community-based mechanisms for self-learning are another active method available free of charge. You can access online videos, written material (PANTHEON user guides) and active forums (intended to build the knowledge base and active user community collaboration).

We at the Academy strive to boost and strengthen the PANTHEON community with all forms of training. This way we also encourage trust in the PANTHEON brand so that it not only represents a quality, high-performance business information system, but also includes a variety of quality, low-cost services.

5.7.2 Training Activities by Individual Countries

5.7.2.1 Slovenia

Training of users and support and development partners

Datalab Academy,
Training for Consultants
of Institutes, 9 February
2015, the AgralT project



In FY' 2014, the Academy carried out regular training courses (workshops, seminars/events) which were attended by 1,288 participants. Courses were carried out from July 2014 (on a monthly basis) to June 2015. Altogether, 110 workshops/seminars/events were carried out.

The Datalab Academy put great emphasis on the quality of its educational services. That is, a record of trainee satisfaction index is kept by handing out surveys after each training course. The participants assess quality of the course with marks from 1 (unsatisfactory) to 5 (excellent). The obtained results show an average mark of 4.58 in FY'15.

In the fiscal year 2015 we continued with our direct activity (started in the financial year 2010) by carrying out free training sessions for new PANTHEON users with the aim of increasing the number of new participants and boosting general knowledge and in particular user satisfaction. All new users who expressed an interest were included in intensive and free introductory training, where key information intended to provide the best possible overview of the options PANTHEON offer was shared. At the same time we tried to help Partners with product implementation at customers. In addition, we wanted to help customers in their attempts to set up their business operations and cooperate with support Partners. Of the total number of participants in the framework of regular training courses, 307 were given a free of charge introduction.

Besides carrying out regular training, we would highlight two important projects for the financial year 2015.

In November 2014, Datalab Academy was actively involved in supporting the project AgrolT. We have conducted training for pilot farms and institutions. We involved more than 200 farmers and consultants through classroom training and free webinars. They learnt about different areas of usage of the program PANTHEON Farming (agriculture, animal husbandry, etc.) and became familiar with the equipment for better and more efficient farming (e.g. weather stations).

In April 2014, we prepared in cooperation with PANTHEON consultants from Slovenia and Bosnia and Herzegovina a new educational and verification program "Certified accountant PANTHEON". The program, which was carried out from April to June 2015, included over 20 accountants that assessed the program as a wise investment and were very pleased with having taken part in it.

Training of sales, development and support partners

In FY'15, we invested a lot into development and training of our sales, development and support partners. Through training activities, we wanted to raise the quality of sales and support services for users to the highest level and enable users to choose an adequately trained consultant for a specific field of PANTHEON.

Datalab Academy, implementation of the Sales Boot Camp (meetings and training of PANTHEON sellers), 4 – 5 September 2014,



In addition to sales meetings and especially designed webinars, we also carried out certification of support and development partners in 2015. The certification included over 30 partners and together they have demonstrated of having more than 70% (from a total of 100%) of knowledge of PANTHEON.

Connecting with professional institutions

In 2015, we cooperated with various external experts, organizations, EDU partners to provide our users with more direct access to knowledge.

In the past year we would like to point out cooperation with the following:

- the company Inspiris, Mrs. Nataša Tovornik, who contributed articles into the Entrepreneurship Encyclopedia;
- the Institute for Management Accounting: articles in the Entrepreneurship Encyclopedia, presentations at the PANTHEON Conference and the Academy's courses in the fields accounting, finance and taxes;
- the company Zeus, d.o.o. that contributed articles into the Entrepreneurship Encyclopedia and presentations at the PANTHEON Conference on the topic of accounting;
- SLOPAK, Mr. Franci Turk, lectures in the framework of Datalab Academy in the fields of legislative basis and reporting on packaging and environmental levies;
- Public Payments Administration of the Republic of Slovenia, the Tax Administration of the Republic of Slovenia, the Chamber of Commerce and Industry of the Republic of Slovenia, lectures, presentation of the UJP activities in the field of e-Invoices;

- ESS, presentation of tax realities and developments in the context of the Accountants Day and much more.

PANTHEON TV

In 2015, the Datalab Academy in the framework of PANTHEON TV developed a new module for ordering, purchasing and viewing video courses from the comfort of your armchair or workplace.

Video courses were given (as video materials) to all course participants thereby bridging a gap for those users who cannot personally visit our regular training courses or would like to minimize investments of time and resources in user training. In 2015, 122 users ordered and viewed video content.

Besides video courses we also offered additional free content in the video gallery in 2015. We posted video instructions on the use of new products: e-Invoices, Mobile POS as well as added video tutorials about new features.

At the end of the financial year 2015, the video library had over 600 video instructions, over 700 recorded courses and conferences, over 600 videos about new PANTHEON features and tips.

Datalab Academy, PANTHEON TV, a new module for ordering, purchasing and viewing course videos.



Educational Events

In FY' 2015, the Datalab Academy carried three major events. On 11 November 2014, we conducted the e-Invoices PANTHEON eVent (more than 250 guests, lecturers and sponsors). On 9 December 2014, we held the 2nd e-Invoices PANTHEON eVent (a reprise with more than 150 guests, lecturers and sponsors) and on 5 February 2015 the PANTHEON Accountants Day, an educational event for accountants (140 guests, lecturers and sponsors).

Datalab Academy, e-Invoice PANTHEON eVent (left) and PANTHEON Accountants Day (right)

5.7.2.2 Bosnia in Herzegovina

Training of users and support and development partners

Datalab Academy from Bosnia and Herzegovina set as the primary objective of the financial year 2015 a complete focus on the development of professionals and taking continuous care for improving the knowledge of users with planned training that we upgraded and organized on a monthly basis. The result of such activities is reflected in the effective use of working time and streamlining of end-user operations.

As every year, we analyzed user needs and designed content and form of training accordingly. In the financial year 2015 we therefore offered one-on-one training sessions and organized training at the premises of Datalab Academy. We offered training in the form of web learning (webinars, sales webinars (online PANTHEON presentations) and instructional videos.

We focused on active interaction with the participants in the form of group discussions and

exercises. PANTHEON START and ADVANCED workshops and knowledge schools where users acquired new knowledge through practical examples are what's new in financial year 2015.

All new features in PANTHEON were backed by training. This way we presented the following: a change in the Chart of Accounts in Republika Srpska, NoviPOS, new features in PANTHEON for each new version.

In the financial year 2015, we carried out 79 training courses that were attended by 540 participants. From the listed training courses, 6 were one-on-one training sessions, and 26 training courses were carried out as a support to sales processes.

The participants gave an average mark of 4.8 for the courses (on a scale: 1 – unsatisfactory and 5 – excellent).

With the continued cooperation of accounting services and independent accountants, and in cooperation with PANTHEON experts from Slovenia and Bosnia and Herzegovina, we have developed and implemented a training program PANTHEON Certified Accountant. The implementation of the training program represented the key to a complete success. By including the participants they got an opportunity to participate in training courses and obtain the "PANTHEON Certified Accountant" certificate. The program was carried out from 12 May 2015 to 9 June 2015. The program included 12 participants, 10 of which joined the certification. What was more than interesting, was the structure of participants. I.e. accountants, lawyers, administration workers and unemployed persons joined the program.

The certificate received by the accountant after successful completion of the training and examination program for PANTHEON Certified Accountant.



In this segment we would particularly like to highlight the cooperation with the Sarajevo-based education and publishing company FEB, with which we promoted the certification program at the regular training course for accountants and invited all those involved to the presentation "Start with PANTHEON Accounting".

Connecting with professional institutions

In the financial year 2015, we continued to actively cooperate with professional institutions. We organized tailor-made training courses for Veterinary Faculty in Sarajevo (presentation of PANTHEON Farming) and Faculty of Economics of the University of Sarajevo (training courses for Start with PANTHEON for new students).

PANTHEON TV

At the end of the financial year 2015, the video library of PANTHEON TV BA had 141 video instructions, 54 recorded courses and a conference, and over 355 videos covering new PANTHEON features and tips.

Video library, PANTHEON TV, BA



Partner Program Certification

In the financial year 2015, we started the program of partner certification which has continued in the following financial year as well. During the first certification that was carried out from 10 to 15 June 2015 we recorded an average of 22 applications were generated per module for individual partner.

5.7.2.2. Serbia

Training of users and support and development partners

In the financial year 2015, the Datalab Academy Serbia conducted training courses for users during the period from October 2014 until June 2015.

We conducted 18 standard PANTHEON training sessions which were attended by 50 participants. The participants gave an average mark of 4.54 for the courses (on a scale: 1 – unsatisfactory and 5 – excellent).

In addition to standard training we made it possible for all partners to participate in international training and in this way organized certification in Q2 of the financial year.

6 partners attended the sessions and carried out 19 certification exams.

Connecting with professional institutions

In FY'15, Datalab Academy Serbia together with the University Singidunum for the third year in a row conducted certification of students presented by Professor Nemanja Stanišić, PhD and Assistant Nada Arežina.

Solemn handing over of certificates to the students of the Singidium University



PANTHEON TV

At the end of the financial year 2015, the video library of PANTHEON TV Serbia had over 300 video instructions, over 50 recorded courses and conferences, and over 390 videos covering new PANTHEON features and tips.

5.7.2.3 Croatia

Training of users and support and development partners

In FY'15, Datalab Academy Croatia conducted a series of training sessions and events for the existing and potential users of PANTHEON. Training courses and sessions were attended by 450 participants.

We wanted to include as many participants as possible in training. For this purpose, we expanded training (courses and workshops) outside Zagreb and included in implementation notable external experts and consultants in the field of legislation and finance.

In accordance with corporate standards we successfully conducted partner certification in Q3 as well as conducted numerous individual training sessions for small groups.

In the financial year 2015, the participants gave an average mark of 4.6 for the courses (on a scale: 1 – unsatisfactory and 5 – excellent).

Connecting with professional institutions

We organize thematic seminars for groups of 10 to 20 participants on a regular basis at the premises of our largest EDU partner Algebra, which is the leading educational center with 45 top-most equipped classrooms in 24 Croatian cities. In the context of Algebra’s verified training courses we carry out the “Head of bookkeeping, accounting and finances” module which is conducted exclusively on the PANTHEON platform across all locations in Croatia. The above-mentioned training program brings together experiences of both companies; training is attended by both the existing as well as potential PANTHEON users and partners.

Educational Events

In the financial year 2015, we would like to highlight a PANTHEON presentation in the series of Time Management conferences organized by our partner Institut za e-Poslovanje (Institute for e-Business). Mr. Mario Krešević and Mr. Damir Kvasić presented Datalab and PANTHEON throughout Croatia to numerous visitors from important domestic and foreign companies. In some places they have also been joined by Datalab partners.

In the financial year 2015, Datalab Academy together with the company Moj-eRačun (My e-Invoice) and in cooperation with the Croatian Chamber of Economy carried out numerous training courses and events under the title My e-Invoice. Training courses were conducted in all major cities. The objective of this educational events was to familiarize Croatian economists, entrepreneurs and tradesmen with e-Invoices.

My e-Invoice presents a service that has from the very start of realization been implemented in PANTHEON.

On 28 October 2014, Datalab Academy organized the first PANTHEON Conference in Croatia which was held at the Hotel Antunović in Zagreb. The theme was centered around e-Invoices and eBusiness. The conference was attended by 180 participants.

Photos from the 1st PANTHEON Conference, Croatia



PANTHEON TV

Datalab Academy Croatia constantly updates and supplements video materials.

At the end of the financial year 2015, the video library of PANTHEON TV Croatia had over 140 video instructions and over 200 videos covering new PANTHEON features and tips.

5.7.2.4 Macedonia (FYR)

Training of users and support and development partners

In the financial year 2015, we thematically designed and organized two cycles of PANTHEON training according to the needs of buyers and partners in Macedonia. Training courses and workshops were carried out in the period from September to October 2014 and in the period from April to June 2015. We conducted training for PANTHEON Basics, POS, Purchases and inventory, Goods, Cash, VAT, ZEUS and other modules.

In the financial year 2015, Datalab Academy Macedonia also realized training courses for support and sales partners. Training courses for support partners were carried out from 21 September to 5 October 2014. For sales partners, Datalab Academy Macedonia organized a two-day sales and educational event. The goal of the event was development of sales skills and familiarization of the participants with the new legislative changes in Macedonia. The event was hosted by PANTHEON sales specialists and guests from the company D2M Consulting.

Partner meeting



PANTHEON TV

At the end of the financial year 2015, the video library of PANTHEON TV Macedonia had over 90 video instructions and over 180 videos covering new PANTHEON features and tips.

5.8 KEY EVENTS IN THE FINANCIAL YEAR 2015 (FROM 1 JULY 2014 TO 30 JUNE 2015)

JULY 2014

- On Friday, 11 July, and Saturday, 12 July 2014, PANTHEON Farming had a stand at the 5th national Black and White Breeding Animals Show "Slovenian Holstein Show" in Komenda. 73 breeders attended the exhibition. In cooperation with Telekom Slovenije, Datalab for this event organized a prize competition for all participants.
- Datalab and the stock-brokerage house Alta Invest organized a press conference regarding the outcome of the recapitalization.

AUGUST 2014

- PANTHEON Farming and digital future of agriculture at the International Agriculture and Food Fair AGRA in Gornja Radgona. We took advantage of this year's presence for a detailed presentation of PANTHEON Farming and were one of the few that presented the digital future of agriculture by demonstrating many computer-assisted novelties or trends that will increasingly feature at the farm and make work easier for farmers.

- After last year's gold medal at AGRA for PANTHEON Farming, this year, Datalab received the gold medal in the category A – Products of Domestic Production (subgroup A/1, new products of domestic production) for PANTHEON Farming Mobile, a mobile application for the management of farming holdings.
- EAAE Congress of agricultural economists, which takes place every three years in one of the European countries, was hosted in Ljubljana from 26 to 29 August. PANTHEON Farming was the Golden sponsor of the congress, and Andrej Mertelj was one of the speakers who spoke to more than 800 visitors about trends in agriculture. He presented modern technologies, modern service in the cloud and technological instruments that completely shift the view of traditional farming.

SEPTEMBER 2014

- Biro Bonus d.o.o., one of our oldest and most respected accounting partners, prepared a day of free tax and accounting advice, called BONUS DAY. Mrs. Brigita Meglič from Datalab also attended the lectures and presented and demonstrated detailed procedure of automatic takeover and sending an e-Invoice in PANTHEON.
- The Chamber of Commerce and Industry of the Republic of Slovenia continues with workshops for the promotion of e-Invoice. At the workshop in Kranj, Brigita Meglič from Datalab demonstrated Demo issue and receipt of e-Invoices in PANTHEON.
- In September, Datalab once again organized a partner sailing in the Adriatic, where 7 Datalab boats and almost 100 participants were sailing for a week.
- Mr. Torsti Pullola joined Datalab Agro AG in Switzerland. In the corporate structure of Datalab, he holds the position of Vice-president for sales and operations of Datalab Farming across the globe and he answers directly to the Executive Board.

OCTOBER 2014

- Between 3 and 5 October 2014, PANTHEON Farming was presented at the 19th Fall Agricultural and Trade Fair in Komenda.
- After winning in the category of the best use of services in the cloud in business for the innovative use of the mobile application PANTHEON Farming Mobile at this year's 4th EuroCloud Slovenia awards, the EuroCloud Europe Award only just slipped away from us: in the category "the best SaaS (Software as a Service) service on the market", we achieved 4th place with the comprehensive information solution for farms PANTHEON Farming.
- Between 9 and 10 October 2014, Laško hosted the Congress of Accounting Firms again. This was the 16th edition. Together with Telekom Slovenije, we prepared consultancy, prize competition and lecture about e-Invoices and data protection for the visitors.
- We recorded 37,000th user of the PANTHEON program.

NOVEMBER 2014

- We organized a themed consultation on e-Invoices for all PANTHEON users.
- Pantheon Farming was presented at the EuroTier Fair in Hannover.
- From the bankruptcy estate of the company PUH d.o.o. we purchase the real estate at Hajdrihova 28c in Ljubljana and begin with renovation works.

DECEMBER 2014

- On 8 December, we organized a themed event about e-Invoices.
- We recorded 38,000th user of the PANTHEON program.
- We organized a General Meeting and conference for investors.

JANUARY 2015

- In January, we invited the entire partner channel to a partner meeting in order to review the sales of the previous half-year and guidelines for the future. The emphasis was put on e-Invoices and changes to the POS module.

FEBRUARY 2015

- On 5 February, we organized the PANTHEON Accountants Day at the Austria Trend Hotel in Ljubljana, which was attended by 140 people.
- In February, the whole Datalab Group gathered in Slovenia (Golte) on winter team building event that we dedicated to exchanging of good practices and regular annual meeting between individual departments and socializing.
- We recorded 39,000th user of the PANTHEON program.
- During 19 and 22 February, PANTHEON Farming was presented in St. Gallen, Switzerland where the 15th International Tier & Technik Fair for animal husbandry, agricultural production, special crops and agricultural technology took place.
- In accordance with the decision adopted at the General Meeting as of 19 December 2014 the share capital of the company shall increase from EUR 2,490,921.65 to EUR 4,240,802.00, namely by restructuring the surplus of paid-up capital totaling EUR 425,462.66 to company capital and by restructuring a part of the retained earnings of previous years totaling EUR 1,324,417.69 to share capital.

MARCH 2015

- On 9 and 10 March 2015, PANTHEON Farming was presented at the Global Forum for Innovations in Agriculture (GFIA) in Abu Dhabi, the capital of the United Arab Emirates. Besides PANTHEON Farming we also presented PANTHEON Farming Mobile for mobile devices and the technology PANTHEON Farming Glasses (Google glasses) offering a brand new look on farming.
- Between 27 and 29 March PANTHEON Farming was presented at the Spring Agricultural Fair in Komenda.
- On 19 March, we in cooperation with the company Telekom Slovenije introduced PANTHEON Mobile cash register at the Grand Union Hotel in Ljubljana in the scope of the event Changed rules regarding cash transactions and demonstrating cash flows which was organized by the Akademija Finance.
- In March we acquired our 40,000th user.

APRIL 2015

- In April, Datalab presented the Pantheon Farming at the traditional Spring Agricultural and Trade Fair in Komenda.

MAY 2015

- In May, we published unaudited non-consolidated and consolidated business results of Q3 of the financial year 2015, which started 1 July 2014.

JUNE 2015

- In June we held a presentation at the Agrobusiness Conference organized in cooperation with the newspaper Finance.
- As the largest provider of telecommunications services in Serbia, Telekom Srbija recognized the significance and development potential of cloud business information system and selected Datalab as strategic partner for the next three years.
- Kosovo subsidiary (Datalab L.L.C., Rr Bill Clinton Nr. 36/1A, Priština) under the leadership of Director Hedona Shasivarija became a new member of the Datalab Group.
- Executive Board of the company Datalab Tehnologije, d.d., adopted a decision that Datalab AL Sh.p.k., a member of the Datalab Group, shall be placed under short hibernation until a new team is composed. In the meantime, Datalab Macedonia shall take care of the existing customers.
- Datalab d.d. and Datalab SI d.o.o. move to the renovated business premises on Hajdrihova 28c in Ljubljana.

- Based on the meeting at the Slovenian Embassy in Ukraine, "IT in Agriculture: a Slovenian Experience" congress was held on 15 June 2015 which was attended by all representatives of Slovenian technological companies, the Ukrainian agriculture and representatives of ministries. Datalab Agro took care of the presentation.

5.9 KEY EVENTS IN 2016 FINANCIAL YEAR SINCE THE CLOSING BALANCE OF THE FINANCIAL YEAR 2015 (FROM 1 JULY 2015)

JULY 2015

- Deutsche Telekom organized the second international competition International Business Wall of Fame. Datalab has participated as leading partner in a consortium which also includes Pessl, Efor and Freedom Grow, namely in the category of the most efficient business solution with the project AgrolT where it ranked among the top 15.

AUGUST 2015

- We presented ourselves at the International Agriculture and Food Fair AGRA in which was held between 22 August and 27 August 2015 in Gornja Radgona. We presented PANTHEON Farming and all the new features in the Agri Future Park section.

SEPTEMBER 2015

- We introduced our PANTHEON Mobile Office at the 48th International Crafts and Entrepreneurship Fair which was held between 8 and 13 September in Celje.
- Datalab was selected as a representative of Slovenia under the category of innovation for the European Business Award.

OCTOBER 2015

- At the 20th Fall Agricultural and Trade Fair in Komenda which took place between 2 and 4 October, we presented PANTHEON Farming and cash register solutions which are ready for the implementation of the Act on fiscal verification of invoices.
- At the Congress of Accounting Firms in Laško, we presented PANTHEON for accountants and how we prepared ourselves for implementation of fiscal registers.
- From 15 to 17 October, we presented PANTHEON Farming and the project AgrolT in the scope of the Agroport event, an International Agricultural Event in Harkov, Ukraine.
- We won a second-degree action against E-POS Group. We avoided a EUR 1.1 million damages claim due to termination of partnership with this company, a partnership we terminated due to repeated piratization of our licenses done by the said company.

5.10 PLANS FOR THE 2016 FINANCIAL YEAR

In FY'16, we plan to sell at least 5,000 RA/RC/RF cash registers in cooperation with Telekom Slovenije and additional 5,500 other licenses from the PANTHEON product family.

In cooperation with local telecommunications operators we shall cover the whole region with cloud services. With mass campaigns in Slovenia, Macedonia, Croatia and Serbia we plan to increase the number of users using the hosted e-accounting system.

At the end of FY'16 we will complete transition to the new PANTHEON X (ten) generation and new development tools, we shall continue with code cleanup, keeping it up-to-date and proactively supporting volatile legislation changes. After issuing PANTHEON X, the development needs of the SME Division will decrease as expected, while we will partly redirect our resources to other development fields – i.e. the fields where the sales of licenses will call for greater development dynamics. We expect at least a 15% decrease in costs for the development of the SME product.

In H2 of FY'16, we will adjust prices of SME products in accordance with the inflation rate (ap-

prox. 21%). The prices of SME PANTHEON have remained unchanged from the year 2006, and that is why we will increase them in all countries. The average increase amounts to 16% and we plan that this will generate EUR 1.4 million of additional income through increased revenues on upgrading and cloud services from the existing users only. We increased the prices of SE version and brought it closer to the price of ME version so that the decision for purchasing a high-performance version that brings companies the much needed business analytics will be made easier. We will discontinue the HA licensing class for clients of accounting firms and substitute it with a (more expensive) HO license. Nowadays, cloud computing is not a novelty that needs introduction, but rather a full-functioning system with known advantages that justify the cost. An additional change in licensing policy is also restriction of the SE license to 5 databases which will trigger an upsell of accounting firms to ME licenses. We will increase the license value for upgrading from 17% to 21% and maintain a 15% discount on signing a five-year contract.

We will expand functionalities of PANTHEON Farming Win and mobile client as well as integrate online services for meteorology, satellite images, CropOptimizer, etc. We will finish comprehensive support of the GIS subsystem and the prepared production planning. Furthermore, we will finish the integration with MyJohnDeere and other ISOBUS devices. Starting to work with the program has to be made easier – that is why we will rebuild and supplement FirstRunWizzard. At the end of H1 of FY'16, we will create a veterinary software and sell it through the Farming Division first in Slovenia and then throughout the Central and Eastern European region (all subsidiaries).

Within the Agro Division we have to broaden the market, professionalize sales and operations. In FY'16, we plan to substantially increase revenues in Croatia, Macedonia, Romania and Poland as well as harness first revenue from Ukraine. We have to increase service revenue from implementation and support of the Farming IT system. An additional revenue-generating source of the Agro Division will be distribution of revenues from the provision of information (satellite images, meteorology, etc.) that we will offer to farmers ourselves or through partners. To provide satellite images, we assumed worldwide distribution of this product within the AgrolT consortium. Similarly, we will try to acquire the distribution rights also for other consortium products.

5.11 RISK MANAGEMENT IN THE DATALAB GROUP

Even though the group and the companies within it are small, risk management is one of the basic fields that every business must constantly develop. The most important and most likely risks have been identified and sorted by importance and probability. Internal control mechanisms have been revised, and risk monitoring and management methods have been devised. The objective of risk management is the identification of risks and using them to one's own advantage.

Risks have been divided into two groups, business risks and financial risks, as shown below. The following table displays and explains them.

5.11.1 Business risks

Area of risk	Description	Management method	Exposure
Recession	Risk of small companies going out of business, thus reducing Datalab's installed base; smaller budgets.	Positioning: business intelligence as a tool for reducing costs. Increased consolidation of competitors into the group. Attract more users with e-accounting and hosting.	High
Intellectual Property	Risk of software patents and legal actions.	Active participation in the fight against software patents.	Small
Development process	Risk of not bringing product development to a conclusion.	Project-oriented processes, supervision of development, process optimization.	Small
Reliability of suppliers and business partners.	Risk of non-competitive or interrupted deliveries.	Constant supervision of contractual agreements.	Moderate

Area of risk	Description	Management method	Exposure
Competition	The emergence of new or the strengthening of existing competitors. Competitors drastically lowering their prices to keep their sales up.	Monitoring the competition; constant improvements to the business model (e.g. installment plans for customers, partnership benefits) and products (not lowering the pace of software development). Shift from CAPEX to OPEX in PANTHEON Hosting. Cooperation with telecommunications providers in the provision of cloud services. Opening new markets to Datalab Farming and compensation of economy of scale through a common core.	High
Technological obsolescence	Risk of non-competitive product due to technological obsolescence.	Constant development; new product generation roughly every four years.	Moderate
Failure to comply with the objectives of PFC partners.	PfC partner (see 5.2) does not fulfill the goals set by the contract about the purchase of copyrights.	The PFC program is a variant of the so-called earn-out merger where the partner is paid by the share of revenue, which is jointly realized. Risk to the company is usually only a lump sum in the amount of approximately 3–5% of planned revenues.	Small
Drop in capacity of the Partner Network	Drop in the number of Partners or capacity overload due to existing projects.	Expanding the Partner Network; reducing the time spent for support and implementation. Establishing EDU partnerships with educational institutions. Liberalization of support services (accounting firms, self-employed consultants, peer support).	Moderate

5.11.2 Financial risks

Area of risk	Description	Management method	Exposure
Drop in stock price	Lower demand for financial instruments due to financial crisis.	Intensifying communication with analysts and investors, presenting opportunities in the recession and emphasizing mid-term growth potential. Current shareholders not willing to sell at below value.	Moderate
Insufficient loan sources	Risk of significantly reduced access to loans.	Selling off long-term lease contracts; using other financial instruments (bonds) for refinancing lease sales. Taking advantage of the national loan guarantee scheme.	Moderate
Changing interest rates	Risk of changed conditions for taking out and financing loans.	Long-term loans with fixed interest rates.	Moderate
Credit risk	Risk of customers' non-payment.	Withdrawing services, blocking software use, debt collection, securing payments. The transfer of a substantial part of microinvoicing on telecommunications providers through participation in the cloud.	High
Liquidity risk	Risk of not being able to settle current obligations.	Planning in monitoring liquidity and properly managing lines of credit. Reducing outstanding payments. Stricter monitoring of subsidiaries' debts.	Moderate
Property damage	Risk of fire, explosion, halted operations.	Suitable insurance. Saving data in a remote digital locker on a daily basis.	Small

5.12 CORPORATE SOCIAL RESPONSIBILITY

The primary purpose of every business is to generate profit for its shareholders. Among other things, we believe that they are also a very important way and manner that the primary purpose is realized.

A company's activities must produce positive effects for its clients, partners, employees and their

families, and the community.

Datalab Tehnologije, d.d. and other companies in the group respect the principles of corporate social responsibility:

- fair and equal treatment of all employees;
- ethical and fair business practice;
- respect of basic human rights,
- environmental consciousness;
- good relations with the local community and society in general;
- giving back and support to the community.



In 2015, Datalab once again donated EUR 7,400 to the Malči Belčeva Youth Home to make summer holidays possible to children living in the youth home, who are deprived of growing up in a safe and loving environment. Of which some of the assets were also gladly contributed by our employees in the form of voluntary contributions. This way they made it possible for children to spend holidays at sea or in mountains in the months of July and August when we carried out the holiday event "Sea & mountain hug".

For more information about Datalab's corporate social responsibility, visit our website at: <http://www.datalab.si/o-podjetju/druzbeno-odgovornost/>.

5.13 SUSTAINABLE DEVELOPMENT AND ENVIRONMENTAL POLICY

Datalab is very conscious of the environment. Even though its work takes place in a "clean" industry that does not directly produce huge amounts of pollutants, through a sound environmental policy, we can actively contribute to saving the planet.

We provide remote support and work from home, almost eliminating the need for movement of atoms (people) by moving electrons to the furthest extent possible.

Datalab recycles paper and plastic packaging. Toners and waste electronic equipment are also properly disposed of. Employees are encouraged not to waste paper and energy.

Of course, the maximum contribution to the environment is through our work.

That is, by struggling to establish eBusiness, thereby saving paper and all the externalities associated with moving atoms from one place to another. The movement of information, the bits, is in terms of environment considerably cheaper (taking into account electricity and other eco-impact of electronics).

In the Farming field, all our activities are closely intertwined with ecology. Logging and precise measurement numbers are a prerequisite for measurement, decision-making and reductions. We

are trying to reduce fertilization with correct dosage and timing. To reduce the burden on the environment by spraying only when it is necessary for reasons of weather or pests. To optimize driving routes of tractors and reducing methane emissions with optimal feeding of cattle.

5.14 PARTICIPATION IN ORGANIZATIONS AND WORKING BODIES

Datalab actively participates in various Slovenian and international organizations and standards bodies.

Andrej Mertelj, CEO of Datalab Tehnologije d. d., ended his terms of office as Chairman of KODA. SI (Association of Slovenian Software Developers within the Informatics Group at the Chamber of Commerce and Industry of the Republic of Slovenia), as well as Chairman of the IT Group at the Chamber of Commerce and is currently only a member of the Slovenian Institute for Standardization (SIST) and a board member of the ACM Slovenia.

Andrej Brlečič, Managing Director of Datalab SI, is a board member of the Information and Communication Technologies Association at the Chamber of Commerce and Industry of the Republic of Slovenia;

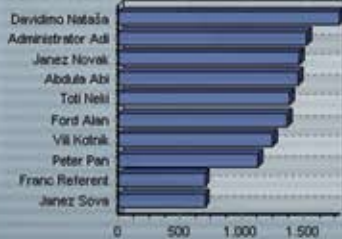
We are a member of the National Forum for e-Invoices in Slovenia that works on standardization and popularization of e-business between business and government institutions and is an active member of the parent EU association.

Naziv: Pregled proizvodnje

Privzeto Področje

Print Prenesi

Top 10 delavcev



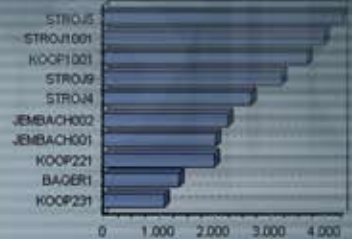
Top 10 delavcev po opravljenih urah v zadnjem letu.

Struktura nezaključenih DII



Stanje nezaključenih delovnih nalogov po statustih.

Top 10 resursov



Top 10 resursov po opravljenih urah v zadnjem letu.

Proizvodnja posameznih izdelkov vrednostno

Ident	Naziv	Vrednost
ARTIKEL1	Artikel prvi	800.215,00
ARTIKEL2	Artikel drugi	652.144,00
IZDELEKSN01	Izdelek SN 01	56.575,35
IZDELEK01	Izdelek 01	41.584,20
IZDELEKMF5N02	Izdelek MF SN 02	41.042,60
IZDELEK03	Izdelek 03	3.977,95
IZDELEKMF0201	Izdelek MF 02 01	3.900,07
IZDELEKMF03	Izdelek MF 03	2.878,77
IZDELEKMF0101	Izdelek MF 01 01	1.738,64
IZDELEKMF0102	Izdelek MF 01 02	1.559,97
IZDELEKMF0103	Izdelek MF 01 03	1.500,00

Poraba posameznih materialov vrednostno

Ident	Naziv	Vrednost
MATERIALMFSN02	Material MF SN 02	203.581,65
POLIZDELEKSN01	Polizdelek SN 01	202.969,60
MATERIAL02	Material 02	192.021,02
MATERIALMF01	Material MF 01	181.528,40
SEST01	Sestavni del 01	151.109,89
MATERIAL01	Material 01	9.884,20
MATERIAL03	Material 03	9.757,88
POLIZDELEKMF01	Polizdelek MF 01	9.590,91
MATERIALSN01	Material SN 01	8.454,73
MATERIALMFSN01	Material MF SN 01	7.375,15
MATERIALMF02	Material MF 02	5.277,89

6

Financial statements of the Datalab Group

The Management board of Datalab, d.d. is responsible for drawing up an annual report of the controlling company and Datalab group and financial statements which give a true and honest picture of property balance and consolidated profit and loss account to the interested public for the year 2015. The controlling company's management board declares the following:

- that consolidated financial statements were drawn up for the purpose of showing that Datalab d.d. and its subsidiaries will continue with their business activities in the future;
- that the selected accounting policies were adhered to; and that any changes made to the accounting policies used have been disclosed accordingly;
- that accounting estimates have been prepared in a fair and well-thought-out manner and in accordance with the principles of precaution and sound governance;;
- that consolidated financial statements which include explanatory notes intended for the Datalab group have been drawn up in accordance with the legislation in force and the International Financial Reporting Standards (IFRS);
- that the annual financial report includes honest summary data about the group's development and profit and loss statement as well as its financial position. It contains chapters detailing types of risk to which the controlling company and other companies included in consolidation are subject.

The company management board is also responsible for proper accounting, the adoption of appropriate measures for the protection of property and the prevention and detection of fraud, and other irregularities or illegal activity.

With this statement the controlling company's management board approves the consolidated financial statements for the year 2015 for publication.

Ljubljana, 19 November 2015

Executive Director
Andrej Mertelj



6.1. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME OF THE DATALAB GROUP FOR THE PERIOD FROM 1 JULY 2014 TO 30 JUNE 2015

Item	Note	2015	2014
Sales revenues	7	5,805,476	5,281,140
Other operating revenues	7	2,312,804	2,012,895
Gross operating income		8,118,280	7,294,035
Cost of materials, goods and services	8	3,196,402	2,544,846
Labor costs	9	3,756,513	2,656,136
Amortization and depreciation		1,376,115	1,247,487
Revalued operating expenses associated with intangible and fixed asset		57,249	684
– revalued operating expenses associated with current assets		130,994	173,611
Other operating expenses		94,195	51,797
Operating profit or loss		-493,188	619,474
Financial revenues	10	26,350	50,040
Financial expenses	11	127,427	161,235
Net cash flow	12	-101,077	-111,195
Other operating income		17,607	9,892
Other expenses		25,096	2,214
Tax on income	13	20,120	34,552
Deferred tax	14	194,293	161,516
Net profit or loss for the financial year		-427,581	642,921
Net profit or loss attributed to the minority shareholders		-435,247	28,528
Net profit or loss attributed to majority owner		7,666	614,393
Net operating profit (loss) from continuing operations		-427,581	642,921
Net operating profit (loss) from discontinued operations		0	0
Change in surplus arising from revaluation of intangible and fixed assets		0	0
Change in surplus arising from revaluation of financial assets held for sale		0	0
Profit and loss arising from conversion of financial statements of foreign companies		-89,155	0
Actuarial gains and losses of defined benefit plans		-2,733	0
Other components of comprehensive income		0	0
Total comprehensive income for the accounting year		-519,469	642,921
Total comprehensive income for the period attributed to majority owner		- 84,222	614,393
Total comprehensive income for the period attributed to minority owners		- 435,247	28,528
Weighted average number of shares		2,058,467	1,717,618
Basic net profit (loss) per share		0.004	0.37
Adjusted net profit (loss) per share		0.004	0.37
Continuing operations			
Basic net profit (loss) per share		0.004	0.37
Adjusted net profit (loss) per share		0.004	0.37
Discontinued operations			
Basic net profit (loss) per share		0.00	0.00
Adjusted net profit (loss) per share		0.00	0.00

6.2 CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE DATALAB GROUP AS AT 30 JUNE 2015

Item	Note	2015	2014
ASSETS			
Property, plant and equipment	15	1,106,259	277,534
Intangible assets	16	7,501,204	6,422,823
Long-term financial investments	17	88,593	136,166
Long-term operating receivables	18	132,465	60,195
Long-term deferred costs and accrued revenue	19	110,853	4,241
Deferred tax assets	20	721,451	527,158
Total fixed (non-current) assets		9,660,825	7,428,117
Inventories	21	20,393	4,642
Short-term financial investments	22	287,456	233,615
Short-term operating receivables	23	1,998,620	1,673,659
Cash and cash equivalents	24	358,341	411,520
Short-term deferred costs and accrued revenue	25	238,458	213,016
Assets held for sale			
Total current (short-term) assets		2,903,268	2,536,452
Total assets		12,564,093	9,964,569
EQUITY			
	26		
Share capital		4,240,802	2,197,236
Capital reserves		719,482	425,463
Translation reserve		-215,682	-126,527
Profit reserves		424,081	196,545
Revaluation surplus		-2,733	0
Retained net profit (loss)		830,342	1,917,372
Net profit or loss for the financial year		7,666	614,393
Equity of minority owners		355,717	86,213
Total equity		6,359,675	5,310,695
LIABILITIES			
Long-term financial liabilities	27	2,544,214	1,863,434
Long-term operating liabilities		15,346	
Provisions	28	53,616	39,016
Long-term accrued costs and deferred revenues	29	488,879	724,326
Total long-term liabilities		3,102,055	2,626,776
Short-term financial liabilities	30	1,004,753	744,392
Short-term operating liabilities	31	1,933,952	1,054,810
Accrued costs and deferred revenues	32	163,658	227,896
Liabilities held for sale			
Total short-term liabilities		3,102,363	2,027,098
Total tax liabilities		6,204,418	4,653,874

6.3 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE DATALAB GROUP FOR THE PERIOD FROM 1 JULY 2014 TO 30 JUNE 2014

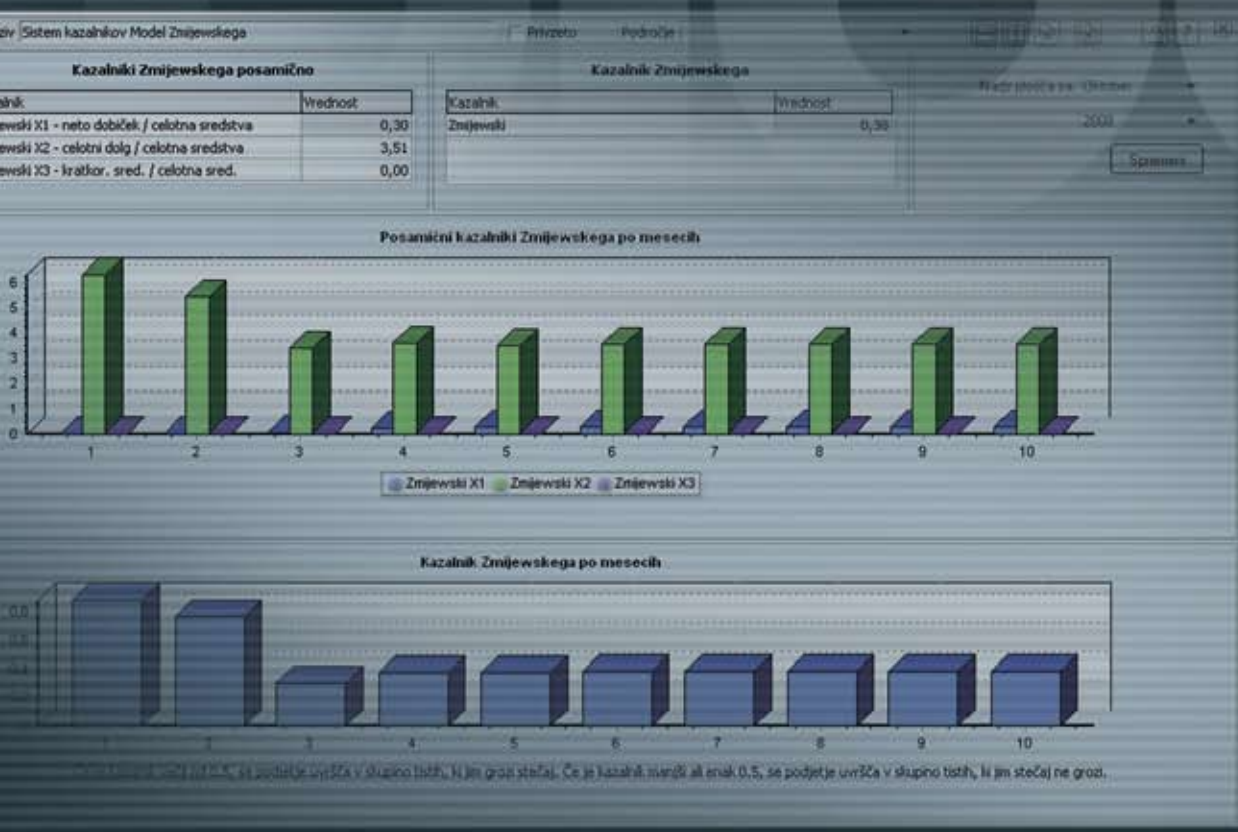
	Share capital	Capital reserves	Regulatory reserves	Own share reserves	Own shares and interests (as deduction item)	Translation reserves	Actuarial gains/losses	Retained earnings	Net profit for the financial year	Equity of minority owners	Total
A. Initial balance for the period	2,197,236	425,463	196,545	28,599	-28,599	-126,527	0	1,917,372	614,393	86,213	5,310,695
B. Changes in equity – transactions with owners	293,685	719,482	0	0	-41,116	0	0	-108,353	0	704,751	1,568,449
a) Entry of called-up share capital	293,685	700,690	0	0	0	0	0	0	0	0	994,375
b) Disposal or withdrawal of own shares and own interests	0	18,792	0	0	13,730	0	0	0	0	0	32,522
g) Purchase of own shares and interests	0	0	0	0	-54,846	0	0	0	0	0	-54,846
d) Dividends paid	0	0	0	0	0	0	0	-108,353	0	0	-108,353
e) Mezzanine capital payment	0	0	0	0	0	0	0	0	0	327,381	327,381
f) Other changes in equity	0	0	0	0	0	0	0	0	0	377,370	377,370
C. Total comprehensive income for the accounting year	0	0	0	0	0	-89,155	-2,733	0	7,666	-435,247	-519,469
a) Entry of net profit (loss) for the reporting period	0	0	0	0	0	0	-2,733	0	7,666	-435,247	-430,314
b) Other components of comprehensive income of the reporting period	0	0	0	0	0	-89,155	0	0	0	0	-89,155
D. Changes in equity	1,749,881	-425,463	227,536	41,116	0	0	0	-978,677	-614,393	0	0
a) Allocation of net profit to additional reserves, based on a resolution of the meeting of shareholders	1,749,881	-425,463	227,536	0	0	0	0	-1,551,954	0	0	0
b) Release of reserves for own shares and interests and allocation to other equity components	0	0	0	-13,730	0	0	0	13,730	0	0	0
c) Establishment of reserves for own shares and interests from other equity components	0	0	0	54,846	0	0	0	-54,846	0	0	0
d) Allocation of the remaining net profit of the comparative reporting period to other equity components	0	0	0	0	0	0	0	614,393	-614,393	0	0
D. Closing balance for the period	4,240,802	719,482	424,081	69,715	-69,715	-215,682	-2,733	830,342	7,666	355,717	6,359,675

6.4 CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE DATALAB GROUP FOR THE PERIOD FROM 1 JULY 2014 TO 30 JUNE 2014

	Share capital	Capital reserves	Regulatory reserves	Own share reserves	Own shares and interests (as deduction item)	Translation reserves	Retained earnings	Net profit for the financial year	Equity of minority owners	Total
A. Initial balance for the period	2,041,009	313,825	196,545	59,390	-46,185	1,960	1,323,600	651,544	113,509	4,655,197
B. Changes in equity – transactions with owners	156,227	111,638	0	0	23,961	-128,487	-94,938	0	-55,824	12,577
a) Entry of called-up share capital	156,227	163,798	0	0	0	0	0	0	0	320,025
b) Disposal or withdrawal of own shares and own interests	0	-52,160	0	0	66,570	0	0	0	0	14,410
g) Purchase of own shares and interests	0	0	0	0	-42,609	0	0	0	0	-42,609
d) Dividends paid	0	0	0	0	0	0	-94,938	0	-13,650	-108,588
e) Other changes in equity	0	0	0	0	0	-128,487	0	0	-42,174	-170,661
C. Total comprehensive income for the accounting year	0	0	0	0	0	0	0	614,393	28,528	642,921
a) Entry of net profit (loss) for the reporting period	0	0	0	0	0	0	0	614,393	28,528	642,921
D. Changes in equity	0	0	0	-30,791	-6,375	0	688,710	-651,544	0	0
d) Allocation of the remaining net profit of the comparative reporting period to other equity components	0	0	0	0	0	0	651,544	-651,544	0	0
b) Release of reserves for own shares and interests and allocation to other equity components	0	0	0	-30,791	-6,375	0	37,166	0	0	0
D. Closing balance for the period	2,197,236	425,463	196,545	28,599	-28,599	-126,527	1,917,372	614,393	86,213	5,310,695

6.5 CONSOLIDATED CASH FLOW STATEMENT OF THE DATALAB GROUP FOR THE PERIOD FROM 1 JULY 2014 TO 30 JUNE 2015

in EUR	FY' 2015	FY' 2014
Cash flow from operations		
Net profit or loss	-427,581	642,921
Adjustments for:		
Revalued operating revenue and expenses	131,661	94,239
Depreciation of property, plant and equipment	85,867	90,353
Amortization of intangible assets	1,290,248	1,157,133
Net financial profit or loss	111,953	131,941
	1,192,148	2,116,587
Change in operating receivables, deferred costs and accrued revenue	- 44,798	-468,431
Change in inventories	-15,751	2,588
Change in short-term operating liabilities, accrued costs and deferred revenue	334,033	683,118
Change in provisions	14,600	-8,794
Change in deferred tax assets	-194,293	-161,515
	1,285,939	2,163,553
Interest received	9,292	8,786
Interest paid	-108,785	-133,744
Paid tax on profit	-20,120	-34,552
Net cash flow from operating activities	1,166,326	2,004,043
Cash flow from investing activities		
Cash disbursements for acquiring intangible assets	-2,166,188	-1,898,474
Cash disbursements for acquiring property, plant and equipment	-915,259	-68,971
Cash disbursements for acquiring financial investments	-27,356	-296,284
Cash receipts from financial investments	0	0
Cash receipts from loans	8,628	135,960
Cash receipts from the disposal of intangible assets	0	0
Cash receipts from disposal of property, plant and equipment		36,028
Net cash flow from investing activities	-3,100,175	-2,091,741
Cash flow from financing activities		
Cash receipts from issuing equity	994,375	0
Cash disbursements on capital repayments	- 54,846	-2,745
Cash disbursements for dividends and other profit sharing	0	-15,121
Cash receipts from long-term financial liabilities	1,453,633	926,807
Cash disbursements for the repayment of non-current financial liabilities	0	0
Cash receipts from short-term financial liabilities	791,095	945,000
Cash disbursements for the repayment of short-term financial liabilities	-1,303,587	-1,560,171
Net cash flow from financing activities	1,880,670	293,770
Net change in cash and cash equivalents	-53,179	206,072
Cash and cash equivalents at the beginning of the year	411,520	205,448
Cash and cash equivalents at the end of the year	358,341	411,520



7

Notes to the financial statements

7.1 REPORTING COMPANY

Datalab d. d., Ljubljana, is a Slovenia-based publicly-traded company. It is listed on the Ljubljana Stock Exchange. Consolidated financial statements for the fiscal year ending 30 June 2015 include the company and its subsidiaries (hereinafter referred to as the Group).

The main objective of the Group is developing of a powerful and reliable ERP system for micro, small and mid-size businesses, selling and implementing in international markets, and managing the Partner Network.

The Group's principal business activity is 58.290 – Other software publishing.

As of 30 June 2015, the Group had 188 employees.

Financial statements for the Datalab Tehnologije, d.d. Group for the year ending on 30 June 2015 were approved at a meeting of the management board on 19 November 2015.

7.2 BASIS FOR COMPILING FINANCIAL STATEMENTS

7.2.1 Statement of compliance

The financial statements have been drawn up in accordance with IFRS, as adopted by the European Community, and interpretations of IFRIC, as adopted by the International Accounting Standards Board (IASB).

New standards and notes, stated hereinafter, are not yet in effect and were not yet taken into account during the preparation of financial statements as of 30 June 2015:

IFRS 9 – Financial Instruments

In July 2014, the International Accounting Standards Board published the final version of IFRS 9 Financial Instruments, which contains all the requirements of the various stages of the renovation project IFRS 9 and replaces IAS 39, Financial Instruments: Recognition and Measurement, as well as all previous versions of IFRS 9. The revised standard introduces new requirements for classifying and measuring financial assets and liabilities, derecognition of their impairment and hedge accounting. The revised standard IFRS 9 applies to financial periods beginning on 1 January 2018 or later. Early application of the standard is permitted. Amendments to the standard must be applied retrospectively, whereby the presentation of the collated data is not obligatory. Early application of previous versions of IFRS 9, which were published in the years 2009, 2010 and 2013, is allowed under the condition that the company has undergone the transition to IFRS at any time during the period from 1 February 2015. The standard has not yet been endorsed by the European Union. The adoption of renewed IFRS 9 will have an impact on the classification and measurement of financial assets of the Group/Company, but will have no impact on the classification and measurement of its financial liabilities.

MSRP 14, Regulatory deferral accruals

IFRS 14 is a voluntary standard that allows companies by the first application of the International Financial Reporting Standards that they can to a large extent continue charging regulatory deferral accruals in accordance with a generally accepted accounting principles. Companies that decide to use the new standard should recognize the regulated deferral accruals separately in the statement of financial position as separate items in the income statement, while in the statement

of other comprehensive income they should disclose any changes in these accounts. The standard requires that companies disclose the characteristics of regulation and the related risks and their impact on the financial statements of companies. IFRS 14 is effective for annual periods beginning on 1 January 2016 or later. The standard has not yet been endorsed by the European Union. The Group/Company anticipates that the amendment will not have a significant impact on the financial statements.

Amendments to standards and interpretations adopted in the period from 2011–2013

Amendments to standards shall be effective for periods beginning on 1 July 2014. The Group/Company does not expect that amendments in standards shall have a significant impact on its consolidated/separate accounts. Improvements to standards include the following:

Amendments to IFRS 11, Joint Arrangements: Accounting for Acquisitions of Interests in Joint Operations

In accordance with the amendments to IFRS 11 the entity that is a party to a joint management must in accounting for acquisitions of interest in joint operations whose activity are operations, use appropriate accounting principles of the standard IFRS 3, which apply in accounting for business combinations. Amendments further clarify that when you acquire additional interests in the same jointly controlled entity, the company cannot remeasure its existing interests until there joint control is established. The Board also included within the scope of IFRS 11 exceptions, which provide that the amendments do not apply in the event that the parties that are involved in the joint control (including a reporting company), are controlled by the same parent company. Amendments apply for accounting both original interests in jointly controlled entity, as well as additional interests in the same jointly controlled entity. Amendment will be effective for annual periods beginning on 1 January 2016 or later. Early application of the standard is permitted. The amendments have not yet been endorsed by the European Union. The Group/Company does not expect that amendments to the standard IFRS 11 shall have a significant impact on its consolidated/separate accounts.

MSRP 15, Revenue from Contracts with Customers

In May 2014, the International Accounting Standards Board published the standard IFRS 15, which introduces a new five-stage model of revenue recognition, which the company achieved on the basis of contracts with customers. In accordance with the provisions of IFRS 15 company recognizes revenue at a level which reflects the amount of consideration to which the entity believes that he is entitled to the transfer of goods and forwarding services to the customer. The accounting principles of IFRS 15 also provide a more structured approach to the measurement and recognition of revenue. The new standard applies to all companies and replaces the existing requirements of International Financial Reporting Standards relating to the recognition of revenue. Full application of the new standard is effective for annual periods beginning on 1 January 2017 or later, but adapted to the shape of the standard is to be applied retrospectively. Early application of the standard is permitted. The standard has not yet been endorsed by the European Union. The Group/Company is reviewing the impact of the new standard and will use it when it enters into force.

Amendments to IAS 16 and IAS 38, Note on the acceptable methods for the calculation of depreciation

With these amendments the Board clarifies the accounting principles of the standards IAS 16 and IAS 38, which stipulate that revenues reflect the pattern of economic benefits that the company generates from operations (which includes an agent), rather than the economic benefits that the company availing of the use of funds. Given the depreciation of tangible fixed assets, the company cannot use the income approach method, but it can be use it in very limited circumstances for the calculation of amortization of intangible assets. Amendments are effective for annual periods beginning on 1 January 2016 or later. Early application of the standard is permitted. The amendments have not yet been endorsed by the European Union. The Group/Company does not expect that amendments to the standard IFRS 11 shall have a significant impact on its consolidated/separate accounts because for calculation of depreciation of fixed assets The Group/Company does not apply the income approach method.

Amendments to IAS 16 and IAS 41, Agriculture: Bearer Plants

Amendments to standards change requirements in accounting for biological assets that meet the definition of bearer plants. In accordance with these amendments biological assets that meet the definition of bearer plants no longer fall within the scope of the requirements of IAS 41 but rather IAS 16. Thus, in accordance with the requirements of IAS 16 the company must upon initial recognition of bearer plants measure the total cost (before maturity) and using the cost model or the revaluation model (after maturity). In addition, amendments to IAS 16 and IAS 41 require companies to harvest the crops growing on bearer plants, measure at fair value less costs to sell in accordance with provisions of IAS 41. Government subsidies for bearer crops must be accounted for in accordance with IAS 20, Accounting for Government Grants and Disclosure of Government Assistance. Amendments that are effective for annual periods beginning on 1 January 2016 or later must be applied retrospectively. Early application of the standard is permitted. The amendments have not yet been endorsed by the European Union. The Group/Company does not expect that the these amendments shall have an impact on its consolidated/separate accounts because they do not have bearer plants among their assets.

IAS 40, Investment property

The definition of ancillary services in accordance with IAS 40 distinguishes between investment property and proprietary real estate (i.e. the tangible fixed assets). Amendment clarifies that in determining whether a transaction represents a purchase of assets or business combination the company must consider the definition of ancillary services such as that proposed by IFRS 3 and not IAS 40. They amendments must be applied prospectively.

Amendments to IAS 27 – Equity Method in Separate Financial Statements

Amendments to IAS 27 allow the company to recognize investments in subsidiaries, joint ventures and associated companies recognized under the equity method in its separate financial statements. Companies which prepare their financial statements in accordance with the International Financial Reporting Standards and are determined to progress to the equity method in the separate financial statements, will have to apply amendments to IAS 27 retroactively. In the first application of International Accounting Standards the companies will have to opt for the equity method in the separate financial statements, and apply this method on the date of transition to IFRS. Amendments are effective for annual periods beginning on 1 January 2016 or later. Early application of the standard is permitted. The amendments have not yet been endorsed by the European Union. The Group/Company does not expect that amendments to the standard shall have an impact on its consolidated/separate accounts.

7.2.2 Basis for measurement

The consolidated financial statements have been drawn up considering the original value, except in the following cases, where a fair value was used:

- financial derivatives
- financial instruments at fair value through the operating results
- available-for-sale financial assets
- investment property
- liabilities for payments in shares settled with cash.

The methods used to measure fair value are described in note number 3.4.

7.2.3 Functional and presentational currency

All financial statements in this annual report are in whole euros. There might be slight discrepancies with totals because of rounding.

7.2.4 Use of estimates and judgements

When preparing financial statements in conformity with IFRS, the management is required to make estimates, assessments and assumptions that affect the use of accounting policies and the presented value of assets, liabilities, revenues and expenses. Actual figures may vary.

Estimates and assumptions have to constantly reviewed. Corrections to accounting estimates are acknowledged for the period for which the estimates are being corrected and all future years that are affected by the correction.

Uncertainty evaluations and decisive assessments prepared by the management in line with the accounting policy that most significantly affect figures in the financial statements are:

- note No. 19 – mergers
- note no. 11 – measuring obligations for certain earnings
- note no. 29 – provisions
- note no. 37 – valuation of financial instruments and their impairment

7.2.5 Financial Year

The Group's fiscal year starts on 1.7 July and ends on 30 June in the following year.

7.3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies described below have been consistently applied for all periods that are presented in the financial statements herein.

Except as disclosed in the notes to the financial statements, the Company did not change its policy in relation to the previous year. Some comparative amounts have been reallocated to ensure coherence with the current year. The comparative profit (loss) statement is repeated so that it seems like operations have been interrupted during the year. The comparative profit (loss) statement is shown separately for each period to give a better overview.

7.3.1 Basis for consolidation

7.3.1.1 Subsidiary companies

Subsidiaries are companies controlled by the Group. Controlling means that the Group is able to decide on financial and operational matters of a company to obtain benefits from its operation. Any voting rights that can be exercised or traded are taken into account when assessing the extent of control. Subsidiaries' financial statements are included in consolidated financial statements from the day the control starts to the day it ends. Subsidiaries' accounting policies have been adapted to the Group's accounting policies where required.

7.3.1.2 Transactions exempted from consolidation

Balances and unrealized profit and loss from operations within the Group are not included in consolidated financial statements. Unrealized profit from operations with jointly controlled companies are excluded to the extent of the Group's stake in those companies. Unrealized loss is excluded in the same way, provided no proof of impairment exists.

7.3.2 Foreign currency

7.3.2.1 Foreign currency transactions

Foreign currency transactions are converted to the appropriate functional currency of the companies in the Group at the rate on the day of the transaction. Cash and liabilities expressed in foreign currency on the balance sheet date are converted to the functional currency at the going rate. Positive and negative exchange differences are differences between the amortized cost in the functional currency at the beginning of the period, adjusted for effective interest, and payments during the period and the amortized cost in foreign currency, converted at the rate at the end of

the period. Non-monetary assets and liabilities expressed in foreign currency and measured at fair value are converted to the functional currency at the rate on the day when the fair value was measured. Exchange differences are recognized in the operating results, but not differences from converting equity instruments held for sale, non-financial liabilities for insurance against risks, or cash flow insurance against risks that are recognized directly in equity.

7.3.2.2 Foreign companies

Assets and liabilities of foreign companies, including goodwill and adjustment to fair value at acquisition, are converted to euros at the rate on the balance sheet date. Income and expense of foreign companies, except companies in hyperinflation economies, are converted to euros at the rate on the day of the conversion.

Income and expenses of foreign companies in hyperinflation economies are converted to euros at the rate on balance sheet date. Prior to converting financial statements of foreign companies in hyperinflation economies, financial statements are converted and thus changes in general purchasing power of the local currency are taken into account. The conversion is based on price indexes as of the balance sheet date.

Exchange differences from the conversion are directly recognized in equity. From the day of the transition to IFRS, these differences are recognized in foreign currency translation reserve (FCTR). If a foreign company is disposed (partially or completely), the amount in the foreign currency translation reserve is transferred into the profit (loss) statement.

Foreign currency profit and loss, based on monetary items in the form of receivables from or liabilities to a foreign company and the payment of which is not planned or intended in the near future, is treated as a part of net financial investments in a foreign business unit and is recognized directly in equity and translation reserve.

Exchange rates used for the conversion of the statement items of the comprehensive income of companies in the Group that are stated in foreign currency:

- 1 EUR=1,95583 KM
- 1 EUR=7,635700 HRK
- 1 EUR=61,49975 MKD
- 1 EUR=119,5525 RSD
- 1 EUR=1,1323 CHF

Exchange rates used for the conversion of the statement items of the financial situation of companies in the Group that are stated in foreign currency:

- 1 EUR=1,95583 KM
- 1 EUR=7,5948 HRK
- 1 EUR=61,563 MKD
- 1 EUR=120,45 RSD
- 1 EUR=1,0413 CHF

7.3.3 Financial instruments

The Datalab Group classifies its investments into the following categories: financial assets held for sale, financial assets at fair value through the operating results, and loans and receivables. The classification depends on the purpose for which the investment was acquired. In 2015, the Group did not have any financial assets for sale and financial assets at fair value through the operating results.

7.3.4 Non-derivatives financial instruments

Non-derivative financial instruments include investments in capital and debt securities, operational and other receivables, cash and cash equivalents, received and given loans, and operational and other liabilities.

Non-derivative financial instruments are initially recognized at fair value, increased by (instruments that are not recognized at fair value through the operating results) cost that is directly relat-

ed to a transaction. After the initial recognition, non-derivative financial instruments are measured as described below.

Cash and cash equivalents consist of cash on-hand and deposits on demand. Bank account overdrafts that can be settled on demand and are part of cash management in the Group are in the cash flow statement included in cash and cash equivalents.

Accounting of financial income and expenses is described in 10 and 11.

7.3.5 Equity capital

7.3.5.1 Share capital

Called-up capital of Datalab, d. d., appears as equity capital that is nominally specified in the company's articles of association, registered at court, and paid by its owners. Dividends for common stock are recognized in equity in the period for which they were approved by the shareholder assembly.

7.3.5.2 Reserves for own shares

If the parent company or its subsidiaries acquire a stake in the parent company, the paid amount including transaction fees without taxes is subtracted from equity as own shares, until those shares are withdrawn, re-issued or sold. If own shares are later sold or re-issued, all received payments excluding transaction fees and related taxes are included in equity.

7.3.6 Property, plant and equipment

Fixed assets (property, plant and equipment) are kept at their original cost, decreased by cumulative depreciation and cumulative loss due to impairment, except for land, which is presented at original cost, decreased by any impairments. Original cost includes all costs that can be directly attributed to the acquisition of a fixed asset. Maintenance and repairs as well as replacement and improvement of minor significance are recognized as expenses in the period in which they occur. Larger amounts are depreciated over the remaining useful life of a fixed asset or to the day of the next major renovations, whichever comes first. The residual value and useful life of each fixed asset is checked annually and adjusted if necessary. The book value of a fixed asset is immediately partly written off to the recoverable amount, if the book value is greater than the estimated recoverable amount, and is recognized in the operating results.

Depreciation is calculated using straight-line depreciation, taking into account useful life as follows:

Asset description	Depreciation Rates in % since 1 July 2014	Depreciation rate in % before 30 June 2014
Plants	2.5–3	2.5
Computers	20–50	20–50
Furniture and chairs	20	20
Rolling stock equipment	20	20
Other equipment	10–30	10–30

Depreciation calculation starts when a fixed asset is ready for use; unfinished constructions are not depreciated.

Profit and loss from sale or deactivation of a fixed asset is determined by comparing sales revenue with book value. It is included in the operating results.

Fixed assets acquired through tenders are recognized as assets, but the amount of the subsidy is counted towards accrued costs and deferred revenue, which is then monthly decreased by the depreciation amount.

7.3.7 Intangible assets

7.3.7.1 Goodwill

Goodwill (or negative goodwill) is generated through acquisition of subsidiaries, affiliated companies and joint ventures.

7.3.7.2 Acquisitions from the day of the transition to IFRS onwards (including)

With acquisitions since January 1, 2006, goodwill pertains to the surplus or difference between the purchase cost and the Group's stake in the net fair value of determined assets, liabilities and contingent liabilities of the acquired company. If the surplus is negative (negative goodwill), it is directly recognized in the profit (loss) statement.

Intangible assets are initially measured at their original value.

7.3.7.3 Other intangible assets

Intangible assets acquired through tenders are recognized as assets, but the amount of the subsidy is counted towards accrued costs and deferred revenue – government grants, which is then decreased monthly by the depreciation amount. The depreciation rate for such assets is the same as for assets that the Group purchases with own funds.

7.3.7.4 Subsequent cost

Subsequent expenses related to intangible assets are capitalized only when they increase future economic benefits which are derived from the asset to which the expenses pertain. All other costs, including trademarks and goodwill generated within the Group, are recognized in the operating results as expenses as soon as they occur.

7.3.7.5 Amortization and depreciation

Depreciation is calculated using straight-line depreciation, taking into account useful life of intangible assets (except goodwill) and beginning when the asset is ready for use. The estimated periods of useful life for the current and the benchmark year are as follows:

Asset description	Depreciation rates in % since 1 July 2014	Depreciation rate in % before 30 June 2014
Intangible asset – PANTHEON	10	10
Intangible asset – FENIKS	10	10
Material rights and copyrights	50	50

7.3.8 Leased assets

Leases where the Group assumes are major forms of risks and benefits related to asset ownership and are regarded as financial leases. After initial recognition, a leased asset is presented in an amount equivalent to the fair value, or if it is less than that, the current value of the lowest total of lease payments. After initial recognition, assets are measured in accordance with accounting policies for such assets.

Other leases are treated as operating leases and, with the exception of investment property, leased assets are not recognized in the Group's balance sheet. Investment property under operating lease is presented in the Group's balance sheet at fair value.

7.3.9 Inventories

Inventories of goods are initially valued at their original cost, which consists of purchase price, import duties and direct procurement costs. Original purchase price is reduced by the amount of

discounts. Direct procurement costs are transport costs, handling costs, transport insurance, goods tracking, intermediation costs and similar costs to the first warehouse if borne by the customer, and non-refundable duties. Purchase price discounts include those specified in invoices as well as those granted subsequently that pertain to a certain delivery.

A reduction in the value of inventories, materials and sundry equipment is accounted for as a charge against expenses. A reduction in the value of inventories held for sale is reported in the income statements as an operating cost. Consumption of goods is accounted on the basis of the average cost method.

The cost of inventories includes the purchase price, customs and other duties (excluding those that are subsequently refunded by tax authorities), transport cost, handling and other costs that can be attributed directly to the acquired goods, materials or services. Trade discounts, rebates and other similar items are deducted in determining the cost of purchase.

Consumption of materials is accounted on the basis of the method of average cost in the period.

The net realizable value is the estimated sale price achieved in normal operation, minus estimated cost of finishing and estimated cost of selling.

7.3.10 Impairment of assets

7.3.10.1 Financial assets

The Group assesses the value of financial assets on the reporting date to determine if an objective sign of asset impairment exists. A financial asset is impaired if objective proof exists that one or more events led to a decrease in expected future cash flows from that asset.

Impairment loss in connection with the financial asset carried at redemption value is calculated as a difference between the net book value of an asset and expected future cash flows, discounted by the original valid interest rate.

Trade receivables are presented at nominal value, decreased by proper adjustments for estimated unrecoverable amounts.

Receivables that are assumed not be settled on time or in full are regarded as doubtful; if legal action has been initiated they are regarded as disputed.

Receivables are adjusted if the need arises, which is considered based on individual estimates of recoverability.

Loss due to impairment of financial assets held for sale is calculated according to an asset's current fair value.

For key financial assets, the estimation of impairment is performed individually. The impairment assessment of the remaining financial assets is carried out in groups according to their common characteristics concerning their exposure to risks.

All impairment losses are presented in the profit (loss) statement for the period. Any accrued loss related to financial assets held for sale that was recognized directly in equity is transferred to the operating results.

The loss due to impairment is derecognized if it can be objectively attributed to an event that occurred after the impairment has been recognized. For financial assets presented at amortized cost and financial assets held for sale, which are debt instruments, the derecognition of loss due to impairment is presented in operating results. Derecognition of financial assets held for sale that are equities is presented directly in equity by the Group.

7.3.10.2 Non-financial assets

On each reporting date, the Group checks the remaining carrying value of non-financial assets of the group, except biological assets, investment property, inventories and deferred tax assets, to determine any signs of impairment. If such indications exist, a recoverable amount of the asset is determined. An estimate of the impairment of goodwill and intangible assets with an unspecified useful life that are not yet ready for use is performed on every reporting date.

Recoverable amount of the asset or cash-generating unit is its value in use or fair value, less the

costs of sales, namely that which is higher. By determining the asset's value in use the expected future cash flows are discounted to their current value using the pre-tax discount rate reflecting the ongoing market perceptions of time value and risks regarding cash that are typical for the asset. To test for impairment, assets are grouped into the smallest possible groups that generate cash flow from permanent use, largely independent from those from other assets or asset groups (cash-generating units). To test for impairment, goodwill obtained from mergers is distributed to cash-generating units that are expected to benefit from the synergy of merging.

Impairment of assets or cash-generating units is recognized if their book value is greater than their recoverable value. The impairment is presented in operating results. Loss that is recognized for cash-generating units due to impairment is allocated in such a way that first the book value of goodwill allocated to a cash-generating unit is decreased, and then to other assets of the unit (group of units) in proportion to the book value of each asset in the unit.

Loss due to impairment of goodwill is not derecognized. For other assets, the Group assesses loss due to impairment in previous periods on the balance sheet date and thus determines if the loss has decreased or is not present at all. Loss due to impairment is derecognized if the assessments based on which the Group determines an asset's recoverable value have changed. Loss due to impairment is derecognized to the amount up to which the increased book value of an asset does not exceed the book value that would have been determined after subtracting depreciation if no loss due to impairment had been recognized in previous years.

7.3.11 Employee benefits

7.3.11.1 Other long-term employee benefits – allocations for severance pay and long-service rewards

The Group's net liability for long-term employee benefits is the sum of future benefits that employees have acquired for services performed in the current and past periods. That amount of benefits is then discounted to determine its current value, and then decreased by the fair value of all related assets. The discount rate on the reporting date market return of long-term government bond yields. The calculation uses the projected unit credit method. Any actuarial gains and losses are recognized in the operating results of the period of their occurrence.

7.3.11.2 Short-term employee benefits

Liabilities for short-term employee benefits are not discounted and are presented as expenses after an employee's work related to a given short-term benefit is complete.

Liabilities are presented in the amount for which payment is expected in the form of a premium, payable within twelve months of finishing work, or a profit sharing scheme if the Group has a current legal or indirect commitment for such payments due to past work of an employee and if the liability can reliably be measured.

7.3.12 Provisions

Allocations are recognized when the Group has a current legal or indirect commitment due to past events, if it is likely that settlement will require fund outflow and that the amount can reliably be estimated.

7.3.12.1 Post-employment benefits

Employees are entitled to severance pay when they retire, which is recognized when they conclude their employment in accordance with the Employment Act. For severance pay upon retirement, the projected unit credit method (the method of imputing benefits in proportion to the performed work) is applied, and therefore the Group establishes provisions appropriate to the achieved length of service of employees. Actuarial valuation is performed on June 30 and is properly presented in operating results.

Severance pay upon retirement when due reduces the established provisions.

7.3.12.2 Other long-term benefits

Employees are entitled to long-term service rewards that are recognized when an employee reaches a certain length of service. For severance pay upon retirement, the projected unit credit method (the method of imputing benefits in proportion to the performed work) is applied, and therefore the Group establishes provisions appropriate to the achieved length of service of employees. Actuarial valuation is performed on June 30 and is properly presented in operating results. Long-service rewards when due reduce the established provisions.

7.3.13 Revenue

7.3.13.1 Product sales revenue

Sales of products are recognized at fair value of the received payment or liability, decreased by refunds, rebates and quantity discounts. Revenue is presented when a customer assumes all major forms of risks and benefits related to asset ownership, when there is certainty about the ability to pay compensation and the related expenses or about the option for returning products, when the Group ceases to decide on sold products, and when the revenue amount can reliably be measured.

The transfer of risks and benefits depends on the terms of the purchase contract. For goods sales, the transfer is generally made after the goods have arrived at the customer's warehouse, but for some international deliveries the transfer is made when the goods are loaded for transport.

7.3.13.2 Revenue from services rendered

Sales of services are recognized in operating results based on the service's stage of completion on the reporting date. The state of completion is assessed with a review of the completed tasks.

A majority of the Group's revenue is from sales of licenses and Upgrade Contracts, charges (hosting subscriptions) and ServiceDesk services for quick help. Apart from the regular purchasing of licenses outright, customers can also pay with a 5-year installment plan, or lease it for six years (hereinafter referred to as RLGS Agreements). Revenue from RLGS Agreements is composed of license fees, upgrades and financing.

Income from tenders, subsidies or grants is recorded by the Group at the signing of the contract and in the moment when their occurrence becomes certain.

Uncertainty evaluations and decisive assessments prepared by the management in line with the accounting policy that most significantly affect figures in the financial statements are:

- explanation of allocations and contingent liabilities
- valuation of assets

7.3.13.3 Net rent revenue

Rental income from investment property is recognized as revenue evenly over the lease term. Any given rent-related incentives are recognized as a part of total revenue from rents.

7.3.14 Government grants

Government grants are initially recognized in accounting statements as deferred revenue, if there is reasonable assurance that the Group will receive said grants and will fulfill the necessary requirements. Government grants received for covering costs are recognized strictly as revenue in the periods when the costs, which the grants are intended to cover, occur. Grants related to assets are recognized in operating results strictly as other operating revenue in the useful life of an asset.

7.3.15 Financial leases

Payments from financial leases are recognized as revenues on a straight line basis over the lease term. Any received lease-related incentives are recognized as a part of total expenses for leases.

The minimum lease payments due are distributed among financial expenses and the decrease of outstanding debt. Financial expenses are distributed among periods over the lease term to get a fixed interest rate for the outstanding debt balance for each period. The Group presents contingent payments from financial leases in the amount that, when the lease is changed, the minimum lease payment for the remaining term is re-assessed.

Contingent payments from financial lease are presented when the contingent liability no longer exists and when the change in the financial lease's value is known, namely in the amount determined by reassessing the minimum lease payment in the remaining term of the lease.

7.3.16 Financial revenue and financial expenses

Financial revenue consists of interest from investment (including financial assets held for sale), dividend revenue, revenue from disposal of financial assets held for sale, changes in fair value of financial assets at fair value through operating results, and gains from instruments for insurance against risks, which are recognized in operating results. Revenue from interest is recognized in operating results upon its occurrence using the effective interest rate method. Dividend revenue is recognized in operating results on the day the shareholder's right to payment is exercised, which is for listed companies generally the date when the right to current dividends ceases to be related to the share.

Financial expenses consist of borrowing costs, differences from recalculating allocation discounts, dividends from preferred shares presented among liabilities, changes in fair value of financial assets at fair value through operating results, loss due to impairment of financial assets, and loss from instruments for insurance against risks, which is recognized in operating results. Borrowing costs are recognized in operating results using the effective interest rate method.

Profit and loss from exchange differences are presented in net amounts.

7.3.17 Income tax expense

Tax on profit or loss for financial year includes levied and deferred taxes. The tax on profit is presented in operating results, except for the part pertaining to items that are presented directly in equity and is therefore presented in equity.

Current tax is the tax expected to be paid from taxable profits for the Fiscal Year, using the tax rates that have been enacted or substantively enacted by the reporting date, and any adjustments to tax liabilities related to past Fiscal Years.

Deferred tax is presented using the balance sheet liabilities method, whereby temporary differences between asset and liability book value for financial statements and amounts for tax reporting are taken into account. The following temporary differences are not included: initial recognition of assets or liabilities in transactions other than mergers that have no effect on accounting profits or taxable profits, and differences related to investments in subsidiaries and jointly-controlled companies in the amount that is not likely to be derecognized in the foreseeable future. Furthermore, the deferred tax is not presented if there are taxable temporary differences at the initial recognition of goodwill. Deferred tax is presented in the amount that is expected to be payable upon derecognition of temporary differences based on laws enacted or substantively enacted by the reporting date. The Group sets off deferred tax assets liabilities, if it has a legally enforceable right to set off recognized current tax assets and liabilities and if they pertain to the tax on profit levied by the same taxation authority in connection with the same taxable unit; or different taxable units that either intend to settle current tax liabilities and tax assets with a difference, or simultaneously recover assets and settle liabilities.

Deferred tax assets are recognized in the amount for which it is likely that a future taxable profit will be available that might be used to cover the deferred asset. Deferred tax assets are reduced by the amount for which it is not likely that asset-related tax reliefs can be claimed.

7.3.18 Earnings per share (EPS)

For regular shares, the Group presents basic earnings per share and adjusted earnings per share. Basic earnings per share are calculated by dividing profit or loss belonging to common shareholders with the weighted average number of shares in the fiscal year. Adjusted earnings per share are calculated by adjusting profit or loss belonging to common shareholders and the weighted average number of shares in the fiscal year for the effect of all dilutive potential common stock, which represents convertible bonds and employee stock options.

7.3.19 Reporting by segments

A segment is a distinct part of the Group that deals with products and services (industry segment) or products and services in a given environment (geographical segment) and is subject to risks and yield different from other segments. Information by segments is presented by the Group's industry and geographical segments. The Group's report by segments is based on industry segments. The Group's industry segments are based on the Group's management and its internal reporting structure.

The prices of inter-segment transfers are measured on an arm's-length basis.

Operating results, assets and liabilities by segments contain items that can directly be attributed to a segment, and also those that can justifiably be allocated to a segment. Unallocated items mostly pertain to: investments (except investment property) and all related revenue, received and given loans and their related expenses, common assets (primarily company headquarters) and expenses of the headquarters, and profit tax assets and liabilities.

A segment's investments in long-term assets consist of the total costs in the current fiscal year from the acquisition of fixed assets and intangible assets, excluding goodwill.

7.4 DETERMINING THE FAIR VALUE

Considering the Group's accounting policies and breakdowns, many times a fair value of financial and non-financial assets and liabilities must be determined. The fair values of single asset groups for the purpose of measuring or reporting are determined herein. Additional explanations regarding assumptions for determining fair value are given alongside individual breakdowns of the Group's assets or liabilities.

Fair value hierarchy

In recognition and disclosure of the fair value of financial instruments using a valuation technique, the following hierarchy was used:

Category 1: determination of the fair value by reference to officially published price in an active market,

Category 2: Other techniques for determining the fair value based on assumptions with significant impact on fair value which are in accordance with the currently observable market transactions conducted for the same instruments, either directly or indirectly.

Category 3: Other techniques for determining the fair value based on assumptions with significant impact on fair value that are not in accordance with the currently observable market transactions conducted for the same instruments.

Financial instruments measured at fair value

	in EUR	
Short-term operating liabilities	30 June 2015	30 June 2014
Category 1 – financial liabilities	56,172	76,104
Category 2	0	0
Category 3	0	0

7.4.1 Property, plant and equipment

The fair value of fixed assets from business combinations is equal to their market value. The market value of immovable property is equal to the estimated value at which the property could be sold by a willing seller to a willing buyer at arm's length on the day of the valuation and after appropriate marketing. The market value of plant, equipment, furniture and fixtures is based on the offered market price of similar objects.

7.4.2 Intangible assets

The fair value of patents and trademarks acquired through business combinations is based on the estimated discounted future value of royalties which will not need to be paid because the patent or trademark is already owned. The fair value of intangible assets is determined by taking the current value of estimated future cash flows that are expected from their use or potential sale.

7.4.2.1 Operating and other receivables

The fair value of operating and other receivables is calculated as the current value of future cash flows, discounted at market interest rates on the reporting date.

7.4.2.2 Non-derivative financial liabilities

For reporting purposes, the fair value is calculated based on the current value of future payouts of the principal and interest, discounted at the market interest rate on the reporting date. In connection with the portion of liabilities from convertible bonds, the market interest rate is determined by comparing with similar liabilities that cannot be converted to equity. For financial leases, the market interest rate is determined by comparing with similar lease contracts.

7.5 FINANCIAL RISK MANAGEMENT

The company does not use financial instruments. The company assesses financial risks within the following groups:

- credit risk
- liquidity risk
- market risk.

This chapter discusses the company's exposure to said risks, its goals, policies and procedures for measuring and managing risks, and its handling of capital. Other quantitative disclosures can be found in the continuation of the Notes to the financial statements.

The management is fully responsible for establishing the company's framework for risk management. The finance and accounting departments deal with risk measurement and management. The person responsible for finance and accounting reports to the Executive Director about activities in this field.

Risk management policies are designed to define and analyze risks that threaten the company, based on which proper restrictions and controls are set up, risks monitored and restrictions respected. Risk management policies and systems are regularly checked to reflect changes in market conditions and the company's activities. With training as well as standards and procedure for risk management, the company endeavors to develop a disciplined and constructive environment where all employees are aware of their roles and responsibilities.

The Executive Board ensures that risk management policies and procedures are respected, and assesses the suitability of the risk management framework for the risks that the company faces.

7.5.1 Credit risk

Credit risk is the risk that the Group will suffer financial loss if a client or a contracting party in a financial instrument agreement fails to fulfill its contractual obligations. Credit risk arises primarily from the Group's receivables from clients and investment securities.

7.5.2 Operating and other receivables

The Group's exposure to credit risk depends largely on the characteristics of individual clients. Client demographics and risk of non-payment with regard to the industry or country of a client do not have a significant effect on credit risk. Geographically speaking, there is no concentrated credit risk.

The finance and accounting department assesses each new client's creditworthiness before they are given standard terms of payment and delivery. The assessment factors in external ratings if they exist, and in some cases also bank references. The credit limit is set in the form of a maximum outstanding amount that need not be approved and is client-specific; credit limits are checked every four months. Clients that do not meet the Group's creditworthiness standards are required to make payments in advance.

The Group makes adjustments for impairments that represent estimated losses from operating and other receivables and investments. The main elements of adjustments are the special part of the loss which pertains to single major risks, and the common part of loss, which is for groups of similar assets due to losses that have occurred but have not yet been identified. The adjustment for total loss is determined by factoring in historical data that pertains to statistics of payments for similar financial assets.

7.5.3 Guarantees

In line with its policies and financial capacity, the Group issues financial guarantees only to wholly-owned subsidiaries.

7.5.4 Liquidity risk

Liquidity risk is the risk that the Group might not be able to settle its financial obligations when due. The Group maintains maximum liquidity by having sufficient liquid assets to settle obligations in time, both in normal and troubled circumstances, without incurring unacceptable loss or reputation damage.

The Group has several credit lines for ensuring liquidity, from which it can draw from if the need arises. The following table provides an overview of the financial and operating liabilities by maturity of the debt.

FY' 2014	Up to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total in EUR
Financial liabilities	168,651	836,102	2,544,214	0	3,548,967
Operating liabilities	1,798,992	134,960	15,346	0	1,949,298
Total	1,967,643	971,062	2,559,560	0	5,498,265
Financial liabilities	211,667	532,725	1,863,434	0	2,607,826
Operating liabilities	1,054,810	0	0	0	1,054,810
Total	1,266,477	532,725	1,863,434	0	3,662,636

7.5.5 Market risk

Market risk is the risk that fluctuations in market factors, such as interest rates, exchange rate and equity instruments, will affect the Group's revenue or value of financial instruments. The objective of market risk management is control over exposure to market risks to a reasonable degree, while optimizing profits.

7.5.6 Currency risk

The Group is exposed to currency risk when buying, selling, lending and borrowing, specifically when making transactions in currencies other than the functional currency. The Group operates mostly with euros.

The significance of the key currency pair has changed since the introduction of the euro, because no currency pair fits into this category, but due to unbalanced foreign currency positions, some of the more important currency pairs that are geographically related to the Group's subsidiaries have been identified: euro/Croatian kuna, euro/Macedonian denar and euro/Serbian dinar and euro/CHF. The company attempts to reduce currency risks by factoring them into markups, by balancing purchases and sales, with well-timed foreign currency coverage of inflows with outflows, and by taking out loans in the local currency.

7.5.7 Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate because of changes in interest rates. The majority of the Group's debt instruments are bound to a fixed interest rate, therefore operations are not exposed to interest rate risk. Interest rate risk is reduced by adapting interest rates for assets to interest rates for liabilities; furthermore, simulations are performed on the balance sheet in regard to absorption of financing in relation to interest rate fluctuation.

7.5.8 Capital management

The management board decided to maintain substantial equity in order to build the trust of investors, creditors and the market, and to facilitate the Group's sustainable growth. The Executive Board monitors the capital gains that the Group defined as net operating revenue, divided by the total shareholder equity, excluding non-redeemable preferred shares and minority stakes. Also monitored is the dividend amount paid to common shareholders.

The Group endeavors to maintain a balance between high yields supported by large loans and the benefits and security of a strong equity position.

The Group monitors changes in capital using a leverage ratio, calculated by dividing net liabilities with the sum of total liabilities and total equity as shown in the table below.

Item	2015	2014
Financial liabilities=FL	3,548,967	2,607,826
Operating liabilities=OL	1,949,298	1,054,810
Cash and short-term deposits=CSD	358,341	411,520
Net liabilities=FL+OL+CSD	5,139,924	3,251,116
Equity	6,359,675	5,310,695
Capital + net liabilities	11,499,599	8,561,811
Leverage ratio	45%	38%

The Group occasionally buys own shares, depending on the current market price of the share. In general, such shares are intended for profit sharing schemes. The decision for buying and selling shares is made by the risk management committee separately for each transaction. The Group does not have a special plan for buying own shares.

The Group did not change its equity management policies in this Fiscal Year.

Neither the parent company nor its subsidiaries are subject to equity requirements set by external entities.

7.6 REPORTING BY SEGMENTS

The Group considers that risks and returns from various activities in selling the ERP system PANTHEON are alike in their principal characteristics, which is why there is only one industry segment and two geographical segments. The primary reporting segment of the Datalab Group is the geographical segment. The two geographical segments are the Slovenian market and other foreign markets.

	Slovenia		Other markets		Consolidated	
	FY'15	FY'14	FY'15	FY'14	FY'15	FY'14
Revenue	4,561,679	4,269,006	3,600,558	3,084,961	8,162,237	7,353,967
Segment assets	10,717,597	8,683,174	1,846,496	1,217,310	12,564,093	9,964,569
Acquisition costs	15,480,281	13,605,033	1,809,852	389,796	17,290,133	13,994,829

Details about key business performance items by companies in the Group

in EUR	DL d.d.	DL SI	DL MN	DL BA	DL HR	DL MK	DL SR	APEX	DL CH
Revenue	5,296	2,554	290	636	1,445	588	867	9	46
Amortization and depreciation	1,319	5	1	5	10	9	14	9	4
Net profit (loss)	843	56	17	47	-104	24	-110	-4	-704
% of net profit (loss)/revenue	15.92	2.19	5.86	7.39	-7.20	4.08	-12.69	-44.44	-1530.43

Details about the stakes of the parent company in companies of the Group (by companies and equity held)

	Share	Investment value of Datalab, d. d., as of 30 June 2015	Capital of the individual company as of 30 June 2015
Investment in Datalab Tehnologije d.o.o. – Croatia	51%	73,000	-16,863
Investment in Datalab BA, d. o. o. – Bosnia and Herzegovina	100%	161,717	52,195
Investment in Datalab MK d.o.o. – Macedonia (FYR)	100%	38,832	101,989
Investment in Datalab SR d.o.o. – Serbia	100%	0	-135,912
Investment in Datalab MN, d. o. o. – Montenegro	51%	0	105,639
Investment in Datalab SI d.o.o. – Slovenia	100%	7,500	119,899
Investment in Datalab Agro AG – Switzerland	83%	1,583,909	1,771,143
Investment in APEX – Croatia	100%	132,000	427

Investment in Datalab Agro SI – Slovenia	100%	205,299	205,299
Subsidiaries total		2,202,257	2,203,816
Investment in Datalab Automotive d.o.o. – Serbia	24.99%	1,250	
Investment in Datalab Bulgaria Ltd. – Bulgaria	50.00%	0	
Investment in Datalab AL sh.p.k. – Albania	50.00%	0	
Investment in Datalab LLC – Kosovo	50.00%	15,000	
Other companies, total		16,250	

7.7 OPERATING REVENUES

IN EUR	FY' 2015	FY' 2014
Sales revenues	5,805,476	5,281,140

Sales consist largely of sales of licenses, software subscriptions and cloud services (Hosting). A minor part of sales includes sales of implementations, training, certification, promotional services and membership fees.

IN EUR	FY' 2015	FY' 2014
Other operating revenues	2,312,804	2,012,895

The majority of other operating revenue are capitalized own products and services in the amount of EUR 1,747,780, of which EUR 1,426,680 represents the development of PANTHEON and EUR 321,100 the development of the Farming program.

Subsidies, grants, allowances, compensations and other revenue associated with products and services include the granted subsidy of the Slovenian Ministry of Education, Science and Sport for the MAK project (mobile applications for PANTHEON Farming) and subsidy of the European Commission for funding the AgrolT project totaling EUR 63,769. Two smaller subsidies are recorded by the company in Croatia and Bosnia and Herzegovina totaling EUR 13,479.

Among other operating income are covered extraordinary income and income from use and the reversal of provisions totaling EUR 228,119. Of which EUR 164,836 relates to the reversal of provisions for lawsuits with E-Pos Group.

7.8 COST OF MATERIALS, GOODS AND SERVICES

The cost of materials is the quantity of direct materials consumed. Costs of materials are not revalued to account for a change in the purchasing power of the relevant currency. Costs of services are costs that do not count as costs of materials, depreciation or labor, but costs of transportation services, production stages performed by others, utility and telecommunication services, rentals, payment services, and similar. Costs of services include work contracts costs, author's contract costs and costs associated with other legal relations, except employment relationships with private individuals.

The Group has changed the way it records loan banks' processing fees for loans; now they are no longer included in costs of payment and banking services. It has also changed the recording of guarantees for granted loans that are no longer recorded as costs of other services. Both are now shown in financial expenses for loans received from banks. The table below is adjusted accordingly to the previous financial year.

The total cost of materials, goods and services is composed as follows:

in EUR	FY' 2015	FY' 2014
Cost of materials, goods and services	3,196,402	2,544,846
Cost of materials	90,903	69,025
Cost of services	3,105,499	2,475,821

7.9 LABOR COSTS

Labor costs are composed as follows:

in EUR	FY' 2015	FY' 2014
Labor costs	3,756,513	2,656,136
Wages and salaries	2,706,914	1,907,754
Other social security costs	697,366	475,986
Other labor costs	352,233	272,396

7.10 FINANCIAL REVENUES

in EUR	FY' 2015	FY' 2014
Financial revenues	26,350	50,040
Finance income from loans to others	9,292	8,786
Financial income from operating receivables	17,058	41,254

The parent company made most of the financial revenue from loans from the crediting. Revenue from operating receivables mainly pertains to default interest from clients' late payments.

7.11 FINANCIAL EXPENSES

in EUR	FY' 2015	FY' 2014
Financial expenses	127,427	161,235
Financial expenses for impairments and write-downs of investments	12,460	6,982
Finance expenses for borrowings from banks	106,016	133,745
Financial expenses for other financial liabilities	2,768	0
Financial expenses for operating liabilities to others	6,183	20,508

In financial expenses from loans received from banks, the Group in addition to interest records also cost of compensation to banks for consideration and approval of loans and the cost of guarantees issued to natural persons for loans granted to the Group. Due to the favorable drawing of financial resources, these expenses decreased by almost 21%.

7.12 NET CASH FLOW

in EUR	FY' 2015	FY' 2014
Financial revenues	26,350	50,040
Financial expenses	127,427	161,235
Net cash flow	-101,077	-111,195

7.13 TAX ON INCOME

The corporate income tax is accounted based on the income and expenses that are included in the operating statement according to the applicable tax rate in each country of the Datalab Group and the legislation of individual country.

The tax liability of companies in the Group amounts to EUR 20,120.

in EUR	FY' 2015	FY' 2014
Gross operating profit or loss before taxes	-601,754	515,957
Tax on profit	-20,120	-34,552
Deferred taxes	194,293	161,516
Net profit (loss) of the Group	-427,581	642,921

Taxation by companies in the Group

in EUR	DL d.d.	DL SI	DL HR	DL SR	DL MK	DL BA	DL MN	APEX	DL CH
Earnings before tax	657,381	65,461	-103,852	-109,943	23,783	46,590	18,774	-3,819	-703,195
Income tax expense		18,231					1,550		338
Deferred taxes	185,168	9,125							
Net profit or loss for the accounting period	842,549	56,355	-103,852	-109,943	23,783	46,590	17,224	-3,819	-703,533

7.14 DEFERRED TAX REVENUE

Revenue from deferred taxes represents an increase in deferred tax assets in the amount of EUR 194,293 as the difference between write-offs and impairments not recognized for tax purposes in this financial year, write-offs and impairments recognized for tax purposes in future years pertaining to profit sharing under the Financial participation act, and unused tax reliefs for investments into development. Due to larger write-offs and impairments not recognized for tax purposes, the subsidiary from Slovenia acceded to the report of deferred taxes beside the parent company.

7.15 PROPERTY, PLANT AND EQUIPMENT

the subsidiaries Datalab SR and Datalab SI own one piece of immovable property. Computers and computer equipment represent the majority of other fixed assets.

property, plant and equipment for the period from 1 July 2014 to 30 June 2015.

in EUR	Real estate	Other machinery and equipment	Total
HISTORICAL COST			
Balance as at 1 July 2014	172,183	650,621	822,804
Purchases, activation	814,424	100,835	915,259
Disposal, write-off		28,996	28,996
Impairment of fixed assets	-6,393	-3,195	-9,588
Balance as at 30 June 2015	980,214	719,265	1,699,479
VALUE ADJUSTMENT			
			0
Balance as at 1 July 2014	15,783	529,487	545,270
Disposal, write-off		28,361	28,361
Amortization and depreciation	4,446	81,421	85,867
Impairment of fixed assets		-9,556	-9,556
Balance as at 30 June 2015	20,229	572,991	593,220
CARRYING VALUE			
			0
Balance as at 1 July 2014	156,400	121,134	277,534
Balance as at 30 June 2015	959,985	146,274	1,106,259

7.16 INTANGIBLE ASSETS

An intangible asset is an asset is used for long-term production or supply of goods or services, for rental to others, or for administrative purposes, but without physical substance. The Datalab Group presents material rights and copyrights at their carrying value, being the difference between the cost and the value adjustment.

Intangible assets in the value of EUR 7,501,204 represent the value of purchased components and other copyrights pertaining to PANTHEON, and various licenses that allow the normal work of the PANTHEON development team. The largest part of intangible assets is the capitalization of the software PANTHEON and PANTHEON Farming.

The Group includes the goodwill of Datalab HR in the historical amount of EUR 120,241 among intangible assets. In the current year, the Group impaired goodwill in the amount of EUR 50,000.

The Group has no significant fully depreciated intangible assets.

Intangible assets for the financial year 2015:

in EUR	Long-term industrial property rights	Total
HISTORICAL COST		
Balance as at 1 July 2014	12,459,702	12,459,702

Purchases, activation	3,127,552	3,127,552
Disposal, write-off	0	0
Upward revaluation of fixed assets	3,400	3,400
Balance as at 30 June 2015	15,590,654	15,590,654
VALUE ADJUSTMENT		
Balance as at 1 July 2014	6,749,202	6,749,202
Impairment	50,000	50,000
Amortization and depreciation	1,290,248	1,290,248
Upward revaluation of fixed assets		0
Balance as at 30 June 2015	8,089,450	8,089,450
CARRYING VALUE		
Balance as at 1 July 2014	5,710,500	5,710,500
Balance as at 30 June 2015	7,501,204	7,501,204

7.17 LONG-TERM FINANCIAL INVESTMENTS AND BUSINESS COMBINATIONS

Long-term financial investments are part of long-term financial instruments and represent an item with maturity over one year.

(in EUR)	30 June 2015	30 June 2014
Long-term financial investments	88,593	136,166
Other long-term financial investments	16,250	88,689
Long-term loans	72,343	47,477

The Group presents the following long-term financial investments:

(in EUR)	Share	30 June 2015	30 June 2014
Investment in Datalab Automotive d.o.o. – Serbia	25%	1,250	1,250
Investment in Datalab Bulgaria Ltd. – Bulgaria	50%	0	0
Investment in Datalab AL Sh.p.k. – Albania	50%	0	5,000
Investment in Datalab Agro AG – Switzerland*	50%	0	82,440
Investment in Datalab LLC – Kosovo	50%	15,000	0
Other companies, total		16,250	88,690

*in data for the 2015 financial year classified among subsidiaries

Long-term financial investments in subsidiaries and affiliated companies

Acquisition of ownership stakes in subsidiaries and creations

Company	Purchase Date	Company's equity on the day of purchase	Acquired stake	Purchased part of equity	Payment for acquired stake	Goodwill at acquisition
Datalab Automotive d.o.o.	8 September 2008	EUR 5,000	24.99%	EUR 1,249	EUR 1,249	0
Datalab Bulgaria Ltd.	19 September 2011	BGN 100,000 = EUR 51,130	50%	EUR 25,565	EUR 30,486	0
Datalab AL sh.p.k.	26 February 2013	EUR 5,000	50%			
Datalab LLC – Kosovo	9 April 2015	EUR 15,000	50%			

Long-term loans

Among long-term loans, the Group presents a loan given to Datalab AL Sh.p.k in the amount of EUR 5,000, a loan to given to the newly established Datalab Golf & Yachting Club for the purchase of Elan sailing boat in the amount of EUR 66,207, and a long-term part of a loan to an employee in the amount of EUR 1,136.

7.18 LONG-TERM OPERATING RECEIVABLES

Long-term operating receivables are receivables arising from property and other legal relationships to claim the settlement of a debt or the payment for deliveries or rendered services in a period that is longer than 12 months. Long-term operating receivables are mostly receivables of products and services for hire-purchase. Below is a breakdown of long-term operating receivables by the type of agreement.

(in EUR)	30 June 2015	30 June 2014
LONG-TERM RECEIVABLES	132,465	60,195
Long-term receivables from confirmed compulsory settlements	0	4,915
Long-term receivables from sales of products and services in installments	132,465	55,280

7.19 LONG-TERM DEFERRED COSTS AND ACCRUED REVENUE

in EUR	30 June 2015	30 June 2014
Long-term deferred costs and accrued revenue	110,853	4,241

Long-term deferred costs and accrued revenue include long-term deferred costs

7.20 DEFERRED TAX ASSETS

(in EUR)	30 June 2015	30 June 2014
Deferred tax assets	721,451	527,158
– from provisions	2,578	1,613
– from unused tax reliefs on development	555,528	434,591
– from deferral of entitlement to the use of tax relief from profit sharing of employees	38,586	34,831
– from value adjustments of assets	124,759	56,123

Deferred tax assets are amounts of the tax on profit that will be returned to the taxpayer in future tax periods with lower tax amounts in the future, when the assets can be claimed.

Deferred tax assets in the Group are receivables from the state for value adjustments of receivables and investments in the amount of EUR 124,759, receivables from unused tax reliefs due to employee profit sharing under the Financial participation act in the amount of EUR 38,586, unused reliefs for investment in R&D in the amount of EUR 555,528, and established provisions for severance pays and long service awards in the amount of EUR 2,578.

7.21 INVENTORIES

IN EUR	30 June 2015	30 June 2014
Inventories	20,393	4,642
Materials	3,080	3,763
Goods for resale	16,225	715
Advances for inventories	1,088	164

The Group shows low inventory of materials and goods.

7.22 SHORT-TERM FINANCIAL INVESTMENTS

(in EUR)	30 June 2015	30 June 2014
Short-term (current) financial investments	287,456	233,615
Other current financial investments	0	98,238
Other short-term loans	287,456	135,377

Short-term financial investments in 2015 consist of short-term loans in the amount of EUR 287,456. Short-term loans have an annual interest rate of 7 to 8%.

7.23 SHORT-TERM OPERATING RECEIVABLES

Short-term operating receivables are receivables arising from property and other legal relationships to claim the settlement of a debt or the payment for deliveries or rendered services. They represent short-term operating receivables and paid advances. Breakdown of operating receivables:

(in EUR)	30 June 2015	30 June 2014
Short-term operating receivables	1,998,620	1,673,659
Short-term operating receivables from customers	1,469,430	1,326,588
Short-term operating receivables from others	241,088	347,071
Short-term receivables for unpaid capital	288,102	0

Trade receivables are presented at nominal value, decreased by proper adjustments for estimated unrecoverable amounts. The value of receivables is impaired if their book value exceeds their fair value (defined as net realizable value).

Short-term receivables are collectible. Services to problematic customers are rendered only against an advance payment. Short-term receivables to foreign customers are converted at the rate of the Bank of Slovenia as of 30 June 2015. The effects of changes in exchange rates on the balance sheet date increase ordinary financial revenue or expenses as exchange differences.

Short-term operating receivables from others include receivables for paid advances to suppliers, receivables for paid collaterals to executors, receivables for input VAT, and receivables for overpaid corporate income tax and other.

Short-term receivables for paid-up capital is receivable from Mattig Management Partners for the payment of capital in a subsidiary in Switzerland in the amount of CHF 300,000.

It is estimated that short-term receivables are collectible, except for receivables whose value has been adjusted.

Receivables by maturity

Balance of Receivables	Gross value as at 30 June 2015	Value adjustment as at 30 June 2015	Net as at 30 June 2015	Gross value as at 30 June 2014	Value adjustment as at 30 June 2014	Net as at 30 June 2014
Total	2,054,889	344,371	1,710,518	1,937,986	264,328	1,673,658
Not overdue	1,072,020	0	1,072,020	1,217,298	0	1,217,298
Overdue 0 to 30 days	275,177	2,113	273,064	171,429	5,699	165,730
Overdue 31 to 180 days	323,906	39,617	284,288	261,382	44,489	216,893
Overdue 181 to 365 days	114,375	43,617	70,758	154,169	116,266	37,903
Overdue over one year	269,412	259,024	10,388	133,708	97,874	35,834

Item	FY' 2015	FY' 2014
Balance as at 1 July 2014	264,328	122,826
Formation of value adjustments in the year	130,994	173,611

Elimination of formed adjustments due to the completion of procedures	-50,951	-32,109
As at 30 June 2015	344,371	264,328

7.24 CASH

IN EUR	30 June 2015	30 June 2014
Cash	358,341	411,520
Cash on hand	177	765
Cash in bank accounts	358,164	410,755

7.25 SHORT-TERM DEFERRED COSTS AND ACCRUED REVENUE

IN EUR	30 June 2015	30 June 2014
Short-term deferred costs and accrued revenue	238,458	213,016

Short-term deferred costs and accrued revenue include deferred costs for partner commissions, annual leave bonuses, and other short-term deferred costs and short-term accrued revenue.

7.26 EQUITY

7.26.1 Share capital

The bottom table shows the share capital deposits and the number of newly issued shares are shown by dates.

IN EUR	Share capital in EUR	No. of issued shares before share split 1:15	No. of issued shares after share split 1:15
Total as at 30 June 2015	4,240,802	0	2,120,401
Equity capital – ordinary shares – 5 May 2003	25,663	6,150	0
Equity capital – ordinary shares – 5 April 2004	939	225	0
Equity capital – ordinary shares – 17 August 2007 (of the company's assets)		95,050	0
Equity capital – ordinary shares – 15 February 2008	21,257	5,094	0
Equity capital – ordinary shares – 30 June 2010	20,948	5,020	0
No. of issued shares after share split 1:15		111,539	1,673,085
Registered capital – ordinary shares – 16 April 2012	75,568	0	64,327
Registered capital – ordinary shares – 20 June 2014	156,228	0	132,989
Registered capital – ordinary shares – 25 July 2014	293,685	0	250,000
Registered capital – an increase in capital from the assets of the company	3,646,514	0	0

All shares are common, registered and issued in non-material form. All shares had been paid in full by the shareholders before the shares were entered in the company register.

7.26.2 Weighted average number of shares

	FY'15	FY'14
Initial balance as at 1 July	1,737,412	1,737,412
Minus own shares	12,652	30,547
Adjusted initial number	1,724,760	1,706,865
New issue	382,989	
Purchase of own shares	12,830	19,020
Sales of own shares	6,041	36,915
Adjusted final number on 30 June	2,100,960	1,724,760
Weighted average number	2,058,467	1,717,618

7.26.3 Own shares

On 30 June 2015, the Group held 19,441 of own shares. Historical cost of these shares is disclosed in the amount of EUR 69,716. The Group devised the reserves for the purchase of own shares in the amount of EUR 69,761. The group buys own shares for the distribution of profits to employees as employee stock ownership scheme. The fair value of own shares on 30 June 2010 was EUR 53,138.

7.26.4 Capital reserves

Capital surplus consists of capital increase payments above the share's par value and amounts to EUR 719,482. Detailed description of the increases and decreases in capital reserves is reflected in the statement of changes in equity of the Group for the period from 1 July 2014 to 30 June 2015.

7.26.5 Translation reserves

Upon acquisition of the non-controlling interest in Datalab BA, negative translation reserves were formed in the financial year 2014 in the amount of EUR 128,700. The rest of translation reserves (EUR 2,173) represent exchange differences arisen at the conversion of equity item from functional currency to reporting currency.

In accordance with accounting standards, we must specifically disclose the profit calculated on the basis of the revaluation to preserve the purchasing power of capital on the basis of the consumer price index.

Item (in EUR)	Capital amount	% growth	Calculated effect	Retained net operating result
Equity (excluding profit for the year)	6,352,009	-0.7	-44,464	52,130

7.26.5 Ownership structure of the company DATALAB d.d. as at 30 June 2015

Category	Name	Surname	Stake	No. of shares:
10 largest			76.15%	
	Andrej	Mertelj	32.04%	679,460
	Raiffeisen bank International (fiduciary account)		14.88%	315,493
	Zvone	Jagodici	8.07%	171,036
	NLB Funds – Slovenia Stock		5.56%	117,954
	Alpen.SI, mixed flexible subfund		4.72%	100,000
	Lojze	Zajc	3.31%	70,135
	Nedim	Pašič	3.17%	67,119
	Moreno	Rodman	1.51%	31,920
	SOP Ljubljana		1.48%	31,408
	Zagrebačka banka d.d. (fiduciary account)		1.42%	30,135
Others			23.85%	
	Members of the management board (total**)		38.52%	816,714
	Other employees		6.58%	139,459
	Ex-employees		3.96%	83,948
	Employees of the group		1.10%	23,295
	Partner companies		0.38%	7,969
	Other shareholders		11.84%	251,070
Total			100.00%	2,120,401

7.27 LONG-TERM FINANCIAL LIABILITIES

On 31 July 2012, Datalab signed a long-term EUR 2 million loan contract with the SID bank for financing the project PANTHEON Feniks III which is insured with the PANTHEON trade mark and the establishment of trade mark rights on intangible copyrights deriving from the source code of the Datalab PANTHEON program, Version 5.5. Up to 30 June 2014, the loan is used in the amount of EUR 2,000,000. In the long-term part, the loan is disclosed in the amount of EUR 1,041,667 (short-term part: EUR 500,000).

Datalab d.d. was granted a long-term loan by Banka Celje d.d. with a subsidized interest rate of the Slovene Enterprise Fund, for the purchase and finishing the program for cash operations POS in the amount of EUR 300,000 which was in the long-term part disclosed in the amount EUR 214,284 (short-term part: EUR 85,716). 60% of the credit is insured by the Slovene Enterprise Fund, the rest is insured by the trade mark of Datalab.

In the financial year 2015, Datalab d.d. was granted a new 7-year credit by Banka Celje d.d. with a subsidized interest rate of the Slovene Enterprise Fund for the financing of further development of PANTHEON in the amount of EUR 1,500,000 and we used a total of EUR 847,757 of the credit by the end of this financial year. In the long-term part, the loan is disclosed in the amount of EUR 737,146 (short-term part EUR 107,148). The loan is insured by the PANTHEON trademark and DATALAB and withdrawal of receivables from subsidiaries.

In the financial year 2011, the subsidiary Datalab SR d.o.o. has taken out two loans with Banca Intesa totaling EUR 150,000 (as of 30 June 2015: EUR 31,351) for the purchase of real estate. Of which EUR 100,000 have a maturity of seven years.

On 30 June 2015, Datalab SI d.o.o. exhibits EUR 511,111 of long-term financial liabilities. All long-term financial liabilities refer to the long-term credit obtained in the financial year 2015 for the purchase and modernization of the business infrastructure with the guarantee of the Slovenian Enterprise Fund (short-term part: EUR 88,889). The loan is secured by a lien on the business premises at Hajdrihova street in the carrying value of EUR 814,424 and a guarantee of the company Datalab d.d.

In addition, Datalab HR records long-term loans totaling EUR 8,655.

in EUR	30 June 2015	30 June 2014
Long-term financial liabilities	2,544,214	1,863,434
Long-term loans obtained from domestic banks	2,544,214	1,855,016
Other long-term financial liabilities	0	8,418

Interest rates are tied to 6 month and 3 month EURIBOR and have an additional fixed interest rate between 3% and 6% per year. The repayment term is up to 7 years.

The sum of approved loans that were not drawn until 30 June 2015 amounts to EUR 655,706.

7.28 LONG-TERM PROVISIONS

Long-term provisions are provisions for long service rewards and severance pays upon retirement in accordance with IAS 19 in the amount of EUR 33,583. In 2014, the Group did not use the provisions for long service awards and severance pays in the amount of EUR 14,406.

Due to the unfounded use of immovable property owned by Datalab SR d.o.o., legal action is being taken against the company Blue Soft. A provision in the amount of EUR 20,037 is established for that purpose.

(in EUR)	30 June 2015	30 June 2014
Long-term provisions	53,616	39,016
Long-term provisions for long-service rewards and severance pay	33,583	18,979
Other non-current liabilities	20,033	20,037

7.29 LONG-TERM ACCRUED COSTS AND DEFERRED REVENUES

In the financial year 2014, the parent company signed a contract with the European Commission for the financing of the AgrolIT project whose goal is to establish a pilot platform AgrolIT that will be tested in a number of European countries (Denmark, Poland, Macedonia, Romania). On that basis, the Group already received an advance in the amount of EUR 356,483 from European funds; the project started on 1 March 2014. For the parent company, it represents further development of PANTHEON Farming (accounting for farms). The company hereby shows EUR 306,353 of unused subsidies and will start to account depreciation in the proportionate share of the depreciation of PANTHEON Farming software. Furthermore, the Group pro rata depreciation of the PANTHEON Farming software will account depreciation also on received subsidies for the project MAK, which are disclosed in the amount of EUR 168,206.

Long-term accruals in the amount of EUR 14,320 represent long-term deferred revenues from upgrading and financing.

in EUR	30 June 2015	30 June 2014
Long-term accrued costs and deferred revenues	488,879	724,326
for deferred revenue from upgrades	14,320	23,128
for potentially lost lawsuits	0	157,674
for received subsidy for the MAK project	168,206	187,041
for received subsidy for the AgrolT project	306,353	356,483

7.30 SHORT-TERM FINANCIAL LIABILITIES

Short-term liabilities are recognized obligations associated with the financing of own assets with the settlement expected sooner than in one year. They are divided into short-term financial liabilities and short-term operating liabilities.

(in EUR)	30 June 2015	30 June 2014
Short-term financial liabilities	1,004,753	744,392
Short-term financial liabilities to banks	1,004,753	744,392

Received short-term loans of the Group from banks by currencies and interest rates:

Item	Amount in currency (DEM)	Amount in EUR	Minimum interest rate	Maximum interest rate
EUR	1,004,753	1,004,753	EURIBOR+0%	EURIBOR+6%

As of 30 June 2015, the Group has short-term liabilities to banks in the amount of EUR 1,004,753.

This item also includes the short-term part of the long-term loans of the Group with banks.

In addition to the loans stated above, the company concluded the following revolving facility loan in the amount of EUR 223,000 with Raiffeisen Bank d.d. that was completely used as of 30 June 2015.

7.31 SHORT-TERM OPERATING LIABILITIES

(in EUR)	30 June 2015	30 June 2014
Short-term operating liabilities	1,933,952	1,054,810
Short-term operating payables to suppliers	985,548	370,117
Other short-term operating liabilities	948,404	684,693

Short-term operating liabilities to suppliers consist of obligations for rendered services (rent, administrative costs, costs of advertising and promotion, commissions), purchased materials (office supplies) and fixed assets.

Other short-term operating liabilities consist of obligations to the state from employee and employer contributions and taxes, VAT obligations, obligations to employees for wages and salaries, received collateral, and other liabilities.

7.31.1 Liabilities by maturity

Liabilities	Gross value as at 30 June 2015
Total	1,933,952
Not overdue	1,690,858
Overdue 0 to 30 days	105,024
Overdue 31 to 180 days	57,663
Overdue 181 to 365 days	16,723
Overdue over one year	63,684

7.32 ACCRUED COSTS AND DEFERRED REVENUES

(in EUR)	30 June 2015	30 June 2014
Short-term accrued costs and deferred revenues	163,658	227,896

Accrued costs and deferred revenue are costs accrued or revenue deferred for a short-term of up to 12 months, and are presented separately.

Accruals and deferrals occur in accounting because of the need to evenly distribute costs that are expected, but have not occurred yet. Short-term deferred revenue occurs when services have already been invoiced or paid, but not yet rendered. The total value of accruals and deferrals as of 30 June 2015 was EUR 200,434.

A part of accrued costs and deferred revenue consists of deferred revenue from lease and subscription agreements, while short-term accrued costs for Partner commissions, accrued expenses on contracted work and audits for the financial year 2015.

7.33 INVESTMENT IN RESEARCH AND DEVELOPMENT

The Group is extremely development-oriented; most of its expenses consist of development costs of the ERP system PANTHEON and the Farm Accounting program.

Development costs

Breakdown of costs	FY' 15	FY' 14
Internal R&D activities	1,526,605	1,346,952
Purchased R&D services	480,833	400,828
Total	2,007,438	1,747,780

Type of cost	FY' 15	FY' 14
Labor costs	1,316,396	1,061,073
Purchase of R&D equipment	58,138	77,017
Cost of material	176,815	208,862
Cost of R&D services and cost of external specialists and researchers	456,089	400,828
Total	2,007,438	1,747,780

7.34 TRANSACTIONS WITH RELATED PARTIES

Shown below are transactions between related parties in the Group for the last two years. There were no other transactions than the ones shown below.

Other related companies

in EUR	FY' 2015	FY' 2014
Sales (receivables) in euros		
Datalab AL	0	2,189
Datalab KS	2,423	0
Purchases (payables) in euros		
Datalab AL	0	0
Datalab KS	0	0
Outstanding receivables in euros		
Datalab AL	0	4,137
Datalab KS	2,398	0
Outstanding payables in euros		
Datalab AL	0	0
Datalab KS	0	0

in EUR	FY' 2015	FY' 2014
Loans granted to related parties		
Datalab SI	198,201	67,000
Datalab MK	3,968	3,607
Andrej Mertelj	41,341	41,341
Lojze Zajc	69,054	52,203
Datalab Agro AG	130,000	0
Datalab AL	8,675	16,000

The listed transactions were in line with market prices, or the prices charged for assets or services to related parties are compared to prices charged for assets or services to non-related parties in comparable circumstances.

7.34.1 Exclusions from consolidated statements

Exclusions are taken into account for the following items in the consolidated statements for FY' 10:

Item in statement of comprehensive income	FY' 2015
Sales revenues	3,153,727
Other operating revenues	382,477
Cost of materials, goods and services	2,760,199
Other operating expenses	1,860
Write-offs	-5,000
Financial revenues	31,900
Financial expenses	318,110

Item in statement of financial position	FY' 2015
ASSETS	
Goodwill	-70,241
Long-term financial investments	2,207,258
Long-term deferred costs and accrued revenue	592,684
Long-term operating receivables	26,464
Short-term (current) financial investments	334,728
Short-term operating receivables	1,335,024
Short-term deferred costs and accrued revenue	28,336
Total assets	4,454,253
EQUITY	
Equity of minority owners	355,717
Equity (all other items)	3,162,516
LIABILITIES	
Long-term accrued costs and deferred revenues	-162,150
Long-term financial liabilities	156,390
Short-term financial liabilities	198,201
Short-term operating liabilities	1,319,150
Short-term accrued costs and deferred revenues	135,863
Total equity and liabilities	4,454,253

7.34.2 Remuneration of the members of the Management and Management Board

The figures in the tables below include labor costs and compensation borne by the employer, other labor costs (annual leave bonuses, other remuneration, net reimbursements, benefits) and reimbursement of work-related expenses. The figures are for financial year 2015.

Attendance fees for the Executive Board include cost of attendance fees and reimbursements

for internal and external members of the Executive Board. In other additional payments, compensations for personal sureties of members for received loans of the parent company are shown.

Subsidiaries in the Datalab Group are supervised by the board for economic and strategic questions. For their work in the board for economic and strategic questions, members receive payments directly from subsidiaries.

	Fixed remuneration	Other bonuses	Reimbursements	Other additional payments	Total earnings in Datalab Tehnologije, d.d. and subsidiaries
Lojze Zajc	43,443	0	0	34,341	77,784
Andrej Mertelj	91,007	2,750	6,203	25,555	125,515
Nedim Pašič	12,079	0	6,145	1,333	19,557

7.35 FINANCIAL INSTRUMENTS

7.35.1 Financial assets

Item (in EUR)	Carrying amount as at 31 June 2015	Fair value as at 30 June 2015	Carrying amount as at 31 June 2014	Fair value as at 30 June 2014
Long-term financial investments	88,593	88,593	136,166	136,166
Long-term operating receivables	132,465	132,465	60,195	60,195
Short-term financial investments	287,456	287,456	233,615	233,615
Short-term operating receivables	1,998,620	1,998,620	1,673,659	1,673,659
Cash and cash equivalents	358,341	358,341	411,520	411,520
Total	2,865,475	2,865,475	2,515,155	2,515,155

7.35.2 Financial liabilities

Item (in EUR)	Carrying amount as at 31 June 2015	Fair value as at 30 June 2015	Carrying amount as at 31 June 2014	Fair value as at 30 June 2014
Long-term financial liabilities	2,544,214	2,544,214	1,863,434	1,863,434
Long-term operating liabilities	15,346	15,346	0	0
Short-term financial liabilities	1,004,753	1,004,753	744,392	744,392
Short-term operating liabilities	1,933,952	1,933,952	1,054,810	1,054,810
Total	5,498,265	5,498,265	3,662,636	3,662,636

7.36 AUDITING COSTS

The cost of auditing financial statements and the annual report for the financial year 2015 for Datalab by the audit firm UHY, d.o.o., amounted to EUR 15,000.

7.37 POTENTIAL LIABILITIES FROM LAWSUITS

7.37.1 Datalab Tehnologije d.d. as defendant

Plaintiff	Value in euros	Reference number, court	Status
E-POS GROUP, d. o. o.	707,422.00	V Pg 139/2007, District court in Ljubljana	Proceedings finished by a final judgement of the High Court
RR & CO d.o.o.	238,417.68	VL Pg 134/2014, District court in Ljubljana	In progress
MC ii d.o.o. – in bankruptcy	300,000.00	XI Pg 2165/2014, District court in Ljubljana	In progress

I. Case V Pg 139/2007 E-POS Group, d. o. o., against Datalab, d. d., valued at EUR 707,422

the former partner E-POS Group, d.o.o., with which Datalab, d.d., ceased to co-operate because of failure to fulfill contractual obligations of the partnership contract (above all selling and allowing to use illegal licenses and improper attitude towards users), filed a lawsuit for damages incurred due to the terminated cooperation for an amount equal to lost profits and damages paid due to contract termination, as this prevented it from finishing started projects.

In this case, the Group received a judgment of the High Court in which the court has fully dismissed the applicant's claim. That decision is final, so the company reversed provisions in the amount of EUR 164,836.

II. Case VI p 134/2014 RR & CO d.o.o against Datalab d.d., valued at EUR 238,417.68

he plaintiff filed a lawsuit for payment on the basis of a Contract on consulting in acquiring non-refundable funds. The first fixed term was cancelled, the next fixed term on 26 November 2015. The outcome of the proceedings depends on the testimony of individual witnesses which has not yet occurred.

III. Case XI pg 2165/2014 MC ii d.o.o. – in liquidation against Datalab d.d. as first defendant and a POT d.o.o. as second defendant

The plaintiff filed a lawsuit because of challenging legal acts in liquidation and return of copy-rights over the Mecen package into the bankruptcy estate, to which Datalab, in recognition of costs that it had, does not object.

In this case, a lawsuit was filed so far and both responses to the lawsuit. Currently, the adoption of preparatory application is expected, perhaps even the withdrawal of the applicant's action.

7.37.2 Debt Execution by Court against Datalab Tehnologije, d. d.

Plaintiff – creditor	Value in euros	Reference number, court	Status
KPMG Slovenija	16,672.92	VL 20939/2010, District court in Ljubljana, Central Office for Debt Execution on the Basis of Authentic Documents	After appealing, the litigation continues

Comments:

A writ of execution was issued, to which an objection was filed, and the case was directed to the path of a lawsuit. On 11 March 2013, the defendant received the verdict by which the court rejected the claim.

The plaintiff appealed against the verdict and the matter entered retrial on the first instance. The claim was in relation to the position of senior positions well-founded; the court has appointed a legal expert. According to the position of the High Court it is likely that the claim will be at least partially successful.

The claims of the listed debt executions have justifiable grounds, but not in the full value.*.

7.39.3 Datalab Tehnologije d.d. as plaintiff

Company	value in EUR	Reference number, court	Status
APL d.o.o. and others, Ljubljana	803,973.00	VIII Pg 1085/2015, District court in Ljubljana	In progress – first level

I. Case VIII Pg 1085/2015 Datalab, d.d. vs. APL, d. o. o. and others, valued at EUR 803,973

Defendant sued for compensation due to unauthorized use of business secrets. The action was filed on 24 March 2015. During this time, a proposal for securing evidence against litigation was filed which the Court granted and on 13 April 2015 issued a decision by which it approved the security and appointed a legal expert. Evidence have not been presented and the expert report has not been prepared. The defendants have filed their responses to the lawsuit.

AUDITOR'S REPORT FOR THE DATALAB GROUP



Delničarjem družbe
DATALAB Tehnologije d.d.
Ljubljana

UHY Revizija in svetovanje d.o.o.
Vurnikova ulica 2
1000 Ljubljana, Slovenija
tel.: +386 1 300 00 40
fax: +386 1 300 00 50
e-mail: uhy@uhy.si

POROČILO NEODVISNEGA REVIZORJA

Revidirali smo priložene konsolidirane računovodske izkaze gospodarske družbe **DATALAB Tehnologije d.d., Ljubljana in njenih odvisnih družb**, ki vključujejo konsolidiran izkaz finančnega položaja na dan 30. junija 2015, konsolidiran izkaz celotnega vseobsegajočega donosa, konsolidiran izkaz sprememb lastniškega kapitala in konsolidiran izkaz denarnih tokov za tedaj končano leto ter povzetek bistvenih računovodskih usmeritev in druge pojasnjevalne informacije. Pregledali smo tudi poslovno poročilo.

Odgovornost posloводства za računovodske izkaze

Posloводство je odgovorno za pripravo in pošteno predstavitev teh računovodskih izkazov v skladu z mednarodnimi standardi računovodskega poročanja in za tako notranje kontroliranje, kot je v skladu z odločitvijo posloводства potrebno, da omogoči pripravo računovodskih izkazov, ki ne vsebujejo pomembno napačne navedbe zaradi prevare ali napake.

Revizorjeva odgovornost

Naša odgovornost je izraziti mnenje o teh računovodskih izkazih na podlagi naše revizije. Revizijo smo opravili v skladu z Mednarodnimi standardi revidiranja. Ti standardi zahtevajo od nas izpolnjevanje etičnih zahtev ter načrtovanje in izvedbo revizije za pridobitev sprejemljivega zagotovila, da računovodski izkazi ne vsebujejo pomembno napačne navedbe.

Revizija vključuje izvajanje postopkov za pridobitev revizijskih dokazov o zneskih in razkritjih v računovodskih izkazih. Izbrani postopki so odvisni od revizorjeve presoje in vključujejo tudi ocenjevanje tveganj pomembno napačne navedbe v računovodskih izkazih zaradi prevare ali napake. Pri ocenjevanju teh tveganj prouči revizor notranje kontroliranje, povezano s pripravljanim in poštenim predstavljanjem računovodskih izkazov družbe, da bi določil okoliščinam ustrezne revizijske postopke, ne pa, da bi izrazil mnenje o uspešnosti notranjega kontroliranja družbe. Revizija vključuje tudi ovrednotenje ustreznosti uporabljenih računovodskih usmeritev in utemeljenosti računovodskih ocen posloводства kot tudi ovrednotenje celotne predstavitve računovodskih izkazov.

Verjamemo, da so pridobljeni revizijski dokazi zadostni in ustrezni kot osnova za naše revizijsko mnenje.

Mnenje

Po našem mnenju so konsolidirani računovodski izkazi v vseh pomembnih pogledih resnični in pošten prikaz finančnega položaja družbe **DATALAB Tehnologije d.d., Ljubljana in njenih odvisnih družb** na dan 30. junija 2015 ter njenega celotnega vseobsegajočega donosa in denarnih tokov za tedaj končano leto v skladu z mednarodnimi standardi računovodskega poročanja, kot jih je sprejela EU.

Odstavek o poudarjanju zadeve

Ne da bi izrazili pridržek, opozarjamo uporabnike računovodskih izkazov na razkritje v točki 5.2.11 poslovnega poročila glede nadomestljive vrednosti vlaganj v programsko opremo Pantheon Farming. Vlaganja so v računovodskih izkazih skupine izkazana v pobotanem (zmanjšano za rezervacije za prejete subvencije) znesku 1.084 tisoč. Ocenjena tržna vrednost zgolj blagovne znamke povezane s temi vlaganji, ugotovljene z metodo diskontiranja bodočih donosov znaša 5.052 tisoč EUR, prispevek pri tem udeleženi sredstev pa 3.894 tisoč EUR. Ocenjevanje nadomestljive vrednosti, ki je opisano v tem razkritju je bilo podvrženo uporabi predpostavk, za katere obstaja pomembno tveganje glede njihove uresničitve, predvsem glede doseganja načrtovanih donosov tako po višini, kot tudi terminsko.

Poslovno poročilo je skladno z revidiranimi računovodskimi izkazi.



UHY Revizija in svetovanje d.o.o.

Franci Žgajnar
pooblaščen revizor

Ljubljana, 20.11.2015

matična številka: 2060167, ID za DDV: S62702670, št. transakcijskega računa: DBS d.d., 1910 0001 0161 677, št. registrskega vložka: 1/41215/00 pri Okrobnem sodišču v Ljubljani, št. vpisa v register revizijskih družb: RD-A-073/05

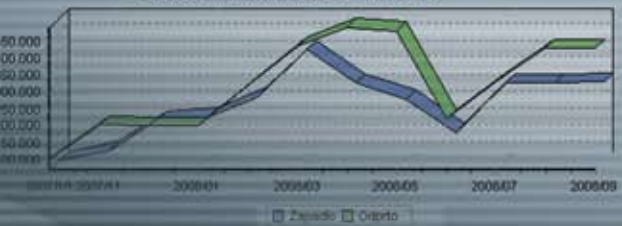
UHY Revizija in svetovanje d.o.o. je član Urbach Hacker Young International Limited, podjetja v Združenem Kraljestvu, in je del mednarodnega združenja neodvisnih računovodskih in svetovalnih podjetij UHY. UHY je blagovna znamka mednarodnega združenja UHY. Storitve, ki jih nudi UHY Revizija in svetovanje d.o.o., niso storitve UHY ali kateregakoli drugega člana. UHY ali katerikoli drugi član ne odgovarja za storitve drugih članov.

Dolga zapadla terj. po dolžnikih in razredih zap.

Subjekt	90 - 120 dni	121 - 180 dni	nad 180 dni	Skupaj
Buyer Ltd.	0,00	0,00	200.110,00	200.110,00
Partner x	15.000,00	11.000,00	1.500,00	26.500,00
Company Big	0,00	0,00	30.000,00	30.000,00
Leat d.d.	0,00	0,00	25.148,00	25.148,00
Kupec d.o.o.	2.320,00	0,00	0,00	2.320,00
Peter Novak	1.558,80	0,00	0,00	1.558,80
Podjetje d.o.o.	0,00	1.500,00	0,00	1.500,00
Podjetje za izobraževanje	0,00	1.000,00	0,00	1.000,00
Kupec EU d.o.o.	500,00	0,00	0,00	500,00
Kupec Ltd.	0,00	0,00	500,00	500,00
Podjetje d.o.o.	0,00	0,00	500,00	500,00
PIVARELLO SPA	0,00	450,00	0,00	450,00
Doe	0,00	0,00	450,00	450,00

Dolga zapadla terjatev po dolžnikih in razredih zapadlosti.

Stanje odprtih in zap. terjatev za zadnjih 12 mes.



Terjatve do kupcev

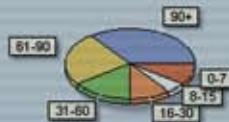
Subjekt	Zapadno	Odprto
Buyer Ltd.	200.110,00	200.110,00
Partner x	36.500,00	366.500,00
Company Big	30.000,00	30.000,00
Leat d.d.	25.148,00	25.148,00
Kupec d.o.o.	2.320,00	7.946,57
Peter Novak	1.558,80	1.558,80
Podjetje d.o.o.	1.500,00	8.400,00

Seznam dolžnikov po velikosti zapadlih terjatev do posameznega subjekta. V primarni vrstici.

Stanje terjatev skupaj

	Vrednost
Zapadno	302.320,00
Odprto	431.957,45

Struktura terjatev



Skupno stanje odprtih terjatev do kupcev.

Struktura zapadlih terjatev do kupcev po razredih zapadlosti. V dnevih.

Kazalniki obračanja in dnevi vezave terjatev

Kazalnik	Vrednost
Dnevi vezave terjatev I	250,81
Dnevi vezave terjatev II	250,83
Obračanje terjatev I	1,46
Obračanje terjatev II	1,46

8

Financial statements of Datalab, d. d.

Statement of the Executive Board of the Controlling Company

The Management Board of Datalab, d. d., is responsible for drawing up the annual report of the controlling company as well as preparing financial statements in a manner that gives interested parties a true and fair view of the financial standing and operating results of Datalab, d. d., and its subsidiaries in 2015.

The management hereby states:

- that the consolidated financial statements have been prepared under the assumption that Datalab, d. d., will continue its business in the future;
- that the chosen accounting policies have been applied consistently and that any accounting policy errors have been disclosed;
- that accounting estimates have been prepared in a fair and well-considered manner and in accordance with the principles of precaution and sound governance;
- that financial statements for Datalab Tehnologije, d. d., and the Datalab group of companies, and the notes to them have been prepared according to applicable laws and IFRS;
- that the business report contains a fair view of the development and results the company's operations and its financial standing, including a description of the risks that the company is exposed to as a whole.

The management of the company is also responsible for proper accounting, adopting measures for preserving property and preventing and detecting fraud and other irregular or illegal activities.

The management hereby approves the financial statements to be published.

Ljubljana, 19 November 2015



Executive Director
Andrej Mertelj

8.1. STATEMENT OF COMPREHENSIVE INCOME OF DATALAB TEHNOLOGIJE, D.D. FOR THE PERIOD FROM 1 JULY 2014 TO 30 JUNE 2015

Item	Note	FY' 15	FY' 14
Sales revenues	7	2,607,384	2,293,639
Other operating revenues	8	2,655,053	1,993,736
Gross operating income		5,262,437	4,287,375
Cost of materials, goods and services	9	1,172,016	1,136,232
Labor costs	10	1,592,732	1,312,558
Depreciation of property, plant and equipment		28,633	52,379
Amortization of intangible assets		1,290,248	1,157,133
Revalued operating expenses associated with intangible and fixed asset		312	0
– revalued operating expenses associated with current assets		71,092	6,322
Other operating expenses	11	92,585	29,323
Operating profit or loss		1,014,819	593,428
Financial revenues	12	33,888	60,879
Financial expenses	13	391,326	142,892
Net cash flow		-357,438	-82,013
Pre-tax profit & loss		657,381	511,415
Tax on income		0	0
Deferred tax	14	185,168	144,374
Net profit or loss for the financial year	15	842,549	655,789
Change in surplus arising from revaluation of intangible and fixed assets		0	0
Change in surplus arising from revaluation of financial assets held for sale		0	0
Profit and loss arising from conversion of financial statements of foreign companies		0	0
Actuarial gains and losses of defined benefit plans		-2,733	0
Other components of comprehensive income		0	0
Total comprehensive income for the accounting year		839,816	655,789

8.2. STATEMENT OF FINANCIAL POSITION OF DATALAB TEHNOLOGIJE, D.D. AS AT 30 JUNE 2015

Item	Note	2015	2014
ASSETS			
Property, plant and equipment	16	31,067	36,637
Intangible assets	17	6,180,357	6,302,582
Long-term financial investments	18	2,223,507	424,739
Long-term loans	19	71,207	47,543
Long-term operating receivables	20	26,464	23,311
Long-term deferred costs and accrued revenue		10,929	0
Deferred tax assets	21	688,862	503,694
Total fixed (non-current) assets		9,232,393	7,338,506
Inventories		0	0
Short-term financial investments	22	499,740	203,236
Short-term operating receivables	23	1,323,253	1,209,081
Cash and cash equivalents	24	26,871	231,024
Short-term deferred costs and accrued revenue	25	149,543	96,659
Total current (short-term) assets		1,999,407	1,740,000
Total assets		11,231,800	9,078,506
EQUITY			
	26	0	0
Share capital		4,240,802	2,197,236
Capital reserves		719,482	425,463
Profit reserves		426,640	202,920
Revaluation surplus		-2,733	0
Retained net profit (loss)		1,551,373	2,402,219
Total equity		6,935,564	5,227,838
LIABILITIES			
Long-term financial liabilities	27	1,993,097	1,780,415
Long-term operating liabilities		0	0
Long-term provisions	28	30,598	18,979
Long-term accrued costs and deferred revenues	29	312,409	707,934
Total long-term liabilities		2,336,104	2,507,328
Short-term financial liabilities	30	915,864	744,392
Short-term operating liabilities	31	959,187	527,270
Accrued costs and deferred revenues	32	85,081	71,678
Total short-term liabilities		1,960,132	1,343,340
Total tax liabilities		4,296,236	3,850,668
Total equity and liabilities		11,231,800	9,078,506

8.3 STATEMENT OF CHANGES IN EQUITY FOR DATALAB TEHNOLOGIJE, D. D., FOR THE PERIOD FROM 1 JULY 2014 TO 30 JUNE 2015

	Share capital	Capital reserves	Regulatory reserves	Own share reserves	Own shares and interests (as deduction item)	Actuarial gains/losses	Retained earnings	Net profit for the financial year	Total
A. Initial balance for the period	2,197,236	425,463	196,545	28,599	-22,224	0	1,746,430	655,789	5,227,838
B. Changes in equity – transactions with owners	293,685	719,482	0	0	-44,932	0	-100,325	0	867,910
a) Entry of called-up share capital	293,685	700,690	0	0	0	0	0	0	994,375
b) Disposal or withdrawal of own shares and own interests	0	18,792	0	0	9,914	0	0	0	28,706
c) Dividends paid	0	0	0	0	0	0	-100,325	0	-100,325
d) Purchase of own shares and interests	0	0	0	0	-54,846	0	0	0	-54,846
C. Total comprehensive income for the accounting year	0	0	0	0	0	-2,733	0	842,549	839,816
a) Net profit (loss) for the period	0	0	0	0	0	-2733	0	842,549	839,816
D. Changes in equity	1,749,881	-425,463	227,536	41,116	0	0	-937,281	-655,789	0
a) Allocation of part of net profit for the reporting period to other equity components following the decision of the Management and Supervisory Board	1,749,881	-425,463	227,536	0	0	0	-1,551,954	0	0
b) Allocation of the remaining part of net profit for the comparative reporting period to other equity components	0	0	0	0	0	0	655,789	-655,789	0
c) Release of reserves for own shares and interests and allocation to other equity components	0	0	0	-13,730	0	0	13,730	0	0
d) Purchase of own shares and interests	0	0	0	54,846	0	0	-54,846	0	0
D. Closing balance for the period	4,240,802	719,482	424,081	69,715	-67,156	-2,733	708,824	842,549	6,935,564
Distributable profit	0	0	0	0	0	0	708,824	842,549	1,551,373

8.4 STATEMENT OF CHANGES IN EQUITY FOR DATALAB TEHNOLOGIJE, D. D., FOR THE PERIOD FROM 1 JULY 2013 TO 30 JUNE 2014

	Share capital	Capital reserves	Regulatory reserves	Own share reserves	Own shares and interests (as deduction item)	Retained earnings	Net profit for the financial year	Total
A. Initial balance for the period	2,041,009	313,825	196,545	59,389	-46,185	1,160,361	648,746	4,373,690
B. Changes in equity – transactions with owners	156,227	111,638	0	0	23,961	-93,467	0	198,359
a) Entry of called-up share capital	156,227	163,798	0	0	0	0	0	320,025
b) Disposal or withdrawal of own shares and own interests	0	-52,160	0	0	66,570	0	0	14,410
c) Dividends paid	0	0	0	0	0	-93,467	0	-93,467
d) Purchase of own shares and interests	0	0	0	0	-42,609	0	0	-42,609
C. Total comprehensive income for the accounting year	0	0	0	0	0	0	655,789	655,789
a) Net profit (loss) for the period	0	0	0	0	0	0	655,789	655,789
D. Changes in equity	0	0	0	-30,790	0	679,536	-648,746	0
a) Allocation of part of net profit for the reporting period to other equity components following the decision of the Management and Supervisory Board	0	0	0	0	0	0	0	0
b) Allocation of the remaining net profit of the comparative reporting period to other equity components	0	0	0	0	0	648,746	-648,746	0
c) Release of reserves for own shares and interests and allocation to other equity components	0	0	0	-30,790	0	30,790	0	0
D. Closing balance for the period	2,197,236	425,463	196,545	28,599	-22,224	1,746,430	655,789	5,227,838
Distributable profit						1,746,430	655,789	2,402,219

8.5 CASH FLOW STATEMENT FOR DATALAB TEHNOLOGIJE, D. D., FOR THE PERIOD FROM 1 JULY 2014 TO 30 JUNE 2015

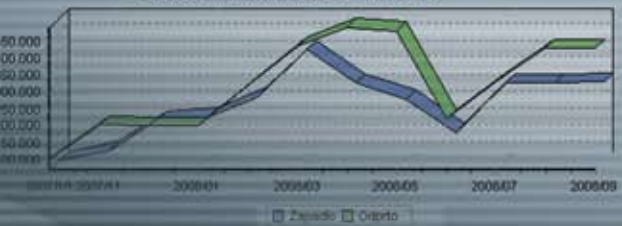
CASH FLOW FROM OPERATIONS (in EUR)	FY' 15	FY' 14
Net profit or loss	842,549	655,789
Adjustments for:		
Revalued operating revenue and expenses	-96,331	-41,701
Depreciation of property, plant and equipment	28,634	52,379
Amortization of intangible assets	1,290,248	1,157,133
Net financial profit or loss	371,753	111,281
	2,436,853	1,934,881
Change in operating receivables, deferred costs and accrued revenue	-252,230	-259,031
Change in inventories	0	1,631
Change in short-term operating liabilities, accrued costs and deferred revenue	- 339,683	434,938
Change in provisions	8,825	-460
Change in deferred tax assets	-185,168	-144,374
	1,668,597	1,967,585
Interest received	11,162	22,396
Interest paid	-91,915	-129,307
Paid tax on profit		
Net cash flow from operating activities	1,587,844	1,860,674
CASH FLOW FROM INVESTING ACTIVITIES		
Cash disbursements for acquiring intangible assets	-2,166,188	-1,898,474
Cash disbursements for acquiring property, plant and equipment	-23,375	-18,639
Cash disbursements for the acquisition of non-current investments	- 397,150	
Cash disbursements for acquiring financial investments	-988,998	-295,147
Cash receipts from financial investments		0
Cash receipts from loans	460,031	114,672
Cash receipts from the disposal of intangible assets	0	
Cash receipts from the disposal of property, plant and equipment		36,028
NET CASH FLOW FROM INVESTING ACTIVITIES	-3,115,680	-2,061,560
Cash flow from financing activities		
Equity paid-up	994,375	0
Capital repayment	- 54,846	-2,745
Cash disbursements for dividends and other profit sharing	0	0
Cash receipts from long-term financial liabilities	985,535	918,389
Cash receipts from short-term financial liabilities	673,000	945,000
Cash disbursements for the repayment of non-current financial liabilities		
Cash disbursements for the repayment of short-term financial liabilities	-1,274,381	-1,448,237
Net cash flow from financing activities	1,323,683	412,407
Net change in cash and cash equivalents	-204,153	211,521
Cash and cash equivalents at the beginning of the year	231,024	19,503
Cash and cash equivalents at the end of the year	26,871	231,024

Dolga zapadla terj. po dolžnikih in razredih zap.

Subjekt	90 - 120 dni	121 - 180 dni	nad 180 dni	Skupaj
Buyer Ltd.	0,00	0,00	200.110,00	200.110,00
Partner x	15.000,00	11.000,00	1.500,00	26.500,00
Company Big	0,00	0,00	30.000,00	30.000,00
Lest d.d.	0,00	0,00	25.148,00	25.148,00
Kupec d.o.o.	2.320,00	0,00	0,00	2.320,00
Peter Novak	1.558,80	0,00	0,00	1.558,80
Podjetje d.o.o.	0,00	1.500,00	0,00	1.500,00
Podjetje za izobraževanje	0,00	1.000,00	0,00	1.000,00
Kupec EU d.o.o.	500,00	0,00	0,00	500,00
Kupec Ltd.	0,00	0,00	500,00	500,00
Podjetje d.o.o.	0,00	0,00	500,00	500,00
PIVARELLO SPA	0,00	450,00	0,00	450,00
Doe	0,00	0,00	450,00	450,00

Dolga zapadla terjatev po dolžnikih in razredih zapadlosti.

Stanje odprtih in zap. terjatev za zadnjih 12 mes.



Terjatve do kupcev

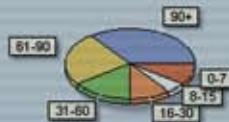
Subjekt	Zapadno	Odprto
Buyer Ltd.	200.110,00	200.110,00
Partner x	36.500,00	366.500,00
Company Big	30.000,00	30.000,00
Lest d.d.	25.148,00	25.148,00
Kupec d.o.o.	2.320,00	7.946,57
Peter Novak	1.558,80	1.558,80
Podjetje d.o.o.	1.500,00	8.400,00

Seznam dolžnikov po velikosti zapadlih terjatev do posameznega subjekta. V primarni vrstici.

Stanje terjatev skupaj

	Vrednost
Zapadno	302.320,00
Odprto	431.957,45

Struktura terjatev



Skupno stanje odprtih terjatev do kupcev.

Struktura zapadlih terjatev do kupcev po razredih zapadlosti. V dnevih.

Kazalniki obračanja in dnevi vezave terjatev

Kazalnik	Vrednost
Dnevi vezave terjatev I	250,81
Dnevi vezave terjatev II	250,83
Obračanje terjatev I	1,46
Obračanje terjatev II	1,46

9

Note to the financial statements

1. REPORTING COMPANY

Datalab d. d., Ljubljana, is a Slovenia-based publicly-traded company. It is listed on the Ljubljana Stock Exchange.

The main objective of the company is developing a powerful and reliable ERP system for micro, small and mid-size businesses.

The main company's activities is the following: 58.290 – Other software publishing

On 30 June 2015, the company Datalab d.d. had 50 employees.

Financial statements for the Datalab, d.d. for the year ending on 30 June 2015 were approved at a meeting of the Management Board on 19 November 2015.

2. BASIS FOR COMPILING FINANCIAL STATEMENTS

a) Statement of compliance

The financial statements have been drawn up in accordance with IFRS, as adopted by the European Community, and interpretations of IFRIC, as adopted by the International Accounting Standards Board (IASB).

New standards and notes, stated hereinafter, are not yet in effect and were not yet taken into account during the preparation of financial statements as of 30 June 2015:

IFRS 9 – Financial Instruments

In July 2014, the International Accounting Standards Board published the final version of IFRS 9 Financial Instruments, which contains all the requirements of the various stages of the renovation project IFRS 9 and replaces IAS 39, Financial Instruments: Recognition and Measurement, as well as all previous versions of IFRS 9. The revised standard introduces new requirements for classifying and measuring financial assets and liabilities, derecognition of their impairment and hedge accounting. The revised standard IFRS 9 applies to financial periods beginning on 1 January 2018 or later. Early application of the standard is permitted. Amendments to the standard must be applied retrospectively, whereby the presentation of the collated data is not obligatory. Early application of previous versions of IFRS 9, which were published in the years 2009, 2010 and 2013, is allowed under the condition that the company has undergone the transition to IFRS at any time during the period from 1 February 2015. The standard has not yet been endorsed by the European Union. The adoption of renewed IFRS 9 will have an impact on the classification and measurement of financial assets of the Group/Company, but will have no impact on the classification and measurement of its financial liabilities.

MSRP 14, Regulatory deferral accruals

IFRS 14 is a voluntary standard that allows companies by the first application of the International Financial Reporting Standards that they can to a large extent continue charging regulatory deferral accruals in accordance with a generally accepted accounting principles. Companies that decide to use the new standard should recognize the regulated deferral accruals separately in the statement of financial position as separate items in the income statement, while in the statement of other comprehensive income they should disclosed any changes in these accounts. The standard requires that companies disclose the characteristics of regulation and the related risks and their

impact on the financial statements of companies. IFRS 14 is effective for annual periods beginning on 1 January 2016 or later. The standard has not yet been endorsed by the European Union. The Group/Company anticipates that the amendment will not have a significant impact on the financial statements.

Amendments to standards and interpretations adopted in the period from 2011–2013

Amendments to standards shall be effective for periods beginning on 1 July 2014. The Group/Company does not expect that amendments in standards shall have a significant impact on its consolidated/separate accounts. Improvements to standards include the following:

Amendments to IFRS 11, Joint Arrangements: Accounting for Acquisitions of Interests in Joint Operations

In accordance with the amendments to IFRS 11 the entity that is a party to a joint management must in accounting for acquisitions of interest in joint operations whose activity are operations, use appropriate accounting principles of the standard IFRS 3, which apply in accounting for business combinations. Amendments further clarify that when you acquire additional interests in the same jointly controlled entity, the company cannot remeasure its existing interests until there joint control is established. The Board also included within the scope of IFRS 11 exceptions, which provide that the amendments do not apply in the event that the parties that are involved in the joint control (including a reporting company), are controlled by the same parent company. Amendments apply for accounting both original interests in jointly controlled entity, as well as additional interests in the same jointly controlled entity. Amendment will be effective for annual periods beginning on 1 January 2016 or later. Early application of the standard is permitted. The amendments have not yet been endorsed by the European Union. The Group/Company does not expect that amendments to the standard IFRS 11 shall have a significant impact on its consolidated/separate accounts.

MSRP 15, Revenue from Contracts with Customers

In May 2014, the International Accounting Standards Board published the standard IFRS 15, which introduces a new five-stage model of revenue recognition, which the company achieved on the basis of contracts with customers. In accordance with the provisions of IFRS 15 company recognizes revenue at a level which reflects the amount of consideration to which the entity believes that he is entitled to the transfer of goods and forwarding services to the customer. The accounting principles of IFRS 15 also provide a more structured approach to the measurement and recognition of revenue. The new standard applies to all companies and replaces the existing requirements of International Financial Reporting Standards relating to the recognition of revenue. Full application of the new standard is effective for annual periods beginning on 1 January 2017 or later, but adapted to the shape of the standard is to be applied retrospectively. Early application of the standard is permitted. The standard has not yet been endorsed by the European Union. The Group/Company is reviewing the impact of the new standard and will use it when it enters into force.

Amendments to IAS 16 and IAS 38, Note on the acceptable methods for the calculation of depreciation

With these amendments the Board clarifies the accounting principles of the standards IAS 16 and IAS 38, which stipulate that revenues reflect the pattern of economic benefits that the company generates from operations (which includes an agent), rather than the economic benefits that the company availing of the use of funds. Given the depreciation of tangible fixed assets, the company cannot use the income approach method, but it can be use it in very limited circumstances for the calculation of amortization of intangible assets. Amendments are effective for annual periods beginning on 1 January 2016 or later. Early application of the standard is permitted. The amendments have not yet been endorsed by the European Union. The Group/Company does not expect that amendments to the standard IFRS 11 shall have a significant impact on its consolidated/separate accounts because for calculation of depreciation of fixed assets The Group/Company does not apply the income approach method.

Amendments to IAS 16 and IAS 41, Agriculture: Bearer Plants

Amendments to standards change requirements in accounting for biological assets that meet the definition of bearer plants. In accordance with these amendments biological assets that meet the definition of bearer plants no longer fall within the scope of the requirements of IAS 41 but rather IAS 16. Thus, in accordance with the requirements of IAS 16 the company must upon initial recognition of bearer plants measure the total cost (before maturity) and using the cost model or the revaluation model (after maturity). In addition, amendments to IAS 16 and IAS 41 require companies to harvest the crops growing on bearer plants, measure at fair value less costs to sell in accordance with provisions of IAS 41. Government subsidies for bearer crops must be accounted for in accordance with IAS 20, Accounting for Government Grants and Disclosure of Government Assistance. Amendments that are effective for annual periods beginning on 1 January 2016 or later must be applied retrospectively. Early application of the standard is permitted. The amendments have not yet been endorsed by the European Union. The Group/Company does not expect that the these amendments shall have an impact on its consolidated/separate accounts because they do not have bearer plants among their assets.

IAS 40, Investment property

The definition of ancillary services in accordance with IAS 40 distinguishes between investment property and proprietary real estate (i.e. the tangible fixed assets). Amendment clarifies that in determining whether a transaction represents a purchase of assets or business combination the company must consider the definition of ancillary services such as that proposed by IFRS 3 and not IAS 40. They amendments must be applied prospectively.

Amendments to IAS 27 – Equity Method in Separate Financial Statements

Amendments to IAS 27 allow the company to recognize investments in subsidiaries, joint ventures and associated companies recognized under the equity method in its separate financial statements. Companies which prepare their financial statements in accordance with the International Financial Reporting Standards and are determined to progress to the equity method in the separate financial statements, will have to apply amendments to IAS 27 retroactively. In the first application of International Accounting Standards the companies will have to opt for the equity method in the separate financial statements, and apply this method on the date of transition to IFRS. Amendments are effective for annual periods beginning on 1 January 2016 or later. Early application of the standard is permitted. The amendments have not yet been endorsed by the European Union. The Group/Company does not expect that amendments to the standard shall have an impact on its consolidated/separate accounts.

b) Basis for measurement

The financial statements have been drawn up considering the original value, except in the following cases, where a fair value has been considered:

- financial derivatives
- financial instruments at fair value through the operating results
- available-for-sale financial assets
- investment property
- liabilities for payments in shares settled with cash.

The methods used to measure fair value are described in note number 4.

c) Functional and presentation currency

Slovenia introduced the euro (€/EUR) as its functional currency on 1 January 2007. In accordance with IFRS 21.37, all assets, liabilities and equity in Slovenian economic subjects have been converted to euros at a SIT:EUR rate of 239.64:1, and revenue and expenses for 2007 were all already expressed in euros. All financial statements in this annual report are in whole euros. There might be slight discrepancies with totals because of rounding.

d) use of estimates and judgements

When preparing financial statements in conformity with IFRS, the management is required to make estimates, assessments and assumptions that affect the use of accounting policies and the presented value of assets, liabilities, revenues and expenses. Actual figures may vary.

Estimates and assumptions have to constantly reviewed. Corrections to accounting estimates are acknowledged for the period for which the estimates are being corrected and all future years that are affected by the correction.

Uncertainty evaluations and decisive assessments prepared by the management in line with the accounting policy that most significantly affect figures in the financial statements are:

- note no. 17 – long-term financial investments;
- note no. 9 – measuring obligations for certain earnings;
- note no. 29 – provisions;
- note no. 37 – valuation of financial instruments and their impairment.

e) Financial year

The Group's financial year starts on 1 July and ends on 30 June in the following year.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies described below have been consistently applied for all periods that are presented in the financial statements herein.

Except as disclosed in the notes to the financial statements, the Company did not change its policy in relation to the previous year. Some comparative amounts have been reallocated to ensure coherence with the current year. The comparative profit (loss) statement is repeated so that it seems like operations have been interrupted during the year. The comparative profit (loss) statement is shown separately for each period to give a better overview.

a) Foreign currency

Foreign currency transactions are converted to the appropriate functional currency of the companies in the Group at the rate on the day of the transaction. Cash and liabilities expressed in foreign currency on the balance sheet date are converted to the functional currency at the going rate. Positive and negative exchange differences are differences between the amortized cost in the functional currency at the beginning of the period, adjusted for effective interest, and payments during the period and the amortized cost in foreign currency, converted at the rate at the end of the period. Non-monetary assets and liabilities expressed in foreign currency and measured at fair value are converted to the functional currency at the rate on the day when the fair value was measured. Exchange differences are recognized in the operating results, but not differences from converting equity instruments held for sale, non-financial liabilities for insurance against risks, or cash flow insurance against risks that are recognized directly in equity.

b) Financial instruments

The company Datalab d.d classifies its investments into the following categories: financial assets held for sale, financial assets at fair value through the operating results, and loans and receivables. The classification depends on the purpose for which the investment was acquired. In 2015, the company Datalab d.d. did not have any financial assets for sale and financial assets at fair value through the operating results.

Non-derivative financial instruments

Non-derivative financial instruments include investments in capital and debt securities, operational and other receivables, cash and cash equivalents, received and given loans, and operational and other liabilities.

Non-derivative financial instruments are initially recognized at fair value, increased by (instruments that are not recognized at fair value through the operating results) cost that is directly relat-

ed to a transaction. After the initial recognition, non-derivative financial instruments are measured as described below.

Cash and cash equivalents consist of cash on-hand and deposits on demand. Bank account overdrafts that can be settled on demand and are part of cash management in the Group are in the cash flow statement included in cash and cash equivalents.

Accounting of financial income and expenses is described in items 11 and 12.

c) Equity capital

i) Called-up capital

Called-up capital of Datalab, d. d., appears as equity capital that is nominally specified in the company's articles of association, registered at court, and paid by its owners. Dividends for common stock are recognized in equity in the period for which they were approved by the shareholder assembly.

ii) Reserves for own shares

If the company acquires a stake in the parent company, the paid amount including transaction fees without taxes is subtracted from equity as own shares, until those shares are withdrawn, re-issued or sold. If own shares are later sold or re-issued, all received payments excluding transaction fees and related taxes are included in equity.

d) Property, plant and equipment

Fixed assets (property, plant and equipment) are kept at their original cost, decreased by cumulative depreciation and cumulative loss due to impairment, except for land, which is presented at original cost, decreased by any impairments. Original cost includes all costs that can be directly attributed to the acquisition of a fixed asset. Maintenance and repairs as well as replacement and improvement of minor significance are recognized as expenses in the period in which they occur. Larger amounts are depreciated over the remaining useful life of a fixed asset or to the day of the next major renovations, whichever comes first. The residual value and useful life of each fixed asset is checked annually and adjusted if necessary. The book value of a fixed asset is immediately partly written off to the recoverable amount, if the book value is greater than the estimated recoverable amount, and is recognized in the operating results.

Depreciation is calculated using straight-line depreciation, taking into account useful life as follows: in %

Asset description	Depreciation rates in % since 1 July 2014	Depreciation rate in % before 30 June 2014
Computers	50	50
Furniture and chairs	20, 25	20, 25
Vehicle fleet equipment	12.5	12.5
Other equipment	20, 25	20, 25

Depreciation calculation starts when a fixed asset is ready for use; unfinished constructions are not depreciated.

Profit and loss from sale or deactivation of a fixed asset is determined by comparing sales revenue with book value. It is included in the operating results.

Fixed assets acquired through tenders are recognized as assets, but the amount of the subsidy is counted towards accrued costs and deferred revenue, which is then monthly decreased by the depreciation amount.

e) Intangible assets (software)

Intangible assets are initially measured at their original value.

i) Other intangible assets

Intangible assets acquired through tenders are recognized as assets, but the amount of the subsidy is counted towards accrued costs and deferred revenue – government grants, which is then decreased monthly by the depreciation amount. The depreciation rate for such assets is the same as for assets that the company purchases with own funds.

ii) Subsequent cost

Subsequent expenses related to intangible assets are capitalized only when they increase future economic benefits which are derived from the asset to which the expenses pertain. All other costs, including trademarks and goodwill generated within the company, are recognized in the operating results as expenses as soon as they occur.

iii) Amortization and depreciation

Depreciation is calculated using straight-line depreciation, taking into account useful life of intangible assets (except goodwill) and beginning when the asset is ready for use. The estimated periods of useful life for the current and the benchmark year are as follows:

Asset description	Depreciation rate in % since 1 July 2014	Depreciation rate in % before 30 June 2014
Intangible asset – PANTHEON	10	10
Intangible asset – FENIKS	10	10
Material rights and copyrights	10 – 50	10.50

f) Leased assets

Leases for which the company assumes all major forms of risks and benefits related to asset ownership are regarded as financial leases. After initial recognition, a leased asset is presented in an amount equivalent to the fair value, or if it is less than that, the current value of the lowest total of lease payments. After initial recognition, assets are measured in accordance with accounting policies for such assets.

Other leases are treated as operating leases and, with the exception of investment property, leased assets are not recognized in the company's balance sheet. Investment property under operating lease is presented in the company's balance sheet at fair value.

g) Inventories

Inventories of goods are initially valued at their original cost, which consists of purchase price, import duties and direct procurement costs. Original purchase price is reduced by the amount of discounts. Direct procurement costs are transport costs, handling costs, transport insurance, goods tracking, intermediation costs and similar costs to the first warehouse if borne by the customer, and non-refundable duties. Purchase price discounts include those specified in invoices as well as those granted subsequently that pertain to a certain delivery.

A reduction in the value of inventories, materials and sundry equipment is accounted for as a charge against expenses. A reduction in the value of inventories held for sale is reported in the income statements as an operating cost. Consumption of goods is accounted on the basis of the average cost method.

The cost of inventories includes the purchase price, customs and other duties (excluding those that are subsequently refunded by tax authorities), transport cost, handling and other costs that can be attributed directly to the acquired goods, materials or services. Trade discounts, rebates and other similar items are deducted in determining the cost of purchase.

Consumption of materials is accounted on the basis of the method of average cost in the period.

The net realizable value is the estimated sale price achieved in normal operation, minus estimated cost of finishing and estimated cost of selling.

h) Impairment of assets

i) Financial assets

On the reporting date the company assesses the value of financial asset to determine whether there exists any objective signal of the impairment of asset. A financial asset is impaired if objective proof exists that one or more events led to a decrease in expected future cash flows from that asset.

Impairment loss in connection with the financial asset carried at redemption value is calculated as a difference between the net book value of an asset and expected future cash flows, discounted by the original valid interest rate.

Trade receivables are presented at nominal value, decreased by proper adjustments for estimated unrecoverable amounts.

Receivables that are assumed not be settled on time or in full are regarded as doubtful; if legal action has been initiated they are regarded as disputed.

Receivables are adjusted if the need arises, which is considered based on individual estimates of recoverability.

Investments in subsidiaries are valued at their original cost.

Investment is adjusted if the need arises, which is considered based on individual estimates.

Loss due to impairment of financial assets held for sale is calculated according to an asset's current fair value.

For key financial assets, the estimation of impairment is performed individually. The impairment assessment of the remaining financial assets is carried out in groups according to their common characteristics concerning their exposure to risks.

All impairment losses are shown in the operating results for the period. Any accrued loss related to financial assets held for sale that was recognized directly in equity is transferred to the operating results.

The loss due to impairment is derecognized if it can be objectively attributed to an event that occurred after the impairment has been recognized. For financial assets presented at amortized cost and financial assets held for sale, which are debt instruments, the derecognition of loss due to impairment is presented in operating results. Derecognition of financial assets held for sale that are equities are presented directly in equity by the company.

ii) Non-financial assets

On each reporting date, the company checks the remaining carrying value of non-financial assets of the company, except biological assets, investment property, inventories and deferred tax assets, to determine any signs of impairment. If such indications exist, a recoverable amount of the asset is determined. An estimate of the impairment of goodwill and intangible assets with an unspecified useful life that are not yet ready for use is performed on every reporting date.

Recoverable amount of the asset or cash-generating unit is its value in use or fair value, less the costs of sales, namely that which is higher. By determining the asset's value in use the expected future cash flows are discounted to their current value using the pre-tax discount rate reflecting the ongoing market perceptions of time value and risks regarding cash that are typical for the asset. To test for impairment, assets are grouped into the smallest possible groups that generate cash flow from permanent use, largely independent from those from other assets or asset groups (cash-generating units). To test for impairment, goodwill obtained from mergers is distributed to cash-generating units that are expected to benefit from the synergy of merging.

Impairment of assets or cash-generating units is recognized if their book value is greater than their recoverable value. The impairment is presented in operating results. Loss that is recognized for cash-generating units due to impairment is allocated in such a way that first the book value

of goodwill allocated to a cash-generating unit is decreased, and then to other assets of the unit (group of units) in proportion to the book value of each asset in the unit.

Loss due to impairment of goodwill is not derecognized. For other assets, the company assesses loss due to impairment in previous periods on the balance sheet date and thus determines if the loss has decreased or is not present at all. Loss due to impairment is derecognized if the assessments on the basis of which the company determines an asset's recoverable value have changed. Loss due to impairment is derecognized to the amount up to which the increased book value of an asset does not exceed the book value that would have been determined after subtracting depreciation if no loss due to impairment had been recognized in previous years.

i) Employee benefits

i) Other long-term employee benefits – allocations for severance pay and long-service rewards

The company's net liability for long-term employee benefits is the sum of future benefits that employees have acquired for their services performed in the current and past periods. That amount of benefits is then discounted to determine its current value, and then decreased by the fair value of all related assets. The discount rate is the reported return of AA rated bonds the maturity of which is roughly the same as the maturity of the company's obligations. The calculation uses the projected unit credit method. Any actuarial gains and losses are recognized in comprehensive income for the accounting period.

ii) Short-term employee benefits

Liabilities for short-term employee benefits are not discounted and are presented as expenses after an employee's work related to a given short-term benefit is complete.

Liabilities are presented in the amount for which payment is expected in the form of a premium, payable within twelve months of finishing work, or a profit sharing scheme if the company has a current legal or indirect commitment for such payments due to past work of an employee and the liability can reliably be measured.

j) Provisions

Allocations are recognized when the company has a current legal or indirect commitment due to past events, if it is likely that settlement will require fund outflow and that the amount can reliably be estimated.

i) Post-employment benefits

Employees are entitled to severance pay when they retire, which is recognized when they conclude their employment in accordance with the Employment Act. For severance pay upon retirement, the projected unit credit method (the method of imputing benefits in proportion to the performed work) is applied, and therefore the company establishes provisions appropriate to the achieved length of service of employees. Actuarial valuation is performed on June 30 and is properly presented in operating results.

Severance pay upon retirement when due reduces the established provisions.

ii) Other long-term benefits

Employees are entitled to long-term service rewards that are recognized when an employee reaches a certain length of service. For severance pay upon retirement, the projected unit credit method (the method of imputing benefits in proportion to the performed work) is applied, and therefore the company establishes provisions appropriate to the achieved length of service of employees. Actuarial valuation is performed on June 30 and is properly presented in operating results. Long-service rewards when due reduce the established provisions.

k) Revenue

i) Product sales revenue

Sales of products are recognized at fair value of the received payment or liability, decreased by refunds, rebates and quantity discounts. Revenue is presented when a customer assumes all major forms of risks and benefits related to asset ownership, when there is certainty about the

ability to pay compensation and the related expenses or about the option of returning products, when the company ceases to decide on sold products, and when the revenue amount can reliably be measured.

The transfer of risks and benefits depends on the terms of the purchase contract. For goods sales, the transfer is generally made after the goods have arrived at the customer's warehouse, but for some international deliveries the transfer is made when the goods are loaded for transport.

ii) Revenue from services rendered

Sales of services are recognized in operating results based on the service's stage of completion on the reporting date. The state of completion is assessed with a review of the completed tasks.

A majority of the Group's revenue is from sales of licenses and Upgrade Contracts, charges (hosting subscriptions) and ServiceDesk services for quick help.

Income from tenders, subsidies or grants is financed by the company at the signing of the contract and at the moment when their occurrence becomes certain. In cases where the company is granted funds through tenders for the development of intangible assets, such funds are counted towards the item accrued costs and deferred revenue – government grants, which is then depreciated monthly by the proportional amount.

Uncertainty evaluations and decisive assessments prepared by the management in line with the accounting policy that most significantly affect figures in the financial statements are:

- explanation of allocations and contingent liabilities
- valuation of assets

iii) Net revenue from rent

Rental income from investment property is recognized as revenue evenly over the lease term. Any given rent-related incentives are recognized as a part of total revenue from rents.

l) Government grants

Government grants are initially recognized in accounting statements as deferred revenue, if there is reasonable assurance that the company will receive said grants and will fulfill the necessary requirements. Government grants received for covering costs are recognized strictly as revenue in the periods when the costs, which the grants are intended to cover, occur. Grants related to assets are recognized in operating results strictly as other operating revenue in the useful life of an asset.

m) Financial leases

Payments from financial leases are recognized as revenues on a straight line basis over the lease term. Any received lease-related incentives are recognized as a part of total expenses for leases.

The minimum lease payments due are distributed among financial expenses and the decrease of outstanding debt. Financial expenses are distributed among periods over the lease term to get a fixed interest rate for the outstanding debt balance for each period. The company presents contingent payments from financial leases in the amount that, when the lease is changed, the minimum lease payment for the remaining term is re-assessed.

Contingent payments from financial lease are presented when the contingent liability no longer exists and when the change in the financial lease's value is known, namely in the amount determined by reassessing the minimum lease payment in the remaining term of the lease.

n) Financial revenue and financial expenses

Financial revenue consists of interest from investment (including financial assets held for sale), dividend revenue, revenue from disposal of financial assets held for sale, changes in fair value of financial assets at fair value through operating results, and gains from instruments for insurance against risks, which are recognized in operating results. Revenue from interest is recognized in operating results upon its occurrence using the effective interest rate method. Dividend revenue is recognized in comprehensive income on the day the shareholder's right to payment is exercised, which for listed companies is generally the date when the right to current dividends ceases to be related to the share.

Financial expenses consist of borrowing costs, differences from recalculating allocation discounts, dividends from preferred shares presented among liabilities, changes in fair value of financial assets at fair value through operating results, loss due to impairment of financial assets, and loss from instruments for insurance against risks, which is recognized in comprehensive income. Borrowing costs are recognized in comprehensive income using the effective interest rate method.

Profit and loss from exchange differences are presented in net amounts.

o) Tax on income

Tax on income for financial year includes levied and deferred taxes. The tax on income is presented in comprehensive income, except for the part pertaining to items that are presented directly in equity and is therefore presented in equity.

Current tax is the tax expected to be paid from taxable profits for the Fiscal Year, using the tax rates that have been enacted or substantively enacted by the reporting date, and any adjustments to tax liabilities related to past Fiscal Years.

Deferred tax is presented using the balance sheet liabilities method, whereby temporary differences between asset and liability book value for financial statements and amounts for tax reporting are taken into account. The following temporary differences are not included: initial recognition of assets or liabilities in transactions other than mergers that have no effect on accounting profits or taxable profits, and differences related to investments in subsidiaries and jointly-controlled companies in the amount that is not likely to be derecognized in the foreseeable future. Furthermore, the deferred tax is not presented if there are taxable temporary differences at the initial recognition of goodwill. Deferred tax is presented in the amount that is expected to be payable upon derecognition of temporary differences based on laws enacted or substantively enacted by the reporting date. The company sets off deferred tax asset liabilities if it has a legally enforceable right to set off recognized current tax assets and liabilities and if they pertain to the tax on income levied by the same taxation authority in connection with the same taxable unit; or different taxable units that either intend to settle current tax liabilities and tax assets with a difference, or simultaneously recover assets and settle liabilities.

Deferred tax assets are recognized in the amount for which it is likely that a future taxable profit will be available that might be used to cover the deferred asset. Deferred tax assets are reduced by the amount for which it is not likely that asset-related tax reliefs can be claimed.

4. DETERMINING THE FAIR VALUE

Considering the company's accounting policies and breakdowns, many times a fair value of financial and non-financial assets and liabilities must be determined. The fair values of single asset groups for the purpose of measuring or reporting are determined herein. Additional explanations regarding assumptions for determining fair value are given alongside individual breakdowns of the company's assets or liabilities.

Fair value hierarchy

In recognition and disclosure of the fair value of financial instruments using a valuation technique, the following hierarchy was used:

Category 1: determination of the fair value by reference to officially published price in an active market,

Category 2: Other techniques for determining the fair value based on assumptions with significant impact on fair value which are in accordance with the currently observable market transactions conducted for the same instruments, either directly or indirectly.

Category 3: Other techniques for determining the fair value based on assumptions with significant impact on fair value that are not in accordance with the currently observable market transactions conducted for the same instruments.

Financial instruments measured at fair value

	in EUR	
Short-term operating liabilities	30 June 2015	30 June 2014
Category 1 – financial liabilities	56,172	76,104
Category 2	0	0
Category 3	0	0

i) Property, plant and equipment

The fair value of fixed assets from business combinations is equal to their market value. The market value of immovable property is equal to the estimated value at which the property could be sold by a willing seller to a willing buyer at arm's length on the day of the valuation and after appropriate marketing. The market value of plant, equipment, furniture and fixtures is based on the offered market price of similar objects.

ii) Intangible assets

The fair value of patents and trademarks acquired through business combinations is based on the estimated discounted future value of royalties which will not need to be paid because the patent or trademark is already owned. The fair value of intangible assets is determined by taking the current value of estimated future cash flows that are expected from their use or potential sale.

iii) Operating and other receivables

The fair value of operating and other receivables is calculated as the current value of future cash flows, discounted at market interest rates on the reporting date.

iv) Non-derivative financial liabilities

For reporting purposes, the fair value is calculated based on the current value of future payouts of the principal and interest, discounted at the market interest rate on the reporting date. In connection with the portion of liabilities from convertible bonds, the market interest rate is determined by comparing with similar liabilities that cannot be converted to equity. For financial leases, the market interest rate is determined by comparing with similar lease contracts.

5. FINANCIAL RISK MANAGEMENT

The company does not use financial instruments. The company assesses financial risks within the following groups:

- credit risk
- liquidity risk
- market risk.

This chapter discusses the company's exposure to said risks, its goals, policies and procedures for measuring and managing risks, and its handling of capital. Other quantitative disclosures can be found in the continuation of the Notes to the financial statements.

The management is fully responsible for establishing the company's framework for risk management. The finance and accounting departments deal with risk measurement and management. The person responsible for finance and accounting reports to the Executive Director about activities in this field.

Risk management policies are designed to define and analyze risks that threaten the company, based on which proper restrictions and controls are set up, risks monitored and restrictions respected. Risk management policies and systems are regularly checked to reflect changes in market conditions and the company's activities. With training as well as standards and procedure for risk management, the company endeavors to develop a disciplined and constructive environment where all employees are aware of their roles and responsibilities.

The Executive Board ensures that risk management policies and procedures are respected, and assesses the suitability of the risk management framework for the risks that the company faces.

Credit risk

Credit risk is the risk the company will suffer financial loss if a client or a contracting party in a financial instrument agreement fails to fulfill its contractual obligations. Credit risk arises primarily from the company's receivables from clients and investment securities.

Operating and other receivables

The company's exposure to credit risk depends largely on the characteristics of individual clients. Client demographics and risk of non-payment with regard to the industry or country of a client do not have a significant effect on credit risk. Geographically speaking, there is no concentrated credit risk.

The finance and accounting department assesses each new client's creditworthiness before they are given standard terms of payment and delivery. The assessment factors in external ratings if they exist, and in some cases also bank references. The credit limit is set in the form of a maximum outstanding amount that need not be approved and is client-specific; credit limits are checked every four months. Clients that do not meet the company's standard creditworthiness are required to make payments in advance.

The company makes adjustments for impairments that represent estimated losses from operating and other receivables and investments. The main elements of adjustments are the special part of the loss, which pertains to single major risks, and the common part of loss, which is for groups of similar assets due to losses that have occurred but have not yet been identified. The adjustment for total loss is determined by factoring in historical data that pertains to statistics of payments for similar financial assets.

Guarantees

In line with its policies, the company issues financial guarantees only to wholly-owned subsidiaries.

Liquidity risk

Liquidity risk is the risk that the company might not be able to settle its financial obligations when due. The company maintains maximum liquidity by having sufficient liquid assets to settle obligations in time, both in normal and troubled circumstances, without incurring unacceptable loss or reputation damage.

The company has several credit lines for ensuring liquidity where it can draw from if the need arises. The following table provides an overview of the financial and operating liabilities by maturity of the debt.

FY' 2015	Up to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total in EUR
Financial liabilities	146,429	769,435	1,993,097	0	2,908,961
Operating liabilities	824,227	134,960	0	0	959,187
Total	970,656	904,395	1,993,097	0	3,868,148

FY' 2014	Up to 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total in EUR
Financial liabilities	211,667	532,718	1,780,422	0	2,524,807
Operating liabilities	527,270	0	0	0	527,270
Total	738,937	532,718	1,780,422	0	3,052,077

Market risk

Market risk is the risk that fluctuations in market factors, such as interest rates, exchange rate

and equity instruments, will affect the company's revenue or value of financial instruments. The objective of market risk management is control over exposure to market risks to a reasonable degree, while optimizing profits.

Currency risk

The company is exposed to currency risk when buying, selling, lending and borrowing, specifically when making transactions in currencies other than the functional currency. The company operates mostly with euros.

The significance of the key currency pair has changed since the introduction of the euro, because no currency pair fits into this category, but due to unbalanced foreign currency positions, some of the more important currency pairs have been identified that are geographically related to the company's subsidiaries: euro/Croatian kuna, euro/Macedonian denar and euro/Serbian dinar. The company attempts to reduce currency risks by factoring them into markups, by balancing purchases and sales, with well-timed foreign currency coverage of inflows with outflows, and by taking out loans in the local currency.

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate because of changes in interest rates. The majority of the company's debt instruments are bound to a fixed interest rate, therefore operations are not exposed to interest rate risk. Interest rate risk is reduced by adapting interest rates for assets to interest rates for liabilities; furthermore, simulations are performed on the balance sheet in regard to absorption of financing in relation to interest rate fluctuation.

Capital management

The Executive Board decided to keep equity large in order to build the trust of investors, creditors and the market, and to facilitate the company's sustainable growth. The Executive Board monitors the capital gains that the company defined as net operating revenue, divided by the total shareholder's equity, excluding non-redeemable preferred shares and minority stakes. Also monitored is the dividend amount paid to common shareholders.

The company endeavors to keep a balance between high yields supported by large loans and the benefits and security of a strong equity position.

The company monitors changes in capital using a leverage ratio, calculated by dividing net liabilities with the sum of total liabilities and total equity as shown in the table below.

Item	2015	2014
Financial liabilities=FL	2,908,961	2,524,807
Operating liabilities=OL	959,187	527,270
Cash and short-term deposits=CSD	26,871	231,024
Net liabilities=FL+OL+CSD	3,841,277	2,821,053
Equity	6,935,564	5,227,838
Capital + net liabilities	10,776,841	8,048,891
Leverage ratio	36%	35%

The company occasionally buys own shares, depending on the current market price of the share. In general, such shares are intended for profit sharing schemes. The decision for buying and selling shares is made by the risk management committee separately for each transaction. The company does not have a special plan for buying own shares.

The company did not change its equity management policies in this Fiscal Year.
Neither the parent company nor its subsidiaries are subject to equity requirements set by external entities.

6. SALES REVENUE

IN EUR	FY' 2015	FY' 2014
SALES REVENUES	2,607,384	2,293,639
Sales in the domestic market	1,080,705	1,061,079
Sales of products and services, excluding leases	1,072,682	1,060,283
Revenue from leases, subscriptions	8,023	796
Sales of goods and materials	0	0
Sales in the EU	488,021	415,120
Net revenue from sales of products and services in the EU market	488,021	415,120
Net revenue from sales outside the EU	1,038,658	817,440
Net revenue from sales of products and services	1,038,658	817,440

A majority of the Group's sales revenue is from sales of PANTHEON licenses and Upgrade Contracts, charges (hosting subscriptions) and ServiceDesk services for quick help.

7. OTHER OPERATING REVENUE

The majority of other operating revenue are capitalized own products and services in the amount of EUR 1,890,193, of which EUR 1,540,200 represents the development of PANTHEON and EUR 349,993 the development of the PANTHEON Farming program.

Subsidies, grants, allowances, compensations and other revenue associated with products and services include the granted subsidy of the Slovenian Ministry of Education, Science and Sport for the MAK project (mobile applications for PANTHEON Farming) totaling EUR 181,845. In the financial year 2014, the company accounted for part of the subsidy it received from the European Commission for the financing of the AgrolIT project whose goal is to establish a pilot platform AgrolIT that will be tested in a number of European countries (Denmark, Poland, Macedonia, Romania). On that basis, the company already received an advance in the amount of EUR 356,483 from European funds in the previous financial year; the implementation of the project started on 1 March 2014. The company accounted for a subsidy in the amount of EUR 229,644. That is, in the proportionate amount of the costs incurred in this project by the end of the financial year 2015.

In the financial year 2015, other operating revenue also consist of revaluation revenue from the sale of the program PANTHEON Farming, which the company transferred as a in-kind contribution to the subsidiary Datalab AGRO AG in Switzerland. As of 30 April 2015, the contribution in kind exceeded the recorded value of this program in the company by EUR 167,734. Among other operating revenue are covered extraordinary income in the amount EUR 3,931 and and income from use and the reversal of provisions totaling EUR 181,706, of which EUR 164,836 pertains to reversal of provisions for potential loss of lawsuit of E-POS Group.

8. COSTS OF GOODS, MATERIAL AND SERVICES

The cost of materials is the quantity of direct materials consumed. Costs of services are costs that do not count as costs of materials, depreciation or labor, but costs of transportation services,

production stages performed by others, utility and telecommunication services, rentals, payment services, cost of partner commissions, and similar. Costs of services include work contracts costs, author's contract costs and costs associated with other legal relations, except employment relationships with private individuals.

The total cost of materials, goods and services is composed as follows:

in EUR	FY' 2015	FY' 2014
Cost of materials, goods and services	1,172,016	1,136,232
Historical cost of goods and materials sold	0	0
Cost of materials	0	43
Cost of energy	15,406	14,588
Other costs of materials	4,752	3,291
Cost of services for making products and rendering services	513	6,807
Transport services	24,116	24,226
Cost of services related to maintenance of fixed assets	40,505	37,515
Rents	67,977	73,961
Reimbursement to employees for work-related expenses	23,129	31,010
Cost of payment services, banking services and insurance premiums	11,436	9,771
Cost of intellectual and personal services	489,430	437,652
Cost of exhibitions, advertising, promotion and entertainment	123,301	128,437
Cost of services of private individuals	94,689	147,216
Cost of other services	249,463	216,113
Bonuses to trainees and students	27,299	5,602

Costs of office supplies and professional literature are recorded under other costs of material. The cost of individual and personal services and other costs of services are mainly costs of external contractors related to production, upgrades and further development of the PANTHEON 5.5. software and PANTHEON Farming software.

In financial expenses from loans received from banks, the company discloses costs of compensation to banks for consideration and approval of loans and costs of guarantees for approved loans.

Breakdown of costs by functional groups	in EUR	Share
Production costs (Development in support)	3,325,895	80.12%
Cost of sales (marketing and sales)	161,729	3.90%
General and administrative costs (administration)	663,584	15.99%
Total	4,151,208	100

Production costs include the costs of the development department, while the sales costs include costs of the sales and marketing departments. The costs of general activities include costs of general services (accounting, administration, DL Academy, training, personnel, etc.).

9. LABOR COSTS

Labor costs and reimbursements to employees are accounted in accordance with applicable laws, collective agreements, internal company regulations, or employment contracts. Accounted labor costs correspond to related short-term liabilities until settled. Liabilities for salaries and wages are represented as liabilities to individual employees in their net amounts and as withheld obligations for taxes, included in their gross salaries. Also presented are obligations and taxes that are accounted on the basis of gross payments and which are not part of them. Voluntary supplementary pension insurance for employees is otherwise arranged with collective pension insurance at a pension plan manager that is certified for voluntary supplementary pension and disability insurance and is suspended until further notice.

in EUR	FY' 2015	FY' 2014
Labor costs	1,592,732	1,312,558
Wages and salaries	1,237,534	1,003,256
Pension insurance costs	109,514	89,266
Other social security costs	89,578	72,718
Other labor costs	156,106	147,318

Remuneration of the Management and Management Board

The figures in the tables below include labor costs and compensation borne by the employer, other labor costs (annual leave bonuses, other remuneration, net reimbursements, benefits) and reimbursement of work-related expenses. The CEO Andrej Mertelj is employed in Datalab d.d. only at 20% of work commitments. The figures are for financial year 2015.

Attendance fees for the Executive Board include cost of attendance fees and reimbursements for internal and external members of the Executive Board. In other additional payments, compensations for personal sureties of members for received loans of the parent company are shown.

Subsidiaries in the Datalab Group are supervised by the board for economic and strategic questions. For their work in the board for economic and strategic questions, members receive payments directly from subsidiaries. The above payments are not shown in the table, but the remuneration of these members are disclosed in the consolidated part of the financial report.

	Fixed remuneration	Other bonuses	Reimbursements	Other additional payments	Total earnings in Datalab Tehnologije, d.d.
Lojze Zajc	35,360	0	0	34,341	69,701
Andrej Mertelj	19,897	2,750	0	25,555	48,202
Nedim Pašić	0	0	0	0	0

10 OTHER OPERATING EXPENSES

in EUR	FY' 2015	FY' 2014
Other operating expenses	92,585	29,323
Provisions	8,825	0
Other costs	83,760	29,323

Other operating expenses in the financial year 15 consist of expenses from donations in the amount of EUR 21,343, court fees in the amount of EUR 17,633, costs of scholarships in the amount of EUR 16,800, extraordinary expenses in the amount of EUR 24,987 and rounding differences and other petty expenses in the amount of EUR 2,997.

On 30 June 2015, the company formed additional provisions for long-service rewards and severance pay upon retirement in accordance with the actuarial calculation in the amount of EUR 8,825.

11. FINANCIAL REVENUES

in EUR	FY' 2015	FY' 2014
Financial revenues	33,888	60,879
Financial revenues from interests in group companies	0	12,737
Financial revenue from loans given to others	5,877	8,786
Financial revenue from loans given within the group	5,285	873
Financial revenue from operating receivables from others	5,291	31,247
Financial revenue from loans given within the group	17,435	7,236

Financial revenue from given loans are disclosed in the amount of EUR 11,162.

Financial revenue from operating receivables are disclosed in the amount of EUR 22,726 and consist mainly of accrued interest due to the late payment of customers, accrued interest under leasing contracts and interest received from deposits.

12. FINANCIAL EXPENSES

in EUR	FY' 2015	FY' 2014
Financial expenses	391,326	142,892
Financial expenses for impairments and write-downs of investments	291,000	4,370
Financial expenses for borrowings from banks	91,915	129,307
Financial expenses from other operating liabilities	8,411	9,215
Financial expenses for impairments and write-downs of investments	4,370	

Due to a poorer operation results for the financial year 2015, the company formed impairments from investments in subsidiaries in Datalab Agro AG (Switzerland) in the amount of EUR 225,000, in Datalab Tehnologije d.o.o (Croatia) in the amount of EUR 50,000, Datalab SR d.o.o (Serbia) in the amount of EUR 5,000.

Because of overdue loans given to Datalab AL (it will not be consolidated), the company also formed an impairment in the amount of EUR 11,000.

In financial expenses from loans received from banks, the company in addition to interest records also cost of compensation to banks for consideration and approval of loans and the cost of guarantees issued to natural persons for loans granted to the company. Due to the favorable drawing of financial resources, these expenses decreased by almost 29%.

Financial results

in EUR	FY' 2015	FY' 2014
Financial revenues	33,888	60,879
Financial expenses	391,326	142,892
NET FINANCIAL PROFIT OR LOSS	-357,438	-82,013

13. TAX ON INCOME

The corporate income tax is accounted based on the income and expense that are included in the profit (loss) statement according to applicable laws. In 2015, the company had so many tax reliefs that it had no basis for the payment of income tax.

For unused tax reliefs, the company formed deferred tax assets in the amount of EUR 185,168.

Item	FY' 2015	FY' 2014
Accounted income tax expense – tax liability	0	0
Deferred tax assets	185,168	144,374
Total tax expense in the income statement	-185,168	-144,374

Effective rate of tax on income for Datalab Tehnologije, d. d.:

Item	FY' 2015	FY' 2014
Gross operating profit or loss before taxes	657,381	511,416
Applicable tax rate	17.00%	17.00%
Tax amount at applicable rate before changes to tax basis	111,755	86,941
Non-tax-deductible expenses	436,674	54,524
Difference in recognition of income and expenses	-1,679	-8,521
Reliefs	-1,092,376	-557,419
Effective tax rate	0.00%	0.00%
Current tax	0.00%	0.00%

14. DEFERRED TAX REVENUES

Revenue from deferred taxes represents an increase in deferred tax assets in the amount of EUR 185,168 as the difference between write-offs and impairments not recognized for tax purposes in this financial year, write-offs and impairments recognized for tax purposes in future years pertaining to profit sharing under the Financial participation act, and unused tax reliefs for investments into development.

15. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment in the amount of 31,067 euros consists of computers and computer equipment. All the equipment purchased in 2015 from own resources.

Movement of fixed assets from 1 July 2014 to 30 June 2015:

HISTORICAL COST	Other machinery and equipment	Total
Balance as at 1 July 2014	437,745	437,745
Purchases, activation	23,375	23,375
Disposal, write-off	24,070	24,070
Upward revaluation of fixed assets	0	0
Balance as at 30 June 2015	437,050	437,050
VALUE ADJUSTMENT		
Balance as at 1 July 2014	401,108	401,108
Disposal, write-off	23,758	23,758
Amortization and depreciation	28,633	28,633
Upward revaluation of fixed assets	0	0
Balance as at 30 June 2015	405,983	405,983
CARRYING VALUE		
Balance as at 1 July 2014	36,637	36,637
Balance as at 30 June 2015	31,067	31,067

16. INTANGIBLE ASSETS

An intangible asset is an asset used for long-term production or supply of goods or services, for rental to others, or for administrative purposes, but without physical substance. Datalab Tehnologije presents material rights and copyrights at their carrying value, being the difference between the cost and the value adjustment.

Intangible assets in the value of EUR 6,180,357 represent the value of purchased components and other copyrights pertaining to PANTHEON, and various licenses that allow the normal work of the PANTHEON development team. The largest part of intangible assets is the capitalization of the software PANTHEON.

The company has no significant fully depreciated intangible assets.

In the financial year 2015, the company continued with development of the program PANTHE-

ON Farming and as of 30 April 2015 it transferred it to Datalab Agro AG (Switzerland) as contribution in kind in the amount of CHF 1,500,000. The difference between the recognized contribution and expressed value of bookkeeping balance of this program and the program purchased from the company Progis Software GmbH was disclosed under revaluation adjustments on disposal of fixed assets. The whole development of this program remained with Datalab d.d. Only invoices for the cost of development of the PANTHEON Farming program are from 1 May 2015 are issued through the subsidiary in Switzerland.

Long-term intangible assets for the financial year 2015:

	Long-term industrial property rights	Total
HISTORICAL COST		
Balance as at 1 July 2014	12,320,812	12,320,812
Purchases, activation	2,878,511	2,878,511
Purchasing	0	0
Disposal, write-off	1,064,127	1,064,127
Upward revaluation of fixed assets	0	0
Balance as at 30 June 2015	14,135,196	14,135,196
VALUE ADJUSTMENT		
Balance as at 1 July 2014	6,730,553	6,730,553
Disposal, write-off	65,962	65,962
Amortization and depreciation	1,290,248	1,290,248
Upward revaluation of fixed assets	0	0
Balance as at 30 June 2015	7,954,839	7,954,839
CARRYING VALUE		
Balance as at 1 July 2014	5,590,259	5,590,259
Balance as at 30 June 2015	6,180,357	6,180,357

17. LONG-TERM FINANCIAL INVESTMENTS

Long-term financial investments are part of long-term financial instruments and represent an item with maturity over one year.

(in EUR)	30 June 2015	30 June 2014
Long-term financial investments	2,223,507	424,739
Shares and interests in group companies	2,202,258	336,050
Other long-term financial investments	21,249	88,689

The company presents the following long-term financial investments:

IN EUR	Share	30 June 2015	30 June 2014
Investment in Datalab Tehnologije d.o.o. – Croatia	51%	73,000	123,000
Investment in Datalab BA, d. o. o. – Bosnia and Herzegovina	100%	161,718	161,718
Investment in Datalab MK d.o.o. – Macedonia (FYR)	100%	38,832	38,832
Investment in Datalab SR d.o.o. – Serbia	100%	0	5,000
Investment in Datalab MN, d. o. o. – Montenegro	51%	0	0
Investment in Datalab SI d.o.o. – Slovenia	100%	7,500	7,500
Investment in Datalab Agro AG – Switzerland	83%	1,583,909	0
Investment in APEX – Croatia	100%	132,000	0
Investment in Datalab Agro SI – Slovenia	100%	205,299	0
Subsidiaries total		2,202,258	336,050
Investment in Datalab Automotive d.o.o. – Serbia	24.99%	1,249	1,249
Investment in Datalab Bulgaria Ltd. – Bulgaria	50%	0	0
Investment in Datalab AL Sh.p.k. – Albania	50%	5,000	5,000
Investment in Datalab Agro AG – Switzerland*	50%	0	82,440
Investment in Datalab LLC – Kosovo	50%	15,000	0
Other companies, total		21,249	88,689

*in data for the 2015 financial year classified among subsidiaries

In the financial year 2015, the company Datalab d.d. invested a cash contribution of CHF 300,000 in the subsidiary Datalab Agro AG and in-kind contribution in the worth of CHF 1,500,000 in the form of the program Pantheon Farming. Taking into account the increase in the share of the other shareholder Mattig Management Partners AG by CHF 300,000, the company thus became an 83% shareholder in the Swiss company (registered in the Commercial Register on 9 September 2015).

In addition to the aforementioned, the company acquired a 100 stake in the Croatian company Apex informacijske tehnologije d.o.o. and at the end of the financial year with a view to a more intensive and aggressive sales of the program Pantheon Farming established the company Datalab AGRO SI d.o.o. in Slovenia. In addition to the cash contribution in the amount of EUR 7,500, it also invested an in-kind contribution in the amount of EUR 197,799 in the newly established company.

At the same time due to poorer operating results of subsidiaries it formed value adjustments for investments in Datalab Agro AG (Switzerland) in the amount of EUR 225,000, in Datalab SR d.o.o (Serbia) in the amount of EUR 5,000, and Datalab Tehnologije d.o.o (Croatia) in the amount of EUR 50,000.

Long-term financial investments are valued using the cost method.

Long-term financial investments in subsidiaries and affiliated companies increased in the financial year 2015 by EUR 15,000 for the newly established company Datalab LLC in Kosovo, where we have a 50% shareholding and due to the transfer of the investment in Datalab AGRO AG decreased investments among subsidiaries by EUR 82,440.

18. LONG-TERM LOANS

Among long-term loans, the company presents a loan given to Datalab AL Sh.p.k in the amount of EUR 5,000 and a long-term part of a loan to given to the newly established Datalab Golf & Yachting Club in the amount of EUR 66,207. The company has granted a seven-year credit for the purchase of ELAN sailing boat.

19. LONG-TERM OPERATING RECEIVABLES

Long-term operating receivables are receivables arising from property and other legal relationships to claim the settlement of a debt or the payment for deliveries or rendered services in a period that is longer than 12 months. Below is a breakdown of long-term operating receivables by the type of agreement and type of receivable.

(in EUR)	30 June 2015	30 June 2014
LONG-TERM OPERATING RECEIVABLES	26,464	23,311
Long-term receivables from group companies	26,464	10,904
Long-term receivables from sales of products and services in installments	0	7,492
Long-term receivables from confirmed compulsory settlements	0	4,915

20. DEFERRED TAX ASSETS

(in EUR)	30 June 2015	30 June 2014
Deferred tax assets	688,862	503,694
– from provisions	2,324	1,613
– from unused tax reliefs on development	555,528	434,591
– from deferred eligibility of tax relief from profit sharing for employees	36,742	34,352
– from value adjustments of assets	94,268	33,138

Deferred tax assets are amounts of the tax on profit that will be returned to the taxpayer in future tax periods with lower tax amounts in the future, when the assets can be claimed.

Deferred tax assets in the company Datalab. d.d. are receivables from the state for value adjustments of receivables and investments in the amount of EUR 94,268, receivables from unused tax reliefs due to employee profit sharing under the Financial participation act in the amount of EUR 36,742, unused reliefs for investment in R&D in the amount of 555,528 eur, and established provisions for severance pays and long service awards in the amount of EUR 2,324.

21. SHORT-TERM (CURRENT) FINANCIAL INVESTMENTS

(in EUR)	30 June 2015	30 June 2014
Short-term (current) financial investments	499,740	203,236
Short-term loans to group companies	332,169	69,405
Other short-term loans	167,571	133,831

As of 30 June 2015, the company discloses receivables from outstanding loans to subsidiaries, namely EUR 130,000 to Datalab AGRO AG, 198,201 EUR to Datalab SI d.o.o. and EUR 3,968 to Datalab MK d.o.o.

The increase in the balance of other short-term loans pertains mainly to long-term loan given to Andrej Mertelj in the financial year 2010, which falls due for payment in the financial year 2016.

22. SHORT-TERM OPERATING RECEIVABLES

Short-term operating receivables are receivables arising from property and other legal relationships to claim the settlement of a debt or the payment for deliveries or rendered services. They represent short-term operating receivables and paid advances. Breakdown of operating receivables:

(in EUR)	30 June 2015	30 June 2014
Short-term operating receivables	1,323,253	1,209,081
Short-term operating receivables from group companies	1,133,018	812,248
Short-term operating receivables from customers	53,912	125,757
Short-term operating receivables from others	136,323	271,076

Trade receivables are presented at nominal value, decreased by proper adjustments for estimated unrecoverable amounts. The value of receivables is impaired if their book value exceeds their fair value (defined as net realizable value).

Short-term receivables are collectible. Services to problematic customers are rendered only against an advance payment. Short-term receivables to foreign customers are converted at the rate of the Bank of Slovenia as of 30 June 2015. The effects of changes in exchange rates on the balance sheet date increase ordinary financial revenue or expenses as exchange differences.

Short-term operating receivables from others include receivables for given collaterals totaling EUR 2,262, receivables for advances paid totaling EUR 18,760, receivables for input VAT totaling EUR 8,890, receivables from the state for the refund of sickness totaling EUR 981, receivables from given advances for travel expenses totaling EUR 4,865, receivables from employees totaling EUR 12,534, receivables from assignment of claim agreement totaling EUR 86,173 and other receivables totaling EUR 2,658.

It is estimated that short-term receivables are collectible, except for receivables whose value has been adjusted.

Receivables by maturity

Balance of Receivables	Gross value as at 30 June 2015	Value adjustment as at 30 June 2015	Net as at 30 June 2015	Gross value as at 30 June 2014	Value adjustment as at 30 June 2014	Net as at 30 June 2014
Total	1,456,622	133,369	1,323,253	1,285,480	76,399	1,209,081
Not overdue	1,030,117	0	1,030,117	913,826	0	913,826
Overdue 0 to 30 days	86,987	0	86,987	89,502	0	89,502
Overdue 31 to 180 days	221,115	45,000	176,115	197,913	330	197,583

Balance of Receivables	Gross value as at 30 June 2015	Value adjustment as at 30 June 2015	Net as at 30 June 2015	Gross value as at 30 June 2014	Value adjustment as at 30 June 2014	Net as at 30 June 2014
Overdue 181 to 365 days	27,534	0	27,534	7,783	1,694	6,089
Overdue over one year	90,869	88,369	2,500	76,456	74,375	2,081

Value adjustment of receivables

Item	FY' 2015	FY' 2014
Balance as at 1 July 2014	76,399	73,777
Formation of value adjustments in the year	65,271	6,322
Elimination of formed adjustments due to the completion of procedures	-8,301	-3,700
As at 30 June 2015	133,369	76,399

23. CASH AND CASH EQUIVALENTS

IN EUR	30 June 2015	30 June 2014
Cash	26,871	231,024
Cash on hand	127	378
Cash in bank accounts	26,744	30,646
Deposits in banks	0	200,000

24. SHORT-TERM DEFERRED COSTS AND ACCRUED REVENUE

Short-term deferred costs and accrued revenue in the amount of EUR 149,543 consists of deferred costs in the amount of EUR 76,376 and short-term accrued revenue in the amount of EUR 73,167.

25. EQUITY

Share capital

The bottom table shows the share capital deposits and the number of newly issued shares are shown by dates.

IN EUR	Share capital in EUR	No. of issued shares before share split 1:15	No. of issued shares after share split 1:15
Total as at 30 June 2015	4,240,802	0	2,120,401
Equity capital – ordinary shares – 5 May 2003	25,663	6,150	0
Equity capital – ordinary shares – 5 April 2004	939	225	0
Equity capital – ordinary shares – 17 August 2007 (of the company's assets)	0	95,050	0
Equity capital – ordinary shares – 15 February 2008	21,257	5,094	0
Equity capital – ordinary shares – 30 June 2010	20,948	5,020	0
No. of issued shares after share split 1:15		111,539	1,673,085
Registered capital – ordinary shares – 16 April 2012	75,568	0	64,327
Registered capital – ordinary shares – 20 June 2014	156,228	0	132,989
Registered capital – ordinary shares – 25 July 2014	293,685	0	250,000
Registered capital – an increase in capital from the assets of the company	3,646,514	0	0

All shares are common, registered and issued in non-material form. All shares had been paid in full by the shareholders before the shares were entered in the company register.

Own shares

On 30 June 2015, the Group held 18,278 of own shares. Historical cost of these shares is disclosed in the amount of EUR 67,157. The company devised the reserves for the purchase of own shares in the amount of EUR 69,761. The reserves set aside cover the purchase of shares of the parent company in the subsidiary Datalab SI d.o.o. The company buys own shares for the distribution of profits to employees as employee stock ownership scheme. The fair value of own shares on 30 June 2010 was EUR 56,662.

Capital reserves

Capital surplus consists of capital increase payments above the share's par value and amounts to EUR 719,482. Detailed description of the increases and decreases in capital reserves is reflected in the statement of changes in equity of the company for the period from 1 July 2014 to 30 June 2015.

In accordance with accounting standards, we must specifically disclose the profit calculated on the basis of the revaluation to preserve the purchasing power of capital on the basis of the consumer price index.

Item (in EUR)	Capital amount	% growth	Calculated effect	Accumulated profits
Equity (excluding profit for the year)	6,093,015	-0.7	-42,651	885,200

Ownership structure of the company DATALAB d.d. as at 30 June 2015

Category	Name	Surname	Stake	No. of shares:
10 largest			76.15%	
	Andrej	Mertelj	32.04%	679,460
	Raiffeisen bank International (fiduciary account)		14.88%	315,493
	Zvone	Jagodcic	8.07%	171,036
	NLB Funds – Slovenia Stock		5.56%	117,954
	Alpen.SI, mixed flexible subfund		4.72%	100,000
	Lojze	Zajc	3.31%	70,135
	Nedim	Pašič	3.17%	67,119
	Moreno	Rodman	1.51%	31,920
	SOP Ljubljana		1.48%	31,408
	Zagrebačka banka d.d.(fiduciary account)		1.42%	30,135
Others			23.85%	
	Members of the management board (total**)		38.52%	816,714
	Other employees		6.58%	139,459
	Ex-employees		3.96%	83,948
	Employees of the group		1.10%	23,295
	Partner companies		0.38%	7,969
	Other shareholders		11.84%	251,070
Total			100.00%	2,120,401

26. LONG-TERM FINANCIAL LIABILITIES

On 31 July 2012, Datalab signed a long-term EUR 2 million loan contract with the SID bank for financing the project PANTHEON Feniks III which is insured with the PANTHEON trade mark and the establishment of trade mark rights on intangible copyrights deriving from the source code of the Datalab PANTHEON program, Version 5.5. Up to 30 June 2014, the loan is used in the amount of EUR 2,000,000. In the long-term part, the loan is disclosed in the amount of EUR 1,041,667 (short-term part: EUR 500,000).

Datalab d.d. was granted a long-term loan by Banka Celje d.d. with a subsidized interest rate of the Slovene Enterprise Fund, for the purchase and finishing the program for cash operations POS in the amount of EUR 300,000 which was in the long-term part disclosed in the amount EUR 214,284 (short-term part: EUR 85,716). 60% of the credit is insured by the Slovene Enterprise Fund, the rest is insured by the trade mark of Datalab.

In the financial year 2015, the company was granted a new 7-year credit by Banka Celje d.d. with a subsidized interest rate of the Slovene Enterprise Fund for the financing of further development of PANTHEON in the amount of EUR 1,500,000 and we used a total of EUR 847,757 of the credit by the end of this financial year. In the long term part, the loan is disclosed in the amount of EUR 737,146 (short-term part EUR 107,148). The loan is insured by the PANTHEON trademark and DATALAB and withdrawal of receivables from subsidiaries.

in EUR	30 June 2015	30 June 2014
Long-term financial liabilities	1,993,097	1,780,415
Long-term loans obtained from domestic banks	1,255,951	80,000
Long-term loans obtained from domestic banks	737,146	1,700,415

Interest rates are tied to 6 month and 3 month EURIBOR and have an additional fixed interest rate between 0% and 5% per year.

The sum of approved loans that were not drawn until 30 June 2015 amounts to EUR 655,706.

27. LONG-TERM PROVISIONS

Long-term provisions are provisions for long-service rewards and severance pay upon retirement in accordance with IAS 19 in the amount of EUR 30,598. In 2015, the company formed additional provisions for long service awards and severance pays in the amount of EUR 12.080.

28. LONG-TERM ACCRUALS AND DEFERRED REVENUES

In the financial year 2014, the company signed a contract with the European Commission for the financing of the AgrolIT project whose goal is to establish a pilot platform AgrolIT that will be tested in a number of European countries (Denmark, Poland, Macedonia, Romania). On that basis, the company already received an advance in the amount of EUR 356,483 from European funds; the project started on 1 March 2014. For the parent company, it represents further development of Farm Accounting (accounting for farms). The company hereby shows EUR 126,839 of unused subsidies and will start to account this part of subsidy in the financial year 2016 in the proportionate share of costs incurred in this project.

Due to the transfer of the program Pantheon Farming to the subsidiary Datalab Agro AG and inclusion of the program of the company Progis Software GmbH in this transfer, the company formed EUR 185,570 of long-term reserves, which it will transfer to revenue concurrent with the depreciation of the program.

in EUR	30 June 2015	30 June 2014
Long-term accrued costs and deferred revenues	312,409	707,934
for provisions for the program Progis Software GmbH	185,570	0
for deferred revenue from Upgrading Agreements	0	6,736
for potentially lost lawsuits	0	157,674
for received subsidy for the MAK project	0	187,041
for received subsidy for the AgrolIT project	126,839	356,483

29. SHORT-TERM FINANCIAL LIABILITIES

(in EUR)	30 June 2015	30 June 2014
Short-term financial liabilities	915,864	744,392
Short-term financial liabilities to banks	915,864	744,392
Other short-term financial liabilities	0	3,120

Received short-term loans of the company from banks by currencies and interest rates

Item	Amount in currency (DEM)	Amount in EUR	Minimum interest rate	Maximum interest rate
EUR	915,864	915,864	EURIBOR+0%	EURIBOR+5%

As of 30 June 2015, the company shows short-term liabilities to banks in the amount of EUR 915,864.

This item also includes the part of the long-term loans of the company with Banka Celje (as of 30 June 2015: EUR 192,864) and SID Bank (as of 30 June 2015: EUR 500,000), which fall due for payment in one year. In addition to the loans stated above, the company concluded the following revolving facility loan in the amount of EUR 223,000 with Raiffeisen Bank d.d. that was completely used as of 30 June 2015.

30. SHORT-TERM OPERATING LIABILITIES

(in EUR)	30 June 2015	30 June 2014
Short-term operating liabilities	959,187	527,270
Short-term operating receivables from group companies	35,438	43,859
Short-term operating payables to suppliers	302,639	127,606
Other short-term operating liabilities	621,110	355,805

Short-term operating liabilities to companies in the group consist of obligations for rendered services (agency and intermediation costs).

Short-term operating liabilities to suppliers consist of obligations for rendered services (rent, administrative costs, costs of advertising and promotion, commissions), purchased materials (office supplies) and fixed assets.

Other short-term operating liabilities consist of obligations to the state from employee and employer contributions and taxes, VAT obligations, obligations to employees for wages and salaries, liabilities arising from compensation for given personal guarantees, commitments for outstanding awards, liabilities from unpaid compensation for performing the function in the Management Board, liabilities for repayments for provided shares, received collaterals, compensations, and other liabilities.

Liabilities by maturity

Liabilities	Gross value as at 30 June 2015	Gross value as at 30 June 2014
Total	959,187	527,270
Not overdue	929,977	462,151
Overdue 0 to 30 days	14,674	28,246
Overdue 31 to 180 days	10,698	32,320
Overdue 181 to 365 days	0	0
Overdue over one year	3,838	4,553

31. ACCRUED COSTS AND DEFERRED REVENUES

Accrued costs and deferred revenue are costs accrued or revenue deferred for a short-term of up to 12 months, and are presented separately.

Accruals and deferrals occur in accounting because of the need to evenly distribute costs that are expected, but have not occurred yet. Short-term deferred revenue occurs when services have already been invoiced or paid, but not yet rendered. The total value of accruals and deferrals as of 30 June 2015 was EUR 85,081.

Part of the short-term accrued expenses and deferred revenues are represented by deferred revenues from the transfer of the program PANTHEON Farming and inclusion of the program of the company Progis Software GmbH in this transfer in the amount of EUR 67,479 and deferred revenues from upgrading in the amount of EUR 1,414.

Another part of accrued expenses and deferred revenues in the amount of EUR 16,188 consists of accrued costs for Partner commissions and accrued auditing costs for the financial year 2015.

32. INVESTMENT IN RESEARCH AND DEVELOPMENT

The Group is extremely development-oriented; most of its expenses consist of development costs of the ERP system PANTHEON and the PANTHEON Farming program (accounting for farms).

Development costs

Breakdown of costs	FY' 15	FY' 14
Internal R&D activities	1,464,763	1,346,952
Purchased R&D services	425,430	400,828
Total	1,890,193	1,747,780

Type of cost	FY' 15	FY' 14
Labor costs	1,256,555	1,061,073
Purchase of R&D equipment	57,397	77,017
Cost of material	175,555	208,862
Cost of R&D services and cost of external specialists and researchers	400,686	400,828
Total	1,890,193	1,747,780

33. TRANSACTIONS WITH RELATED PARTIES

Sales (receivables) in euros	FY' 2015	FY' 2014
Datalab SI	1,290,772	1,166,517
Datalab BA	237,686	288,259
Datalab SR	418,359	335,100
Datalab MN	98,075	81,557
Datalab MK	156,092	141,215
Datalab Tehnologije HR	532,673	394,402
Datalab Agro AG	125,026	0
Total	2,858,683	2,407,050
Purchases (payables) in euros	FY' 2015	FY' 2014
Datalab SI	97,308	101,941
Datalab BA	34,010	26,067
Datalab SR	19,548	18,294
Datalab MN	0	0
Datalab MK	44,540	74,882
Datalab Tehnologije HR	116,240	45,692
Datalab Agro AG	0	0
Total	311,646	266,876
Outstanding receivables in euros	30 June 2015	30 June 2014
Datalab SI	247,836	324,411
Datalab BA	75,868	78,768
Datalab SR	279,294	195,435
Datalab MN	37,199	28,540
Datalab MK	98,056	59,495
Datalab Tehnologije HR	273,166	136,503
Datalab Agro AG	121,598	0
Total	1,133,017	823,152
Outstanding payables in euros	30 June 2015	30 June 2014
Datalab SI	354	23,997
Datalab BA	10,202	2,208
Datalab SR	4,979	1,419

Sales (receivables) in euros	FY' 2015	FY' 2014
Datalab MN	0	0
Datalab MK	3,600	0
Datalab Tehnologije HR	16,303	16,235
Datalab Agro AG	0	0
Total	35,438	43,859

The listed transactions were in line with market prices, or the prices charged for assets or services to related parties are compared to prices charged for assets or services to non-related parties in comparable circumstances. The majority of transactions are sales of licenses, software upgrades and memberships in accordance with the general terms applicable to subsidiaries and foreign representatives.

in EUR	FY' 2015	FY' 2014
Loans granted to related parties	451,239	180,151
Datalab SI	198,201	67,000
Datalab MK	3,968	3,607
Andrej Mertelj	41,341	41,341
Lojze Zajc	69,054	52,203
Datalab Agro AG	130,000	0
Datalab AL	8,675	16,000

Other related companies

in EUR	FY' 2015	FY' 2014
Sales (receivables) in euros		
Datalab AL	0	2,189
Datalab KS	2,423	0
Purchases (payables) in euros		
Datalab AL	0	0
Datalab KS	0	0
Outstanding receivables in euros		
Datalab AL	0	4,137
Datalab KS	2,398	0
Outstanding payables in euros		
Datalab AL	0	0
Datalab KS	0	0

The listed transactions were in line with market prices, or the prices charged for assets or services to related parties are compared to prices charged for assets or services to non-related parties in comparable circumstances.

34. FINANCIAL INSTRUMENTS

Financial assets

Item (in EUR)	Carrying amount as at 31 June 2015	Fair value as at 30 June 2015	Carrying amount as at 31 June 2014	Fair value as at 30 June 2014
Long-term financial investments	2,223,507	2,223,507	424,739	424,739
Long-term loans	71,207	71,207	47,543	47,543
Long-term operating receivables	26,464	26,464	23,311	23,311
Short-term financial investments	499,740	499,740	203,236	203,236
Short-term operating receivables	1,323,253	1,323,253	1,209,081	1,209,081
Cash and cash equivalents	26,871	26,871	231,024	231,024
Total	4,171,042	4,171,042	2,138,934	2,138,934

Financial liabilities

Item (in EUR)	Carrying amount as at 31 June 2015	Fair value as at 30 June 2015	Carrying amount as at 31 June 2014	Fair value as at 30 June 2014
Long-term financial liabilities	1,993,097	1,993,097	1,780,415	1,780,415
Short-term financial liabilities	915,187	915,187	744,392	744,392
Short-term operating liabilities	959,187	959,187	527,270	527,270
Total	3,867,471	3,867,471	3,052,077	3,052,077

There is no active market for financial instruments with the above listed financial instruments. The total value of financial assets is also the maximum credit risk.

35. AUDITING COSTS

The cost of auditing financial statements and the annual report for the financial year 2015 for Datalab by the audit firm UHY, d.o.o., amounted to EUR 15,000.

36. POTENTIAL LIABILITIES FROM LAWSUITS AND OTHERS

Datalab Tehnologije d.d. as defendant

Plaintiff	Value in euros	Reference number, court	Status
E-POS GROUP d.o.o.	707,422.00	V Pg 139/2007, District court in Ljubljana	Proceedings finished by a final judgement of the High Court
RR & CO d.o.o.	238,417.68	VL Pg 134/2014, District court in Ljubljana	In progress
MC ii d.o.o. – in bankruptcy	300,000.00	XI Pg 2165/2014, District court in Ljubljana	In progress

I. Case V Pg 139/2007 E-POS Group, d. o. o., against Datalab, d. d., valued at EUR 707,422

the former partner E-POS Group, d.o.o., with which Datalab, d.d., ceased to co-operate because of failure to fulfill contractual obligations of the partnership contract (above all selling and allowing to use illegal licenses and improper attitude towards users), filed a lawsuit for damages incurred due to the terminated cooperation for an amount equal to lost profits and damages paid due to contract termination, as this prevented it from finishing started projects.

In this case, the company received a judgment of the High Court in which the court has fully dismissed the applicant's claim. That decision is final, so the company reversed provisions in the amount of EUR 164,836.

II. Case VI p 134/2014 RR & CO d.o.o against Datalab d.d., valued at EUR 238,417.68

he plaintiff filed a lawsuit for payment on the basis of a Contract on consulting in acquiring non-refundable funds. The first fixed term was cancelled, the next fixed term on 26 November 2015. The outcome of the proceedings depends on the testimony of individual witnesses which has not yet occurred.

III. Case XI pg 2165/2014 MC ii d.o.o. – in liquidation against Datalab d.d. as first defendant and a POT d.o.o. as second defendant

The plaintiff filed a lawsuit because of challenging legal acts in liquidation and return of copy-rights over the Mecen package into the bankruptcy estate, to which Datalab, in recognition of costs that it had, does not object.

In this case, a lawsuit was filed so far and both responses to the lawsuit. Currently, the adoption of preparatory application is expected, perhaps even the withdrawal of the applicant's action.

Enforcement procedures against Datalab Tehnologije, d. d.

Plaintiff – creditor	Value in euros	Reference number, court	Status
KPMG Slovenija	16,672.92	VL 20939/2010, District court in Ljubljana, Central Office for Debt Execution on the Basis of Authentic Documents	After appealing, the litigation continues

Comments:

A writ of execution was issued, to which an objection was filed, and the case was directed to the path of a lawsuit. On 11 March 2013, the defendant received the verdict by which the court rejected the claim.

The plaintiff appealed against the verdict and the matter entered retrial on the first instance. The claim was in relation to the position of senior positions well-founded; the court has appointed a legal expert. According to the position of the High Court it is likely that the claim will be at least partially successful.

The claims of the listed debt executions have justifiable grounds, but not in the full value*.

* All enforced claims of the company are posted (provisioned) and disclosed in the balance in the amount which is recognized.

Datalab Tehnologije d.d. as plaintiff

Company	value in EUR	Reference number, court	Status
APL d.o.o. and others, Ljubljana	803,973.00	VIII Pg 1085/2015, District court in Ljubljana	In progress – first level

I. Case VIII Pg 1085/2015 Datalab, d.d. vs. APL, d. o. o. and others, valued at EUR 803,973.

Defendant sued for compensation due to unauthorized use of business secrets. The action was filed on 24 March 2015. During this time, a proposal for securing evidence against litigation was filed which the Court granted and on 13 April 2015 issued a decision by which it approved the security and appointed a legal expert. Evidence have not been presented and the expert report has not been prepared. The defendants have filed their responses to their responses to the lawsuit.

Datalab Tehnologije d.d. – guarantees in favor of third parties

DataLab d.d. is a guarantor for liabilities of the subsidiary Datalab SI d.o.o. from the loan received from Banka Celje d.d. for the purchase of business premises in Hajdrihova Street in the amount of EUR 600,000.

AUDITOR'S REPORT FOR DATALAB TEHNOLOGIJE, D. D.



Delničarjem družbe
DATALAB Tehnologije d.d.
 Ljubljana

UHY Revizija in svetovanje d.o.o.
 Vurnikova ulica 2
 1000 Ljubljana, Slovenija
 tel.: +386 1 300 00 40
 fax: +386 1 300 00 50
 e-mail: uhy@uhy.si

POROČILO NEODVISNEGA REVIZORJA

Revidirali smo priložene računovodske izkaze gospodarske družbe **DATALAB Tehnologije d.d., Ljubljana**, ki vključujejo izkaz finančnega položaja na dan 30. junija 2015, izkaz celotnega vseobsegajočega donosa, izkaz sprememb lastniškega kapitala in izkaz denarnih tokov za tedaj končano leto ter povzetek bistvenih računovodskih usmeritev in druge pojasnjevalne informacije. Pregledali smo tudi poslovno poročilo.

Odgovornost posloводства za računovodske izkaze

Posloводство je odgovorno za pripravo in pošteno predstavitev teh računovodskih izkazov v skladu z mednarodnimi standardi računovodskega poročanja in za tako notranje kontroliranje, kot je v skladu z odločitvijo posloводства potrebno, da omogoči pripravo računovodskih izkazov, ki ne vsebujejo pomembno napačne navedbe zaradi prevare ali napake.

Revizorjeva odgovornost

Naša odgovornost je izraziti mnenje o teh računovodskih izkazih na podlagi naše revizije. Revizijo smo opravili v skladu z Mednarodnimi standardi revidiranja. Ti standardi zahtevajo od nas izpolnjevanje etičnih zahtev ter načrtovanje in izvedbo revizije za pridobitev sprejemljivega zagotovila, da računovodski izkazi ne vsebujejo pomembno napačne navedbe.

Revizija vključuje izvajanje postopkov za pridobitev revizijskih dokazov o zneskih in razkritjih v računovodskih izkazih. Izbrani postopki so odvisni od revizorjeve presoje in vključujejo tudi ocenjevanje tveganj pomembno napačne navedbe v računovodskih izkazih zaradi prevare ali napake. Pri ocenjevanju teh tveganj prouči revizor notranje kontroliranje, povezano s pripravljanim in poštenim predstavljanjem računovodskih izkazov družbe, da bi določil okoliščinam ustrezne revizijske postopke, ne pa, da bi izrazil mnenje o uspešnosti notranjega kontroliranja družbe. Revizija vključuje tudi ovrednotenje ustreznosti uporabljenih računovodskih usmeritev in utemeljenosti računovodskih ocen posloводства kot tudi ovrednotenje celotne predstavitve računovodskih izkazov.

Verjamemo, da so pridobljeni revizijski dokazi zadostni in ustrezni kot osnova za naše revizijsko mnenje.

Mnenje

Po našem mnenju so računovodski izkazi v vseh pomembnih pogledih resnični in pošten prikaz finančnega položaja družbe **DATALAB Tehnologije d.d., Ljubljana** na dan 30. junija 2015 ter njenega celotnega vseobsegajočega donosa in denarnih tokov za tedaj končano leto v skladu z mednarodnimi standardi računovodskega poročanja, kot jih je sprejela EU.

Odstavek o poudarjanju zadeve

Ne da bi izrazili pridržek, opozarjamo uporabnike računovodskih izkazov na razkritje v točki 5.2.11 poslovnega poročila glede ocene poštene vrednosti finančnih sredstev povezanih s segmentom poslovanja skupine Datalab, ki se nanaša na razvoj in trženje programske opreme Pantheon Farming (naložbe, posojila in terjatve do Datalab Agro AG, CH, Datalab Agro SI, Datalab Agro HR zmanjšana za rezervacije za prejete subvencije), ki so v računovodskih izkazih izkazane v (neto) knjigovodski vrednosti 1.418 tisoč EUR. Ocenjena tržna vrednost zgolj blagovne znamke povezane s temi vlaganji, ugotovljene z metodo diskontiranja bodočih donosov znaša 5.052 tisoč EUR, prispevek pri tem udeleženih sredstev pa 3.894 tisoč EUR. Ocenjevanje poštene vrednosti, ki je opisano v tem razkritju je bilo potrjeno uporabi predpostavk, za katere obstaja pomembno tveganje glede njihove uresničitve, predvsem glede doseganja načrtovanih donosov tako po višini, kot tudi terminsko.

Poslovno poročilo je skladno z revidiranimi računovodskimi izkazi.

Ljubljana, 20.11.2015



UHY Revizija in svetovanje d.o.o.

Franci Žgajnar
 pooblaščen revizor

matična številka: 2060167, ID za DDV: SI62702670, št. transakcijskega računa: DBS d.d., 1910 0001 0161 677, št. registrskega sločka: 1/41215/00 pri Okrožnem sodišču v Ljubljani, št. vpisa v register revizijskih družb: RD-A-073/05

UHY Revizija in svetovanje d.o.o. je član Urbach Hacker Young International Limited, podjetja v Zdrružnem Kraljestvu, in je del mednarodnega združenja neodvisnih računovodskih in svetovalnih podjetij UHY. UHY je blagovna znamka mednarodnega združenja UHY. Storitve, ki jih nudi UHY Revizija in svetovanje d.o.o., niso storitve UHY ali kateregakoli drugega člana. UHY ali katerikoli drugi član ne odgovarja za storitve drugih članov.



datalab

Datalab Tehnologije, d. d.
Hajdrihova ulica 28c, SI-1000 Ljubljana
t. +386 1 252 89 00, f. +386 1 252 89 10
info@datalab.si, www.datalab.si