ASBISc Enterprises Plc

INTERIM REPORT
FOR THE THREE AND TWELVE MONTHS
ENDED 31 DECEMBER 2015

Limassol, February 26th, 2016

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DIRECTORS' REPORT ON THE COMPANY'S AND GROUP'S OPERATIONS

We have prepared this report as required by Paragraph 82 section 1 point 1 of the Regulation of the Ministry of Finance dated 19 February 2009 on current and periodic information to be published by issuers of securities and conditions of recognition of information required by the law of non-member country as equal.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

In this quarterly report all references to the Company apply to ASBISc Enterprises Plc and all references to the Group apply to ASBISc Enterprises Plc and its consolidated subsidiaries. Expressions such as "we", "us", "our" and similar apply generally to the Group (including its particular subsidiaries, depending on the country discussed), unless from the context it is clear that they apply to the Company alone.

Financial and Operating Data

This quarterly report contains financial statements of, and financial information relating to the Group. In particular, this quarterly report contains our interim consolidated financial statements for the three months ended 31 December 2015. The financial statements appended to this quarterly report are presented in U.S. dollars and have been prepared in accordance with International Accounting Standard ("IAS") 34.

The functional currency of the Company is U.S. dollars. Accordingly, transactions in currencies other than our functional currency are translated into U.S. dollars at the exchange rates prevailing on the applicable transaction dates.

Certain arithmetical data contained in this quarterly report, including financial and operating information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum of the numbers in a column or a row in tables contained in this quarterly report may not conform exactly to the total figure given for that column or row.

Currency Presentation

Unless otherwise indicated, all references in this quarterly report to "U.S. $" or "U.S. dollars" are to the lawful currency of the United States; all references to "€" or the "Euro" are to the lawful currency of the member states of the European Union that adopt the single currency in accordance with the EC Treaty, which means the Treaty establishing the European Community (signed in Rome on 25 March 1957), as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992) and as amended by the Treaty of Amsterdam (signed in Amsterdam on 2 October 1997) and includes, for this purpose, Council Regulations (EC) No. 1103/97 and No. 974/98; and all references to "PLN" or "Polish Zloty" are to the lawful currency of the Republic of Poland.

All references to U.S. dollars, Polish Zloty, Euro and other currencies are in thousands, except share and per share data, unless otherwise stated.

FORWARD-LOOKING STATEMENTS

This quarterly report contains forward-looking statements relating to our business, financial condition and results of operations. You can find many of these statements by looking for words such as "may", "will", "expect", "anticipate", "believe", "estimate" and similar words used in this quarterly report. By their nature, forward-looking statements are subject to numerous assumptions, risks and uncertainties. Accordingly, actual results may differ materially from those expressed or implied by the forward-looking statements. We caution you not to place undue reliance on such statements, which speak only as of the date of this quarterly report.

The cautionary statements set out above should be considered in connection with any subsequent written or oral forward-looking statements that we or persons acting on our behalf may issue. We do not undertake any obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this quarterly report.

Part I Additional information

1. Overview

ASBISc Enterprises Plc is one of the leading distributors of Information Technology ("IT") products in Europe, Middle East and Africa (“EMEA”) Emerging Markets: Central and Eastern Europe, the Baltic States, the Former Soviet Union, the Middle East and Africa, combining a broad geographical reach with a wide range of products distributed on a "one-stop-shop" basis. Our main focus is on the following countries: Slovakia, Poland, Czech Republic, Romania, Croatia, Slovenia, Bulgaria, Serbia, Hungary, Middle East countries (i.e. United Arab Emirates, Iraq, Qatar and other Gulf states), Russia, Belarus, Kazakhstan and Ukraine.

The Group distributes IT components (to assemblers, system integrators, local brands and retail) as well as A-branded finished products like desktop PCs, laptops, servers, and networking to SMB and retail. Our IT product portfolio encompasses a wide range of IT components, blocks and peripherals, and mobile IT systems. We currently purchase the majority of our products from leading international manufacturers, including Intel, Advanced Micro Devices ("AMD"), Seagate, Western Digital, Samsung, Microsoft, Toshiba, Dell, Acer, Apple, Lenovo and Hitachi. In addition, a significant part of our revenue is comprised of sales of IT products under our private labels, Prestigio and Canyon.

ASBISc commenced business in 1990 in Belarus and in 1995 we incorporated our holding Company in Cyprus and moved our headquarters to Limassol. Our Cypriot headquarters support, through three master distribution centres (located in the Czech Republic, the United Arab Emirates and China), our network of 31 warehouses located in 24 countries. This network supplies products to the Group's in-country operations and directly to its customers in approximately 60 countries.

The Company’s registered and principal administrative office is at Diamond Court, 43 Kolonakiou Street, Ayios Athanasios, CY-4103 Limassol, Cyprus.

2. Executive summary for the three and twelve month periods ended 31 December 2015

The three month period ended on 31 December 2015 was the strongest of all during 2015. Although several negative factors made its results weaker - as compared to the corresponding period of 2014 - the Company managed to deliver significant profitability. These factors are described in detail in point 15 of this report. Both, revenues, gross profit margin and profits grew significantly as compared to any other period of 2015. This trend is expected to continue, as the Company made structural changes throughout 2015.

The principal events of the three months ended 31 December 2015 were as follows:

- Revenues in Q4 2015 decreased by 20.00% to U.S. $ 366,846 from U.S. $ 458,586 in the corresponding period of 2014. However, revenues in Q4 2015 were already 27.55% higher as compared to Q3 2015 continuing the upward trend.

- Gross profit in Q4 2015 has decreased by 22.29% to U.S. $ 18,140 from U.S. $ 23,344 in the corresponding period of 2014. However, gross profit in Q4 2015 grew by 35.91% as compared to Q3 2015, which is much faster than the growth in revenues.

- Gross profit margin in Q4 2015 has decreased by 2.86% to 4.94% from 5.09% in the corresponding period of 2014. However, gross profit margin in Q4 2015 improved significantly compared with Q3 2015.

- Selling expenses in Q4 2015 have decreased by 23.57% to U.S. $ 7,483 from U.S. $ 9,790 in the corresponding period of 2014. This decline in selling expenses was much stronger as compared to the decline in revenues. Selling expenses in Q4 2015 grew only by 19.84% as compared to Q3 2015 – much slower than the increase in revenues and gross profit.

- Administrative expenses in Q4 2015 have decreased by 35.05% to U.S. $ 4,317 from U.S. $ 6,647 in the corresponding period of 2014. The decrease in expenses was much stronger than in revenues.

- Financial expenses in Q4 2015 have decreased by 11.55% to U.S.$ 4,541 from U.S.$ 5,135. This decrease is related to less financial lines.

- EBITDA in Q4 2015 was positive and amounted to U.S. $ 10,590 in comparison to U.S. $ 7,594 in the corresponding period of 2014 and U.S.$ 3,588 in Q3 2015. This confirms improvement on the operating level.

- As a result of the continuous improvement in revenues and gross profit, the Company has generated in Q4 2015 a net profit after taxation of U.S. $ 2,039 – the best quarterly result in 2015.

  The following table presents revenues breakdown by regions for the three month periods ended December 31st, 2015 and 2014 respectively (in U.S.$ thousand):

Region	Q4 2015	Q3 2015	Q4 2014	Change Q4/Q3	Change Q4/Q4
Central and Eastern Europe	169,327	125,066	199,603	+35.39%	-15.17%
Former Soviet Union	117,847	90,770	155,400	+29.83%	-24.17%
Middle East and Africa	45,673	43,342	47,287	+5.38%	-3.41%
Western Europe	25,961	15,036	38,064	+72.66%	-31.80%
Other	8,038	13,392	18,232	-39.98%	-55.91%
Total	366,846	287,606	458,586	+27.55%	-20.00%

The principal events of the twelve months ended 31 December 2015 were as follows:

- Revenues in Q1-Q4 2015 decreased by 23.82% to U.S. $ 1,181,613 from U.S. $ 1,551,170 in the corresponding period of 2014.

- Gross profit in Q1-Q4 2015 decreased by 46.84% to U.S. $ 46,649 from U.S. $ 87,749 in the corresponding period of 2014.

- Gross profit margin in Q1-Q4 2015 decreased to 3.95% from 5.66% in the corresponding period of 2014. This was mainly the result of several one off items which occurred at the same time

- Selling expenses in Q1-Q4 2015 decreased by 28.00% to U.S. $ 30,630 from U.S. $ 42,543 in the corresponding period of 2014.

- Administrative expenses in Q1-Q4 2015 decreased by 34.10% to U.S. $ 19,075 from U.S. $ 28,947 in the corresponding period of 2014 following cost cutting actions taken by the Company.

- Financial expenses in Q1-Q4 2015 have decreased by 13.70% to U.S.$ 14,872 from U.S.$ 17,232.

- EBITDA in Q1-Q4 2015 was negative and amounted to U.S. $ -482 in comparison to a positive number of U.S. $ 19,134 in the corresponding period of 2014. This is the result of losses from H1 2015, while from Q3 2015 the Company started to produce growing EBITDA again.

- As a result, despite profitability improvement in Q3 and Q4 2015, losses from H1 2015 had a very bad impact on the net result of the year. In Q1-Q4 2015 the Company posted a net loss after tax of U.S. $ 17,152 in comparison to a net profit after tax of U.S. $ 979 in the corresponding period of 2014.

  The following table presents revenues breakdown by regions for the twelve month periods ended December 31st, 2015 and 2014 respectively (in U.S.$ thousand):

Region	Q1-Q4 2015	Q1-Q4 2014	Change (%)
Central and Eastern Europe	525,044	660,959	-20.56%
Former Soviet Union	376,266	516,564	-27.16%
Middle East and Africa	168,489	206,394	-18.37%
Western Europe	65,286	119,927	-45.56%
Other	46,528	47,327	-1.69%
Grand Total	1,181,613	1,551,170	-23.82%

3. Summary historical financial data

The following data set out our summary historical consolidated financial information for the periods presented. You should read the information in conjunction with the interim condensed consolidated financial statements and results of operations contained elsewhere in this interim report.

For your convenience, certain U.S.$ amounts as of and for the three and twelve months ended December 31st, 2015 and 2014, have been converted into Euro and PLN as follows:

- Individual items of the balance sheet – based at average exchange rates quoted by the National Bank of Poland for the balance sheet date of December 31st, 2014, that is: 1 US$ = 3.5072 PLN and 1 EUR = 4.2623 PLN and December 31st, 2015, that is: 1 US$ = 3.9011 PLN and 1 EUR = 4.2615 PLN.

- Individual items in the income statement and cash flow statement – based at exchange rates representing the arithmetic averages of the exchange rates quoted by the National Bank of Poland for the last day of each month for the period from October 1st to December 31st, 2014, that is 1 US$ = 3.4045 PLN and 1 EUR = 4.2160 PLN and October 1st to December 31st, 2015, that is 1 US$ = 3.9354 PLN and 1 EUR = 4.2635 PLN.

- Individual items in the income statement and cash flow statement – based at exchange rates representing the arithmetic averages of the exchange rates quoted by the National Bank of Poland for the last day of each month for the given period from January 1st to December 31st, 2014, that is 1 US$ = 3.1784 PLN and 1 EUR = 4.1893 PLN and January 1st to December 31st, 2015, that is 1 US$ = 3.7928 PLN and 1 EUR = 4.1848 PLN.

	Period from 1 October to 31 December 2015			Period from 1 October to 31 December 2014		
	USD	PLN	EUR	USD	PLN	EUR
Revenue	**366,846**	**1,443,687**	**338,616**	**458,586**	**1,561,255**	**370,317**
Cost of sales	(348,706)	(1,372,298)	(321,871)	(435,242)	(1,481,782)	(351,466)
Gross profit	**18,140**	**71,390**	**16,744**	**23,344**	**79,473**	**18,850**
Selling expenses	(7,483)	(29,447)	(6,907)	(9,790)	(33,331)	(7,906)
Administrative expenses	(4,317)	(16,989)	(3,985)	(6,647)	(22,630)	(5,368)
Profit from operations	**6,341**	**24,954**	**5,853**	**6,906**	**23,513**	**5,577**
Financial expenses	(4,541)	(17,872)	(4,192)	(5,135)	(17,481)	(4,146)
Financial income	313	1,232	289	3,652	12,432	2,949
Other gains and losses	102	400	94	101	342	81
Profit before taxation	**2,214**	**8,713**	**2,044**	**5,524**	**18,807**	**4,461**
Taxation	(175)	(690)	(162)	(214)	(729)	(173)
Profit after taxation	**2,039**	**8,023**	**1,882**	**5,310**	**18,077**	**4,288**
Attributable to:						
Non-controlling interests	4	16	4	3	9	2
Owners of the Company	**2,035**	**8,007**	**1,878**	**5,307**	**18,068**	**4,286**

	USD (cents)	PLN (grosz)	EUR (cents)	USD (cents)	PLN (grosz)	EUR (cents)
Basic and diluted earnings per share from continuing operations	3.67	14.44	3.39	9.56	32.56	7.72

	Period from 1 October to 31 December 2015			Period from 1 October to 31 December 2014		
	USD	PLN	EUR	USD	PLN	EUR
Net cash inflows from operating activities	26,971	106,140	24,895	67,297	229,112	54,344
Net cash (outflows)/inflows from investing activities	(1,675)	(6,593)	(1,546)	74	259	60
Net cash outflows from financing activities	(3,074)	(12,095)	(2,837)	(2,703)	(9,202)	(2,183)
Net increase in cash and cash equivalents	**22,222**	**87,452**	**20,512**	**64,668**	**220,163**	**52,221**
Cash at the beginning of the period	**(17,932)**	**(70,569)**	**(16,552)**	**(35,252)**	**(120,015)**	**(28,467)**
Cash at the end of the period	**4,290**	**16,882**	**3,960**	**29,416**	**100,148**	**23,754**

	As at 31 December 2015			As at 31 December 2014		
	USD	PLN	EUR	USD	PLN	EUR
Current assets	352,259	1,374,199	322,468	464,706	1,629,817	382,380
Non-current assets	29,316	114,363	26,836	28,454	99,795	23,413
Total assets	381,575	1,488,562	349,305	493,160	1,729,611	405,793
Liabilities	300,095	1,170,701	274,716	389,522	1,366,130	320,515
Equity	81,480	317,860	74,589	103,639	363,481	85,278

	Period from 1 January to 31 December 2015			Period from 1 January to 31 December 2014		
	USD	PLN	EUR	USD	PLN	EUR
Revenue	**1,181,613**	**4,481,623**	**1,070,929**	**1,551,170**	**4,930,240**	**1,176,865**
Cost of sales	(1,134,964)	(4,304,693)	(1,028,650)	(1,463,422)	(4,651,339)	(1,110,290)
Gross profit	**46,649**	**176,930**	**42,279**	**87,749**	**278,900**	**66,574**
Selling expenses	(30,630)	(116,174)	(27,761)	(42,543)	(135,219)	(32,277)
Administrative expenses	(19,075)	(72,347)	(17,288)	(28,947)	(92,005)	(21,962)
Profit from operations	**(3,056)**	**(11,591)**	**(2,770)**	**16,258**	**51,676**	**12,335**
Financial expenses	(14,872)	(56,407)	(13,479)	(17,232)	(54,771)	(13,074)
Financial income	742	2,814	673	2,018	6,415	1,531
Other gains and losses	124	472	113	210	669	160
Profit before taxation	**(17,062)**	**(64,712)**	**(15,464)**	**1,255**	**3,989**	**952**
Taxation	(91)	(344)	(82)	(276)	(878)	(210)
Profit after taxation	**(17,152)**	**(65,056)**	**(15,546)**	**979**	**3,111**	**743**
Attributable to:						
Non-controlling interests	6	21	5	28	89	21
Owners of the Company	**(17,158)**	**(65,077)**	**(15,551)**	**951**	**3,023**	**722**

	USD (cents)	PLN (grosz)	EUR (cents)	USD (cents)	PLN (grosz)	EUR (cents)
Basic and diluted earnings per share from continuing operations	(30.92)	(117.27)	(28.02)	1.71	5.45	1.30

	Period from 1 January to 31 December 2015			Period from 1 January to 31 December 2014		
	USD	PLN	EUR	USD	PLN	EUR
Net cash (outflows)/inflows from operating activities	(15,947)	(60,485)	(14,454)	41,809	132,885	31,720
Net cash outflows from investing activities	(4,151)	(15,742)	(3,762)	(1,563)	(4,967)	(1,186)
Net cash outflows from financing activities	(5,029)	(19,073)	(4,558)	(11,320)	(35,980)	(8,589)
Net increase in cash and cash equivalents	**(25,126)**	**(95,299)**	**(22,773)**	**28,926**	**91,939**	**21,946**
Cash at the beginning of the period	**29,416**	**111,570**	**26,661**	**490**	**1,558**	**372**
Cash at the end of the period	**4,290**	**16,271**	**3,888**	**29,416**	**93,497**	**22,318**

4. Organization of ASBIS Group

The following table presents our corporate structure as at December 31st, 2015:

Company	Consolidation Method
ASBISC Enterprises PLC	**Mother company**
Asbis Ukraine Limited (Kiev, Ukraine)	Full (100% subsidiary)
Asbis PL Sp.z.o.o (Warsaw, Poland)	Full (100% subsidiary)
Asbis Poland Sp. z o.o. (Warsaw, Poland)	Full (100% subsidiary)
ASBIS Estonia AS (formerly AS Asbis Baltic) (Tallinn, Estonia)	Full (100% subsidiary)
Asbis Romania S.R.L (Bucharest, Romania)	Full (100% subsidiary)
Asbis Cr d.o.o (Zagreb, Croatia)	Full (100% subsidiary)

Asbis d.o.o Beograd (Belgrade, Serbia)	Full (100% subsidiary)
Asbis Hungary Commercial Limited (Budapest, Hungary)	Full (100% subsidiary)
Asbis Bulgaria Limited (Sofia, Bulgaria)	Full (100% subsidiary)
Asbis CZ,spol.s.r.o (Prague, Czech Republic)	Full (100% subsidiary)
UAB Asbis Vilnius (Vilnius, Lithuania)	Full (100% subsidiary)
Asbis Slovenia d.o.o (Trzin, Slovenia)	Full (100% subsidiary)
Asbis Middle East FZE (Dubai, U.A.E)	Full (100% subsidiary)
Asbis SK sp.l sr.o (Bratislava, Slovakia)	Full (100% subsidiary)
Asbis Limited (Charlestown, Ireland)	Full (100% subsidiary)
FPUE Automatic Systems of Business Control (Minsk, Belarus)	Full (100% subsidiary)
E.M. Euro-Mall Ltd (former ISA Hardware Limited–Group) (Limassol, Cyprus)	Full (100% subsidiary)
OOO ' Asbis'-Moscow (Moscow, Russia)	Full (100% subsidiary)
Asbis Morocco Limited (Casablanca, Morocco)	Full (100% subsidiary)
EUROMALL CZ s.r.o. (formerly ISA Hardware s.r.o.) (Prague, Czech Republic)	Full (100% subsidiary)
EUROMALL d.o.o. (formerly ISA Hardware d.o.o.) (Zagreb, Croatia)	Full (100% subsidiary)
S.C. EUROMALL 2008 S.R.L (formerly ISA Hardware International S.R.L) (Bucharest, Romania)	Full (100% subsidiary)
ISA Hardware s.r.o Slovakia (Bratislava, Slovakia)	Full (100% subsidiary)
Euro-Mall SRB d.o.o. (former ISA Hardware d.o.o Beograd) (Belgrade, Serbia)	Full (100% subsidiary)
Prestigio Plaza Sp. z o.o in liquidation (Warsaw, Poland)	Full (100% subsidiary)
Prestigio Plaza Ltd (formerly Prestigio Technologies) (Limassol, Cyprus)	Full (100% subsidiary)
Prestigio Europe s.r.o (Prague, Czech Republic)	Full (100% subsidiary)
Prestigio Plaza NL.B.V. (Amsterdam, Netherlands)	Full (100% subsidiary)
Asbis Kypros Ltd (Limassol, Cyprus)	Full (100% subsidiary)
Asbis TR Bilgisayar Limited Sirketi (Istanbul, Turkey)	Full (100% subsidiary)
SIA "ASBIS LV" (Riga, Latvia)	Full (100% subsidiary)
Asbis d.o.o. (former Megatrend d.o.o.) (Sarajevo, Bosnia Herzegovina)	Full (90% ownership)
PTUE IT-MAX (Minsk, Belarus)	Full (100% subsidiary)
ASBIS Close Joint-Stock Company (former CZAO ASBIS) (Minsk, Belarus)	Full (100% subsidiary)
ASBIS Kazakhstan LLP (Almaty, Kazakhstan)	Full (100% subsidiary)
Euro-Mall SRO (Bratislava, Slovakia)	Full (100% subsidiary)
Prestigio China Corp. (former AOSBIS TECHNOLOGY (SHENZHEN) CORP.) (Shenzhen,China)	Full (100% subsidiary)
ASBIS DE GMBH, (Munchen, Germany)	Full (100% subsidiary)
EUROMALL BULGARIA EOOD (Sofia, Bulgaria)	Full (100% subsidiary)
Advanced Systems Company LLC (Riyadh, Kingdom of Saudi Arabia)	Full (100% subsidiary)
SHARK ONLINE a.s. (Bratislava, Slovakia)	Full (100% subsidiary)
SHARK Computers a.s. (Bratislava, Slovakia)	Full (100% subsidiary)
E-vision Production Unitary Enterprise (Minsk, Belarus)	Full (100% subsidiary)
ASBIS UK LTD (Hounslow, England)	Full (100% subsidiary)

5. Changes in the structure of the Company

During the three months ended December 31st, 2015 there was only one change in the structure of the Company and the Group: the Company completed the process of restructuring its operations in Poland. Thus, activities were divided between ASBIS PL Sp. z o.o. (Warsaw, Poland) that will conduct mainly RMA related activities and a new subsidiary - ASBIS POLAND Sp. z o.o. (Warsaw, Poland) that will conduct all new sales activities, with a possibility of introducing new product lines to Poland.

6. Discussion of the difference of the Company's results and published forecasts

We have not published any forecasts for the three month period ended December 31st, 2015.

7. Information on dividend payment

In the period of the three months ended 31 December 2015 no dividend has been paid. The Annual General Meeting of Shareholders voted for retaining the 2014 profits as a capital reserve.

8. Shareholders possessing more than 5% of the Company's shares as of the date of publication of the interim report

The following table presents shareholders possessing more than 5% of the Company's shares as of the date of publication of this report, according to our best knowledge. The information included in the table is based on information received from shareholders pursuant to Art. 69, sec. 1, point 2 of the Act on Public Offering, conditions governing the introduction of financial instruments to organized trading and public companies.

Name	Number of shares	% of share capital	Number of votes	% of votes
KS Holdings Ltd	20,401,361	36.76%	20,401,361	36.76%
Quercus Towarzystwo Funduszy Inwestycyjnych S.A. Quercus Parasolowy SFIO and Quercus Absolutnego Zwrotu FIZ)*	3,274,931	5.90%	3,274,931	5.90%
ING OFE	2,872,954	5.18%	2,872,954	5.18%

* Including 2,775,045 shares corresponding to 5.00% votes at the AGM held by Quercus Parasolowy SFIO - according to notification from December 9th, 2011 corrected with notification from July 14th, 2015.

In the three month period ended on December 31st, 2015 the Company has received the following information about changes in its shareholders structure:

(1) On November 27th, 2015 the Company received the following notification on the basis of art. 69 of Act on Public Offering from Mr. Siarhei Kostevitch, Chairman of the Board of Directors and the Company's CEO:
Acting on the basis of art. 69 of Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies dated July 29th 2005 I hereby inform about change in the number of possesed shares of ASBISc Enterprises Plc, that was above 33% by at least 1%. The change resulted from transaction of sale of 2,275,000 (two milion two hundred seventy five thousand shares) shares on November 26th, 2015 conducted by related entity. The shares were transferred under 12-month lock-up.
Before the abovementioned transaction I held (directly and indirectly) 22,718,127 shares, that entitled to 22,718,127 votes at the General Meeting of Shareholders of ASBISc Enterprises Plc, that were equal to 40.93% in share capital of ASBISc Enterprises PLC and 40.93% in the total number of votes at its General Meeting of Shareholders. This included:
Directly:
41,766 shares of ASBISc Enterprises PLC of a nominal value 0,20 USD each, that were entitling to 41,766 votes at the General Meeting of Shareholders of ASBISc Enterprises Plc, that were equal to 0.08% in share capital of ASBISc Enterprises PLC and 0.08% in the total number of votes at its General Meeting of Shareholders.
Indirectly, through KS Holdings Ltd:
22,676,361 shares of ASBISc Enterprises PLC of a nominal value 0,20 USD each, that were entitling to 22,676,361 votes at the General Meeting of Shareholders of ASBISc Enterprises Plc, that were equal to 40.86% in share capital of ASBISc Enterprises PLC and 40.86% in the total number of votes at its General Meeting of Shareholders.
After the abovementioned transaction I hold (directly and indirectly) 20,443,127 shares, that entitle to 20,443,127 votes at the General Meeting of Shareholders of ASBISc Enterprises Plc, that are equal to 36.83% in share capital of ASBISc Enterprises PLC and 36.83% in the total number of votes at its General Meeting of Shareholders. This includes:
Directly:
41,766 shares of ASBISc Enterprises PLC of a nominal value 0,20 USD each, that entitle to 41,766 votes at the General Meeting of Shareholders of ASBISc Enterprises Plc, that are equal to 0.08% in share capital of ASBISc Enterprises PLC and 0.08% in the total number of votes at its General

Meeting of Shareholders.
Indirectly, through KS Holdings Ltd:
20,401,361 shares of ASBISc Enterprises PLC of a nominal value 0,20 USD each, that entitle to 22,401,361 votes at the General Meeting of Shareholders of ASBISc Enterprises Plc, that are equal to 36.76% in share capital of ASBISc Enterprises PLC and 36.76% in the total number of votes at its General Meeting of Shareholders.
I do not plan to decrease my stake in ASBISc Enterprise PLC in the next 12 months from the date of this notification.

(2) On November 27th, 2015 the Company received the following notification on the basis of art. 69 of Act on Public Offering from KS Holdings Ltd:
Acting on the basis of art. 69 of Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies dated July 29th 2005 We hereby inform about change in the number of possesed shares of ASBISc Enterprises Plc, that was above 33% by at least 1%. The change resulted from transaction of sale of 2,275,000 (two milion two hundred seventy five thousand shares) shares on November 26th, 2015.
Before the abovementioned transaction We held:
22,676,361 shares of ASBISc Enterprises PLC of a nominal value 0,20 USD each, that were entitling to 22,676,361 votes at the General Meeting of Shareholders of ASBISc Enterprises Plc, that were equal to 40.86% in share capital of ASBISc Enterprises PLC and 40.86% in the total number of votes at its General Meeting of Shareholders.
After the abovementioned transaction We hold:
20,401,361 shares of ASBISc Enterprises PLC of a nominal value 0,20 USD each, that entitle to 22,401,361 votes at the General Meeting of Shareholders of ASBISc Enterprises Plc, that are equal to 36.76% in share capital of ASBISc Enterprises PLC and 36.76% in the total number of votes at its General Meeting of Shareholders.
We do not plan to decrease our stake in ASBISc Enterprise PLC In the next 12 months from the date of this notification.

9. Changes in the number of shares owned by the members of the Board of Directors

During the three month period ended on 31 December 2015 as well as for the period between November 5th, 2015 (the date of the publication of the Quarterly Report for Q3 2015) and February 26th, 2016 (date of this report) there were the following changes in the number of shares possessed by the members of the Board of Directors:

(1) On December 21st, 2015 the Company received notification on the basis of art. 160 of Act on Trading on financial instruments from Mr. Marios Christou, Director of the Company, who informed that on December 21st he was notified about receiving 250.000 shares of the Company. Shares were received with no consideration and transferred from KS Holdings Ltd under the transfer that KS Holdings Limited informed on November 26th, 2015. Transferred shares are covered with a 12-months lock-up agreement.

(2) On December 21st, 2015 the Company received notification on the basis of art. 160 of Act on Trading on financial instruments from Mr. Constantinos Tziamalis, Director of the Company, who informed that on December 21st he was informed about receiving 500.000 shares of the Company. Shares were received with no consideration and transferred from KS Holdings Ltd under the transfer that KS Holdings Limited notified on November 26th, 2015. Transferred shares are covered with a 12-months lock-up agreement.

(3) The Company also received information presented in point 8 sec. 1 above from its CEO, Mr. Siarhei Kostevitch.

Important comment to the abovementioned transactions is that shares disposed by Mr. Kostevitch indirectly through KS Holdings were transferred outside the market to managers of the Group, including Directors, Mr. Christou and Mr. Tziamalis, as mentioned above.

The table below presents the number of shares held by the members of the Board of Directors as of the date of this report. The information included in the table below is based on notifications received from our Board members pursuant to Art. 160 sec. 1 of the Act on Public Trading**:**

Name	**Number of Shares**	**% of the share capital**
Siarhei Kostevitch (directly and indirectly)	20,443,127	36.83%
Constantinos Tziamalis	555,000	1.00%
Marios Christou	518,000	0.93%
Yuri Ulasovich	210,000	0,38%
Demos Demou	0	0%
Chris Pavlou	0	0%

Siarhei Kostevitch holds shares as the shareholder of KS Holdings Ltd.

10. Changes in the members of managing bodies

During the three month period ended December 31st, 2015 there were no changes in the members of the Company's Board of Directors.

11. Significant administrative and court proceedings against the Company

As of December 31st, 2015, no court, arbitration or administrative proceedings whose single or aggregate value exceeds 10% of our equity were pending against us or any of the members of our Group.

12. Related Party Transactions

During the three months ended December 31st, 2015 we have not had any material related party transaction exceeding the Polish Zloty equivalent of Euro 500 thousand other than typical or routine transactions.

13. Information on guarantees granted to third parties

The Company has decreased corporate guarantees to support its subsidiaries' local financing from U.S.$ 171,288 at December 31st, 2014 (and U.S.$ 156,146 at September 30th, 2015) to U.S.$ 136,683 at December 31st, 2015, representing more than 10% of the Company's equity. The total bank guarantees and letters of credit raised by the Group (mainly to Group suppliers) as at December 31st, 2015 was U.S. $ 8,725 – as per note number 17 to the financial statements – which is more than 10% of the Company's equity.

14. Information on changes in conditional commitments or conditional assets, occurred since the end of last fiscal year

No changes in conditional commitments or conditional assets occurred since the end of the last fiscal year.

15. Other information important for the assessment of our personnel, economic and financial position, as well as our financial results

In the three month period ended December 31th, 2015, the Company's results of operations have been adversely affected and are expected to continue to be affected by a number of factors. These factors were: the in-country crisis seriously affecting major markets, currency fluctuations, competition and price pressures, low gross profit margins, potential inventory obsolescence and price erosions, the worldwide unstable financial environment, seasonality, development of own brand business, high cost of debt, warranty claims and overstock of own brand products.

In H1 2015 and the beginning of Q3 2015 a major work of selling out old own brand stock has been completed, therefore the margins and cash flow continued to improve in Q4. The Company continues a back-to-back supply policy for own brands business, to ascertain that no such problem will arise again in the future. More importantly, gross profit margin grew even faster than revenues, while selling expenses grew at a lower pace than revenues. As a result, the Company significantly improved its profitability and net profit after tax exceeded USD 2 million.

Despite the improvement in Q4, the Company believes that the challenging times for ASBIS are not over yet. A number of negative factors are expected to continue affecting our results. However, we are now much better prepared and we expect the positive trend in our results to continue in 2016.

Below we present all factors that have affected and continue to affect our business:

The in-country crisis affecting two of our major markets and our gross profit and gross profit margin

As reported in previous reports, we have experienced during 2014 and to-date, a severe crisis in one of our largest markets - Ukraine, which has resulted into a significantly lower demand from customers and a significant devaluation of the local currency (UAH) to US Dollar, our reporting currency. Russia is also deeply involved in this crisis and this is significantly affecting our largest market in terms of revenues and profit contribution. If this situation is not eased and stability does not return soon to the region, the Company's results are expected to continue to be adversely affected during 2016. The Company is undertaking a number of measures to protect itself from this crisis and mitigate its risks. Weakness of these markets have also affected some of our customers.

Currency fluctuations

The Company's reporting currency is the U.S. dollar. About 40% of the Company's revenues are denominated in U.S. dollars, while the balance is denominated in Euro, RUB and other currencies, some of which are pegged to the Euro. Since most of the Company's trade payable balances are denominated in U.S. dollars (about 80%), the Company is exposed to foreign exchange risk that remains a crucial risk factor that might affect the Group's results in the future. Although the problem persists and will persist as the Euro and other Eastern European currencies fluctuate in a steep manner against the U.S. Dollar, the Group has adopted hedging strategies to tackle this problem and this has been successful despite large volatility of some currencies. It is also believed by the management that hedging is a very important function in our industry and we shall continue enhancing this proceedure.

Competition and price pressure

The IT distribution industry is a highly competitive market, particularly with regards to products selection and quality, inventory, price, customer services and credit availability and hence is open to margin pressure from competitors and new entrants. The Company competes at the international level with a wide variety of distributors of varying sizes, covering different product categories and geographic markets. In particular, in each of the markets in which the Company operates it faces competition from:

a) international distributors such as Avnet Inc., Tech Data Corp., Ingram Micro Inc. and Arrow Electronics Inc., which are much larger than the Company, but do not always cover the same geographic regions with local presence as the Company does,

b) regional or local distributors, such as Elko, mainly in the Baltic States, Russia, Ukraine, Merlion in the Former Soviet Union, AB, ABC Data and Action in Poland and ATC and ED System-BGS Levi in the Czech Republic and Slovakia.

Competition and price pressures from market competitors and new market entrants may lead to significant reductions in the Company's sales prices. Such pressures may also lead to a loss of market share in certain of the Group's markets. Price pressures can have a material adverse effect on the Company's profit margins and its overall profitability, especially in view of the fact that its gross profit margins, like those of most of its competitors, are low and sensitive to sales price fluctuations.

This was also visible in the tablet and smartphone segments where we have experienced the entrance of a number of strong competitors. This had a negative result on our profitability since we had to lower prices to get rid of our stocks.

Low gross profit margins

The Company's business is both traditional distribution of third party products and own brand sales. This allows the Company to deliver healthier gross profit margins when conditions are favourable. However, the own brand business, has been significantly affected by the new entrants and the margins were dramatically lowered.

In the traditional distribution business, the Company's gross profit margins, like those of other distributors of IT products, are low and the Company expects that in the distribution arm of its business they will remain low in the foreseeable future. Increased competition arising from industry consolidation and low demand for certain IT products may hinder the Company's ability to maintain or improve its gross margins. A portion of the Company's operating expenses is relatively fixed, and planned expenditures are based in part on anticipated orders that are forecasted with limited visibility of future demand. As a result, the Company may not be able to reduce its operating expenses as a percentage of revenue in order to mitigate any reductions in gross margins in the future.

In an effort to increase gross margins, the Company has developed the own brand business, that allows to generate higher gross profit margins. Since this business already accounts for a significant part of total sales, it positively affects the overall gross profit margins and profitability of the Company. However, this business is also connected with risks, including the risk of technology change, the risk of changes in demand and customer preferences. Additionally, no matter the product line or if it is own brand or third party, the margins shrink over time, due to more market entrants and market saturation. Therefore, it is extremely important for the Company to foresee market demand changes and offer new products right in time to satisfy consumer needs and be able to sell the previous technology as well.

Inventory obsolescence and price erosion

The Company is often required to buy components and finished products according to forecasted requirements and orders of its customers and in anticipation of market demand. The market for IT finished products and components is characterized by rapid changes in technology and short product shelf life, and, consequently, inventory may rapidly become obsolete. Due to the fast pace of technological changes, the industry may sometimes face a shortage or, at other times, an oversupply of IT products. As the Company increases the scope of its business and, in particular, of inventory management for its customers, there is an increasing need to hold inventory to serve as a buffer in anticipation of the actual needs of the Company's customers. This increases the risk of inventory becoming devalued or obsolete and could affect the Company's profits either because prices for obsolete products tend to decline quickly, or as a result of the need to make provisions for write-offs. In an oversupply situation, other distributors may elect to proceed with price reductions in order to dispose of their existing inventories, forcing the Company to lower its prices to stay competitive. The Company's ability to manage its inventory and protect its business against price erosion is critical to its success.

A number of the Company's most significant contracts with its major suppliers contain advantageous contract terms that protect the Company against exposure to price fluctuations, defective products and stock obsolescence.

For the own brand business division, the Company needs to balance between satisfying consumer demand and risk of inventory obsolence or price erosion, by having the proper level of inventory. This risk was faced in H1 2015, when we had to sell excess stock from Q4 2014 at lower prices in order not to be left with obsolete inventories.

Credit risk

The Company buys components and finished products from its suppliers on its own account and resells them to its customers. The Company extends credit to some of its customers at terms ranging from 21 to 90 days or, in a few cases, to 120 days. The Company's payment obligations towards its suppliers under such agreements are separate and distinct from its customers' obligations to pay for their purchases, except in limited cases where the Company's arrangements with its suppliers require the Company to resell to certain resellers or distributors. Thus, the Company is liable to pay its suppliers regardless of whether its customers pay for their respective purchases. As the Company's profit margin is relatively low compared to the total price of the products sold, in the event where the Company is not able to recover payments from its customers, it is exposed to a financial liquidity risk. The Company has in place credit insurance which covers such an eventuality for approximately 60% of its revenue.

Due to the recent market developments following the credit crisis that affected all countries the Group operates in, credit risk has become one of the most important risk factors that might affect the Group's results in the future. Despite the fact that the Group has managed to credit insure a large portion of its receivables, credit insurance companies are nowadays more risk averse and do not easily grant credit limits to customers. As a result, the Group is exposed to increased credit risk and its ability to analyse and assess credit risk is of extremely high importance.

Worldwide financial environment

The world's financial crisis has eased throughout the last years. This included recovery signals from some of our markets and stabilization in some of others. Following partial recovery, the Company has undertaken certain efforts to benefit from these signals both in revenues and profitablity. The revised strategy and adaptation to the new environment, i.e. by rebuilding our product portfolio, has paid off in terms of increased market share and sales.

However, there are many uncertainties about the world economy following the developments in China and turmoil in the ME region coupled with volatility of currencies and fragility of demand in many markets. Additionally, from time to time, unpredictable situations may happen in selected markets, as was the case of Ukraine and Russia in 2014, continuing to-date, which has led to a significant instability in these countries' financial environment. However, with the experience we gained, the management strongly believes today the Company is much more flexible and much better prepared to weather any obstacles that may arise due to worldwide financial environment.

Seasonality

Traditionally the IT distribution industry in which the Company operates experiences high demand during the months prior to and leading up to the Christmas and New Year holiday period. In particular, IT distributors' demand tends to increase in the period starting from September till the end of the year.

Development of own brand business

The Company's strategy is to focus more on profitability than on revenues, thus the Company has increased its engagement into the development of own brands business that allows for higher gross profit margins. This included the development of tablets, smartphones, GPS and other product lines that are sold under Prestigio and Canyon brands in all regions of the Company's operations.

Due to the fact that the Company's products, namely tablets and smartphones, were welcomed by the markets, it is expected that further development of own brands business may positively affect revenues and profits. However, competition has already been intensified and the Company may not be able to sustain its profitability levels. In addition to competition, due to increased volumes of own brands and the fact that we are not the manufacturers of these products, certain warranty issues have arisen and have negatively affected our results. The Company is undertaking a number of quality control measures to mitigate this risk, but given the volumes and the large amount of factories used to produce these products, these controls might not be enough.

Despite the Company's efforts, there can be no assurance of a similar development pace in own brand business in future periods. This is because there may be a significant change in market trends, customer preferences or technology changes that may affect the development of own brand business and therefore its results.

The Company's intention is to keep own brands share in total revenues above 10%, however the main objective is to produce profits without significant expenses that we experienced in the past. If the situation with private labels does not stabilize, the Company will be bold in making a decision of stopping this business if it is proven not worthy for its shareholders.

Warranty claims from own brand products

Increased own brands business require us to put extra efforts to avoid any problems with quality of devices. Despite all our efforts, we have noticed significant returns on specific models produced the last three years.

This risk has negatively affected H1 2015 results when we had to provide for losses due to the decline of certain ODMs to satisfy their contractual obligations on products with epidemic failure. Unfortunatelly, these factories refused to do so and we were forced to re-assess our provisions for returns and recognize a significant loss. The Group is undertaking all possible steps towards ensuring proper compensation. This includes both negotiations and legal actions.

In order to avoid such problems in the future, a much more scrutinized selection of suppliers is currently in place, which however, does not guarantee elimination of the risk of warranty losses.

The Company updated its procedures and started to decrease warranty cost beginning from Q3 2015. This is expected to continue in 2016.

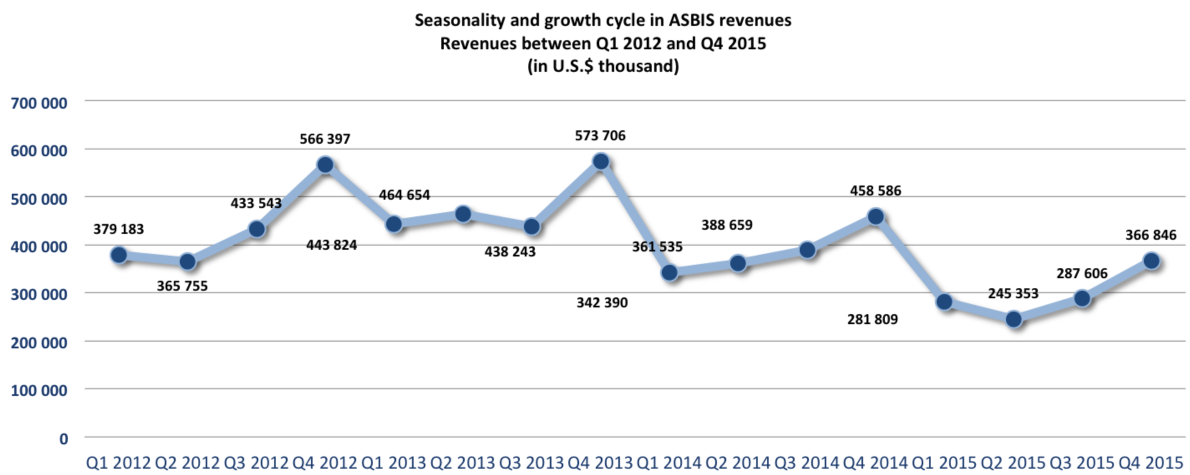
High cost of debt

Private label business means a much higher need for cash available to support growth. The Group has managed to raise cash from various financial institutions, however in certain cases the cost of this financing is expensive. The Company has already negotiated better terms with some of its supply-chain financiers and is currently undertaking certain extra steps to further lower cost of financing. However, the sanctions imposed to Russia and tensions related to the Ukrainian crisis have resulted in significantly increased cost of facilities in this country and this may limit our efforts to further decrease the average cost of debt.

Results of Operations

Three month period ended 31 December 2015 compared to the three month period ended 31 December 2014

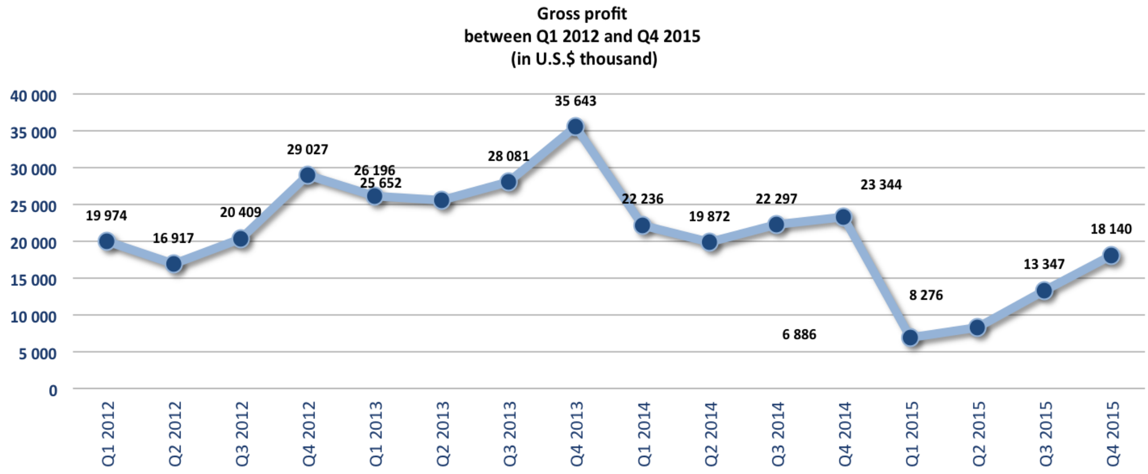
- **Revenues:** In Q4 2015 our revenues continued to grow and reached its 2015 peak. However, we still observed a decrease when compared to Q4 and Q1-Q4 of 2014.
  Revenues in Q4 2015 decreased year-on-year by 20.00% to U.S. $ 366,846 from U.S. $ 458,586 in the corresponding period of 2014. However, in the same time revenues in Q4 2015 were already 27.55% higher as compared to Q3 2015, continuing the upward trend.
  Revenues in Q1-Q4 2015 decreased by 23.82% to U.S. $ 1,181,613 from U.S. $ 1,551,170 in the corresponding period of 2014.



- **Gross profit:** Trends in gross profit were similar to trends in revenues, except that it grew faster as compared to previous quarters of the year, as a result of improvements in our product portfolio and no significant problems with old inventories.

  Gross profit in Q4 2015 has decreased by 22.29% to U.S. $ 18,140 from U.S. $ 23,344 in the corresponding period of 2014. However, gross profit in Q4 2015 grew by 35.91% as compared to Q3 2015, which is much faster than the growth in revenues.

  Gross profit in Q1-Q4 2015 decreased by 46.84% to U.S. $ 46,649 from U.S. $ 87,749 in the corresponding period of 2014.



- **Gross profit margin:** Positive changes in our product mix allowed us to significantly improve gross profit margin in Q4 2015 as compared to Q3 2015. It was also comparable to Q4 2014, however due to weak H1 2015 the Q1-Q4 gross profit margin was still lower compared to the corresponding period of 2014.

  Gross profit margin in Q4 2015 has decreased by 2.86% to 4.94% from 5.09% in the corresponding period of 2014. However, gross profit margin in Q4 2015 improved by 6.56% from 4.64% in Q3 2015.

  Gross profit margin in Q1-Q4 2015 decreased to 3.95% from 5.66% in the corresponding period of 2014. This was a result of large own brand inventories inherited from Q4 2014 that had to be sold off at no margin in Q1 and Q2 2015.

- **Selling expenses** largely comprise of salaries and benefits paid to sales employees (sales, marketing and logistics departments), marketing and advertising fees, commissions, and traveling expenses. Selling expenses usually grow together (but not in-line) with growing sales and, most importantly, gross profit.

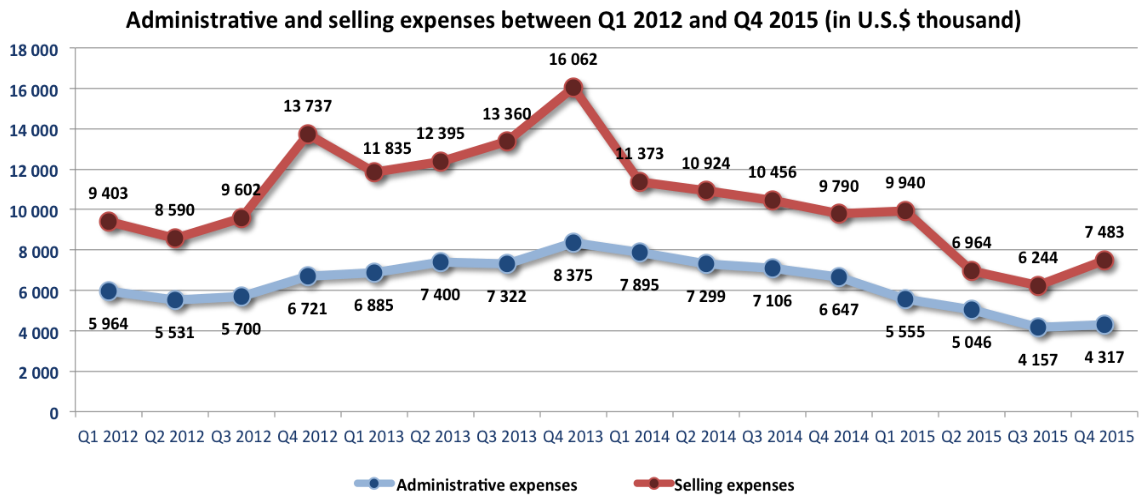
  Selling expenses in Q4 2015 have decreased by 23.57% to U.S. $ 7,483 from U.S. $ 9,790 in the corresponding period of 2014. This decline in selling expenses was much stronger as compared to the decline in revenues. Moreover, selling expenses in Q4 2015 grew by 19.84% as compared to Q3 2015 – much slower than the increase in revenues and gross profit.

  Selling expenses in Q1-Q4 2015 decreased by 28.00% to U.S. $ 30,630 from U.S. $ 42,543 in the corresponding period of 2014. This was the result of cost cutting actions and lower sales and gross profit, resulting in lower commissions.

- **Administrative expenses** largely comprise of salaries and wages of administration personnel and rent expense.

  Administrative expenses in Q4 2015 have decreased by 35.05% to U.S. $ 4,317 from U.S. $ 6,647 in the corresponding period of 2014. The decrease in expenses was much stronger than that in revenues. Administrative expenses in Q4 2015 as compared to Q3 2015 grew by only 3.84%.

Administrative expenses in Q1-Q4 2015 decreased by 34.10% to U.S. $ 19,075 from U.S. $ 28,947 in the corresponding period of 2014 following cost cutting actions taken by the Company.



- **Financial expenses** in Q4 2015 have decreased by 11.55% to U.S.$ 4,541 from U.S.$ 5,135. This decrease is related to less financial lines.

  Financial expenses in Q1-Q4 2015 have decreased by 13.70% to U.S.$ 14,872 from U.S.$ 17,232..
- **Operating profit:** In Q4 2015 we had an operating profit of U.S. $ 6,341, more than doubling U.S.$ 2,946 posted in Q3 2015. This was however, still 8.19% less as compared to U.S.$ 6,906 in Q4 2014. With the positive trend noted however, we do expect our results to further improve in 2016, thus the operating profit should continue to grow.
- **EBITDA:** In Q4 2015 was positive and amounted to U.S. $ 10,590 in comparison to U.S. $ 7,594 in the corresponding period of 2014 and U.S.$ 3,588 in Q3 2015. This confirms improvement on the operating level.
- **Net profit:** As a result of continuous improvement trend in revenues and gross profit, in Q4 2015 the Company has generated a net profit after taxation of U.S. $ 2,039 – the best quarterly result in 2015.

Sales by regions and countries

Traditionally and throughout the Company's operations, the F.S.U. and the CEE regions contribute the majority of our revenues. This has not changed in Q4 2015. However, due to the political tensions related to large F.S.U. countries spreading to nearby markets, the CEE region contribution in total revenues continued its dominance, similar to a number of previous quarters. In Q4 2015 revenues in all our major regions grew significantly, when compared to sales in previous quarters of 2015.

Revenues derived from the F.S.U. region in Q4 2015 was 29.83% higher than in Q3 2015 but still 24.17% lower than in Q4 2014. For Q1-Q4 2015, sales to this region decreased by 27.16%.

Sales in the Central and Eastern Europe region in Q4 2015 have increased by 35.39% compared to Q3 2015, but still was 15.17% lower as compared to Q4 2014. This was not symptomatic and confirms that we are able to offset lower sales in FSU with higher sales in CEE, as sales in CEE are growing much faster than in FSU. For Q1-Q4 2015, sales to CEE region decreased by 20.56% mostly due to H1 results. The CEE contribution in total sales increased to 46.16% which makes the Group results less vulnerable to the fragile situation in the F.S.U. region.

Sales in Western Europe in Q4 2015 increased by 72.66% compared to Q3 2015, but still were 31.80% lower as compared to Q4 2014. For Q1-Q4 2015 sales in Western Europe decreased by 45.56%. This is a result of the Company's decision to optimize its operations by focusing on its core strengths. Thus Western Europe is not in the focus of the Group and will not be going forward, with the exception of certain markets where we enjoy good margins. On the contrary, the Group continued to reshape its MEA operations and it is expecting to see positive results out of this region including much higher revenues emanating from an enhanced product portfolio and an improved market reach.

Country-by-country analysis confirms that Q4 2015 – as compared to to Q4 2014 - decrease in revenues is related mostly to F.S.U. countries (affected by crisis in Ukraine), and to our strategy of defocus from Western Europe and further explore the CEE region. Our business in Ukraine was highly affected as it decreased by 21.73% in Q4 2015 compared to Q4 2014 (and 42.70% in Q1-Q4 2015 compared to Q1-Q4 2014); however, with lower sales we already delivered better results from this market. Revenues derived in Russia decreased by 15.93% in Q4 2015 (and by 32.96% in Q1-Q4 2015 compared to Q1-Q4 2014). Sales in Slovakia grew significantly by 12.43% (and 5.46% in Q1-Q4 2015 compared to Q1-Q4 2014) while Czech business decreased by 8.09% (and 26.88% in Q1-Q4 2015 compared to Q1-Q4 2014). Following our decision on defocusing from Western Europe, Q4 sales in the UK decreased by 54.84%. The devaluation of the Kazakhstan Tenge has negatively impacted and still continue to do so as sales in Kazakhstan decreased by 48.82% in Q4 2015 (but grew 3.46% in Q1-Q4 2015 compared to Q1-Q4 2014).

In Q4 2015 we grew in all of our major geographies as compared to Q3 2015, as the old stock issue was already resolved and we have improved our product portfolio. This positive trend is expected to continue in 2016.

The tables below provides a geographical breakdown of sales in the three and twelve month periods ended 31 December 2015 and 2014.

	Q4 2015		Q3 2015		Q4 2014	
	U.S. $ thousand	% of total revenues	U.S. $ thousand	% of total revenues	U.S. $ thousand	% of total revenues
Central and Eastern Europe	169,327	46.16%	125,066	43.49%	199,603	43.53%
Former Soviet Union	117,847	32.12%	90,770	31.56%	155,400	33.89%
Middle East and Africa	45,673	12.45%	43,342	15.07%	47,287	10.31%
Western Europe	25,961	7.08%	15,036	5.23%	38,064	8.30%
Other	8,038	2.19%	13,392	4.66%	18,232	3.98%
Total	366,846	100%	287,606	100%	458,586	100%

	Q1-Q4 2015		Q1-Q4 2014	
	U.S. $ thousand	% of total revenues	U.S. $ thousand	% of total revenues
Central and Eastern Europe	525,044	44.43%	660,959	42.60%
Former Soviet Union	376,266	31.84%	516,564	40.66%
Middle East and Africa	168,489	14.26%	206,394	8.96%
Western Europe	65,286	5.53%	119,927	6.19%
Other	46,528	3.94%	47,327	1.59%
Total	1,181,613	100%	1,551,170	100%

Revenue breakdown – Top 10 countries in Q4 2015 and Q4 2014 (in U.S. Dollar thousand)

	Q4 2015		Q4 2014	
	Country	Sales	Country	Sales
1.	Slovakia	91,169	Slovakia	81,090
2.	Russia	61,927	Russia	73,664
3.	United Arab Emirates	33,390	Kazakhstan	35,806
4.	Ukraine	21,537	United Arab Emirates	33,385
5.	Czech Republic	20,958	Ukraine	27,517
6.	Kazakhstan	18,327	Poland	26,856
7.	Romania	17,207	United Kingdom	25,241
8.	Belarus	13,730	Czech Republic	22,802
9.	United Kingdom	11,399	Romania	21,673
10.	Hungary	7,633	Belarus	14,364
11.	Other	69,570	Other	96,189
	TOTAL	**366,846**	TOTAL	**458,586**

Revenue breakdown – Top 10 countries in Q1-Q4 2015 and Q1-Q4 2014 (in U.S. Dollar thousand)

	Q1-Q4 2015		Q1-Q4 2014	
	Country	Sales	Country	Sales
1.	Slovakia	250,777	Russia	284,464
2.	Russia	190,694	Slovakia	237,787
3.	United Arab Emirates	129,018	United Arab Emirates	144,264
4.	Kazakhstan	86,020	Poland	105,046
5.	Czech Republic	56,603	Ukraine	84,626
6.	Romania	48,993	Kazakhstan	83,144
7.	Ukraine	48,493	Czech Republic	77,408
8.	Poland	47,688	United Kingdom	65,025
9.	Belarus	43,507	Romania	60,945
10.	Bulgaria	26,834	Belarus	52,831
11.	Other	252,986	Other	355,630
	TOTAL	**1,181,613**	TOTAL	**1,551,170**

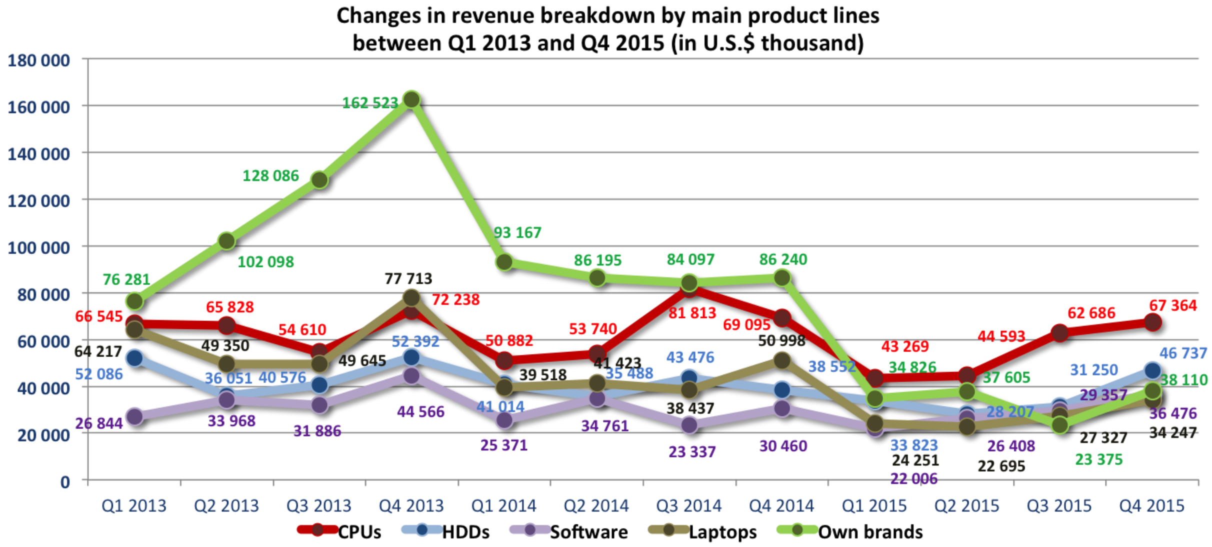
Sales by product lines

Starting from February 2014 revenues have been under a serious pressure resulting from the turbulence in our major markets which also affected a number of countries across our operations. This has not changed in 2015 to date and thus the lower revenues in all product lines the Group carries.

Additionally, revenues from own brands were negatively affected by the excess stock inherited from Q4 2014. This was mostly because we focused on selling out the old stock instead of conducting new business. This started to change in Q3 2015 when revenues from major product lines - although still lower than in Q3 2014 - started showing improvement as compared to previous periods of 2015 (revenues from CPUs, HDDs, Software and Laptops grew significantly).

We continue our efforts to increase revenues as fast as possible, mainly through addressing our products more agressively and by focusing on specific product groups. This is possible because ASBIS remains the distributor of first choice for many worldwide suppliers. A major and good example is APPLE that has entrusted an i-phone distribution to ASBIS for Ukraine, Belarus and Kazakhstan.

The chart below indicates the trend in sales per product lines:



In Q4 2015 revenues from own brand business decreased by 55.81% compared to Q4 2014 while in Q1-Q4 2015 it decreased by 71.66%. This is a direct result of the Company strategy to decrease both the number of product lines offered under own brands and the number of models within specific product lines.

From other product lines, in Q4 2015 the Company noticed a positive trend in HDDs (+21.23%), software (+19.75%), peripherals (+37.68%), display product (+28.83%), memory modules (+8.39%), servers and server blocks (+7.56%) and networking products (+67.19%). For Q1-Q4 2015 we have posted a significant growth in servers and server blocks (+13.74%) and display products (+7.39%). The share of the four traditional product lines (CPUs, HDDs, laptops and software) in total revenues grew to 50.38% in Q4 2015, compared to 41.24% in Q4 2014.

The table below sets a breakdown of revenues, by product lines, for Q4 2015, Q3 2015 and Q4 2014:

	Q4 2015		Q3 2015		Q4 2014	
	U.S. $ thousand	% of total revenues	U.S. $ thousand	% of total revenues	U.S. $ thousand	% of total revenues
Central processing units (CPUs)	67,364	18.36%	62,686	21.80%	69,095	15.07%
Smartphones	53,225	14.51%	36,497	12.69%	102,443	22.34%
Hard disk drives (HDDs)	46,737	12.74%	31,250	10.87%	38,552	8.41%
Software	36,476	9.94%	29,357	10.21%	30,460	6.64%
PC-mobile (laptops)	34,247	9.34%	27,327	9.50%	50,998	11.12%
Tablets	17,828	4.86%	13,922	4.84%	58,092	12.67%
Other	110,970	30.25%	86,566	30.10%	108,946	23.76%
Total revenue	**366,846**	**100%**	**287,606**	**100%**	**458,586**	**100%**

The table below sets a breakdown of revenues, by product lines, for Q1-Q4 2015 and Q1-Q4 2014:

	Q1-Q4 2015		Q1-Q4 2014	
	U.S. $ thousand	% of total revenues	U.S. $ thousand	% of total revenues
Central processing units (CPUs)	217,913	18.44%	255,530	16.47%
Smartphones	198,866	16.83%	305,380	19.69%
Hard disk drives (HDDs)	140,017	11.85%	158,532	10.22%

Software	114,246	9.67%	113,928	7.34%
PC-mobile (laptops)	108,520	9.18%	170,376	10.98%
Tablets	73,945	6.26%	216,384	13.95%
Other	328,107	27.77%	331,040	21.34%
Total revenue	**1,181,613**	**100%**	**1,551,170**	**100%**

Liquidity and Capital Resources

The Company has in the past funded its liquidity requirements, including ongoing operating expenses and capital expenditures and investments, for the most part, through operating cash flows, debt financing and equity financing. While our cash flow was stretched in H1 2015, it has significantly improved in Q3 and Q4 2015 as we generated a positive number on cash from operations in both of these quarters. This allowed us to improve the twelve months cash flow and much improve our cash position at the end of quarter 4, 2015. However, this was not enough to offset the negative cash flow from H1 2015.

The following table presents a summary of cash flows for the twelve months ended December 31st, 2015 and 2014:

	Twelve months ended December 31st	
	2015	**2014**
	U.S. $	
Net cash (outflows)/inflows from operating activities	(15,947)	41,809
Net cash outflows from investing activities	(4,151)	(1,563)
Net cash outflows from financing activities	(5,029)	(11,320)
Net (decrease)/increase in cash and cash equivalents	(25,126)	28,926

Net cash outflows/inflows from operations

Net cash outflows from operations amounted to U.S. $ 15,947 for the twelve months ended December 31st, 2015, compared to inflows of U.S. $ 41,809 in the corresponding period of 2014. This is mainly attributed to lower profitability and expenses related to warranty issues in the first half of the year.

For Q4 2015 stand-alone, the Company has generated inflows from operations of U.S.$ 26,971 due to improved working capital utilization and better operational efficiencies.

Net cash outflows from investing activities

Net cash outflows from investing activities was U.S. $ 4,151 for the twelve months ended December 31st, 2015, compared to U.S. $ 1,563 in the corresponding period of 2014. These outflows relate to on-going investments for fixed assets (i.e., the extension of the Bratislava building) and the acquisition of an intangible asset.

Net cash outflows from financing activities

Net cash outflows from financing activities was U.S. $ 5,029 for the twelve months ended December 31st, 2015, compared to outflows of U.S. $ 11,320 in the corresponding period of 2014. Decreased outflows mostly relate to less external financing needed by the Group (therefore, lower utilization of bank debt) and no dividend payment in 2015.

Net decrease in cash and cash equivalents

As a result of increased working capital efficiency, improved profitability and decreased financing, in Q1-Q4 2015 cash and cash equivalents have decreased by U.S. $ 25,126, compared to an increase of U.S. $ 28,926 in the corresponding period of 2014.

16. Factors which may affect our results in the future

Political and economic stability in Europe and our regions

The turbulence that started in Ukraine and also affected Russia has caused a significant demand reduction. This has affected revenues and gross profit margins, but also negatively impacted some of our customers, whose financial situation has worsened.

Furthermore, recent negative developments in CEE economies have not allowed the Company to offset the negative results of the F.S.U. region.

The weak economics in the F.S.U. region are considered by the management as a crucial external factor, which might adversely affect our results, in the short term; however, we remain confident - given also a recent appreciation in demand in most of our regions (as proven by Q3 and Q4 2015 sales) that we are in a position to properly manage this crisis and get stronger out of it. This was proven in Q3 and Q4 2015 when the Company returned to profitability. We will continue this strategy and focus more on our core regions and strengths, to maximize profits and take advantage of any possible market revival.

The Group's ability to increase revenues and market share while focusing on profits

The diversified geographic coverage of the Group's revenues ensures that we do mitigate the risk of lower sales in a particular country with the possibility of higher sales in a number of other countries. Russia is no longer our number one country in terms of revenues. Slovakia, that took over the first spot (as a country) and CEE (as a region) is the most important to the Company's revenues, and we need to adapt to any changes that might arise in these geographies.

Since the CEE contribution to our total revenues grew at the cost of the F.S.U. region, our reliance on a single region has decreased. Therefore, we now pay more attention to any possible market developments in all other growing regions, focusing especially on our core competences.

Despite all measures taken by the Company, the possibility of a decrease in demand and sales in a particular country cannot be excluded in the future. Such situation may limit overall growth. It is of extreme importance for the Company to prepare its structure to offset such a situation with higher sales in other markets. This means both a constant upgrade of the product portfolio and close relations with customers to win more market share from weaker competitors.

The Group's ability to increase gross profit margins

The Group's gross profit margin has increased in Q4 2015 as compared to previous quarters of 2015, but was still lower as compared to Q4 2014. The continuous increase that we observed in Q4 2015 as compared to Q3 2015 is related to improvements in our product portfolio and sales conducted in normal conditions (i.e. no old stock issues), while the decrease in Q4 2015 compared to Q4 2014 and Q1-Q4 2015 to Q1-Q4 2014 is related mainly to the significant reduction in demand and the instability in many markets we operate.

Having solved the negative impact of non-repeated factors and adapted to market changes, the margins in the second half of 2015 have started to grow. This continued in Q4 2015 and margins are expected to further improve in 2016. However, the pace of this growth is hard to estimate, as the margins may remain under pressure due to enhanced competition together with lower demand in a number of markets. It is of extreme importance for the Group to manage its stock level and refine its product portfolio in order to achieve optimum gross profit margins.

Currency volatilities

The multi-currency environment that the Group operates in exposes its financial results to steep currency fluctuations. Although volatility of a number of currencies in Q4 2015 and Q1-Q4 2015 was strong, we have been successfully shielded by our hedging policy. Therefore, the hedging strategy should be followed and further improved without any exception in 2016. Inability of the Group to hedge certain currencies like the UAH and the BYR might expose the Company into FX losses, though our exposure in these currencies has much decreased.

Ability of the Group to control expenses

Selling and administrative expenses in Q4 2015 and Q1-Q4 2015 decreased as compared to Q4 2015 Q1-Q4 2014 respectively. The decrease in expenses is a result of restructuring actions undertaken by the Company. This included less employees, revised compensation schemes and stricter expense control.

We consider cost control to be a significant factor towards delivering improved results going forward and the Group is undertaking significant steps towards further reducing its expenses.

Ability to further develop the Group's product portfolio, both third party and own brands

Because of its size, geographical coverage and good relationship with vendors, the Company has managed to build an extensive product portfolio. It is crucial for the Company to continue refining its product mix constantly by adding new product lines with higher gross (and net) profit margins to boost its profitability.

It will be also important to develop new product lines inside the own brands portfolio, to support growth and benefit from its access to end users. New products that are now under consideration will be crucial for further growth of revenues, since the tablet segment has already shown signs of saturation in many markets. At the same time, the smartphone segment is expected to continue growing for another couple of years, as forecasted by independent analysts. This, however, cannot be guaranteed since we had experienced a significant slowdown in all markets.

Ability to decrease the average cost of debt

Fast development of own brand business that – by its nature – consumes more cash, has led to an increase in debt and in the average cost of debt in the past. We have addressed this issue beginning of 2014, in order to decrease debt and the average cost of debt by optimizing the utilization of financial facilities on one side and improving working capital utilization on the other.

Additionally, as we decided to continue the own brand business with less product lines and focus on less models, it will be easier to plan operations and arrange financing for the Group. We have major work to do and success on this field will be an important factor positively affecting our results in the future. It is also very important for the Group to continue enjoying the financial facilities required, but at a more competitive pricing.

Ability to cover warranty claims from customers

Increased own brand business require us to be very careful with customer satisfaction when it comes to after sales services relating mostly to the quality of our products. Since we do not manufacture the devices ourselves, we have built increased warranty provisions and signed separate agreements with our suppliers to cover us against warranty losses of such products. As described in our risk factors, certain suppliers might refuse to cover our increased warranty cost and, is such a case, we will be forced to cover it from our own funds, thereby negatively impacting our results.

We have reviewed all our contracts with factories, and we signed new ones after ensuring the contractor will be able to pay any contractual penalties that may arise. This is an important part of our cooperation with third party factories, to make sure the warranty risk is mitigated.

17. Information about important events that occurred after the period ended on December 31st, 2015 and before this report release

According to our best knowledge, in the period between November 5th, 2015 and February 26th, 2016 no events have occurred that could affect the Company's operations or its financial stability.

Part II Financial Information

The financial information of ASBISc Enterprises Plc presented as a part of this report is as follows:

Report and Interim Condensed Consolidated Financial Statements for the period ended December 31st, 2015

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ASBISC ENTERPRISES PLC

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED 31 DECEMBER 2015

	Note	For the three months ended 31 December 2015 US$	For the three months ended 31 December 2014 US$	For the twelve months ended 31 December 2015 US$	For the twelve months ended 31 December 2014 US$
Revenue	4,24	366,846,403	458,585,710	1,181,613,369	1,551,170,250
Cost of sales		(348,706,035)	(435,242,186)	(1,134,964,355)	(1,463,421,640)
Gross profit		18,140,368	23,343,524	46,649,014	87,748,610
Selling expenses		(7,482,629)	(9,790,230)	(30,630,140)	(42,543,227)
Administrative expenses		(4,316,921)	(6,646,975)	(19,074,811)	(28,946,962)
Profit/(loss) from operations		6,340,818	6,906,319	(3,055,937)	16,258,421
Financial income	8	313,006	3,651,668	741,974	2,018,310
Financial expenses	8	(4,541,324)	(5,134,545)	(14,872,136)	(17,232,177)
Other gains and losses	6	101,612	100,561	124,426	210,437
Profit/(loss) before tax	7	2,214,112	5,524,003	(17,061,673)	1,254,991
Taxation	9	(175,450)	(214,195)	(90,747)	(276,068)
Profit/(loss) for the period		2,038,662	5,309,808	(17,152,420)	978,923
Attributable to:					
Owners of the company		2,034,498	5,307,165	(17,158,036)	950,988
Non-controlling interests		4,164	2,643	5,616	27,935
		2,038,662	5,309,808	(17,152,420)	978,923
		US$ cents	US$ cents	US$ cents	US$ cents
Earnings per share					
Basic and diluted from continuing operations		3.67	9.56	(30.92)	1.71

The notes on pages 7 to 21 form an integral part of these consolidated financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 31 DECEMBER 2015

	For the three months ended 31 December 2015 US$	For the three months ended 31 December 2014 US$	For the twelve months ended 31 December 2015 US$	For the twelve months ended 31 December 2014 US$
Profit/(loss) for the period	2,038,662	5,309,808	(17,152,420)	978,923
Other comprehensive loss				
Exchange difference on translating foreign operations	(1,503,554)	(3,781,867)	(5,006,487)	(7,531,321)
Other comprehensive loss for the period	(1,503,554)	(3,781,867)	(5,006,487)	(7,531,321)
Total comprehensive income/(loss) for the period	535,108	1,527,941	(22,158,907)	(6,552,398)
Total comprehensive income/(loss) attributable to:				
Owners of the company	534,849	1,532,335	(22,147,517))	(6,559,248)
Non-controlling interests	259	(4,394)	(11,390)	6,850
	535,108	1,527,941	(22,158,907)	(6,552,398)

The notes on pages 7 to 21 form an integral part of these consolidated financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Notes	As at 31 December 2015 US$	As at 31 December 2014 US$
ASSETS			
Non-current assets			
Property, plant and equipment	10	23,504,905	24,358,674
Intangible assets	11	2,752,302	1,438,467
Available-for-sale financial assets	12	11,794	11,794
Goodwill	28	1,555,972	1,734,340
Deferred tax assets	21	1,490,607	910,954
Total non-current assets		29,315,580	28,454,229
Current assets			
Inventories	13	96,921,653	132,322,616
Trade receivables	14	217,466,159	262,334,038
Other current assets	15	13,695,820	11,353,220
Derivative financial asset	26	1,069,705	183,804
Current taxation	9	722,723	847,119
Cash at bank and in hand	27	22,383,203	57,665,105
Total current assets		352,259,263	464,705,902
Total assets		381,574,843	493,160,131
EQUITY AND LIABILITIES			
Equity			
Share capital	16	11,100,000	11,100,000
Share premium		23,518,243	23,518,243
Retained earnings and other components of equity		46,706,131	68,853,671
Equity attributable to owners of the parent		81,324,374	103,471,914
Non-controlling interests		155,261	166,651
Total equity		81,479,635	103,638,565
Non-current liabilities			
Long term borrowings	18	1,840,933	1,615,712
Other long term liabilities	19	366,588	455,063
Deferred tax liabilities	21	54,591	47,667
Total non-current liabilities		2,262,112	2,118,442
Current liabilities			
Trade payables		190,693,046	256,100,201
Other current liabilities	22	19,857,706	30,244,306
Short term borrowings	17	86,670,131	99,262,555
Derivative financial liability	25	124,563	1,264,863
Current taxation	9	487,650	531,199
Total current liabilities		297,833,096	387,403,124
Total liabilities		300,095,208	389,521,566
Total equity and liabilities		381,574,843	493,160,131

The financial statements were approved by the Board of Directors on 25 of February 2016.

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Constantinos Tziamalis **Marios Christou**
Director **Director**

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2015

	Attributable to the owners of the parent							
	Share capital US$	**Share premium US$**	**Treasury stock US$**	**Translation of foreign operations US$**	**Retained earnings US$**	**Total US$**	**Non-controlling interests US$**	**Total US$**
Balance at 1 January 2014	11,100,000	23,518,243	(79,515)	(627,017)	79,376,864	113,288,575	159,801	113,448,376
Profit for the year	-	-	-	-	950,988	950,988	27,935	978,923
Other comprehensive loss for the year	-	-	-	(7,510,236)	-	(7,510,236)	(21,085)	(7,531,321)
Payment of final dividend	-	-	-	-	(3,322,717)	(3,322,717)	-	(3,322,717)
Share-based payments	-	-	65,304	-	-	65,304	-	65,304
Balance at 31 December 2014	11,100,000	23,518,243	(14,211)	(8,137,253)	77,005,135	103,471,914	166,651	103,638,565
(Loss)/profit for the year	-	-	-	-	(17,158,036)	(17,158,036)	5,616	(17,152,420)
Other comprehensive loss for the year	-	-	-	(4,989,481)	-	(4,989,481)	(17,006)	(5,006,487)
Share-based payments	-	-	(23)	-	-	(23)	-	(23)
Balance at 31 December 2015	11,100,000	23,518,243	(14,234)	(13,126,734)	59,847,099	81,324,374	155,261	81,479,635

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2015

	Note	For the three months ended 31 December 2015 US$	For the three months ended 31 December 2014 US$	For the twelve months ended 31 December 2015 US$	For the twelve months ended 31 December 2014 US$
Profit/(loss) for the period before tax and minority interest		2,214,112	5,524,003	(17,061,673)	1,254,991
Adjustments for:					
Exchange difference arising on consolidation		(1,202,609)	(3,344,454)	(3,565,541)	(5,366,260)
Depreciation of property, plant and equipment	10	517,437	600,209	2,042,141	2,501,689
Amortisation of intangible assets	11	143,123	87,048	532,322	373,863
(Profit)/loss from the sale of property, plant and equipment and intangible assets	6	(14,229)	(17,844)	51,280	65,888
Provision for bad debts and receivables written off		423,307	734,426	3,139,912	2,062,878
Bad debts recovered	6	(78)	(20,274)	(4,425)	(35,220)
Interest received	8	(39,857)	(68,391)	(103,447)	(204,647)
Interest paid	8	1,393,436	1,738,901	6,060,762	8,059,720
Share based payments		(23)	65,304	(23)	65,304
Operating profit/(loss) before working capital changes		3,434,619	5,298,928	(8,908,693)	8,778,206
Decrease in inventories		16,293,238	19,750,011	35,400,964	39,643,172
(Increase)/decrease in trade receivables		(11,752,357)	4,389,373	41,732,392	102,686,785
(Increase)/decrease in other current assets		(1,986,206)	(865,356)	(3,228,501)	4,828,376
Increase/(decrease) in trade payables		13,916,161	44,470,167	(65,407,155)	(60,902,756)
Increase/(decrease) in other current liabilities		1,072,541	5,434,309	(11,526,900)	(14,645,092)
(Decrease)/increase in other non-current liabilities		(127,587)	28,896	(88,475)	72,938
Increase/(decrease) in factoring creditors		7,682,350	(5,930,760)	2,816,924	(29,051,064)
Cash inflows/(outflows) from operations		28,532,759	72,575,568	(9,209,443)	51,410,565
Interest paid	8	(1,393,436)	(1,738,901)	(6,060,762)	(8,059,720)
Taxation paid, net	9	(168,693)	(217,141)	(677,112)	(1,542,056)
Net cash inflows/(outflows) from operating activities		26,970,630	70,619,526	(15,947,317)	41,808,789

The notes on pages 7 to 21 form an integral part of these consolidated financial statements.

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 DECEMBER 2015

	Note	For the three months ended 31 December 2015 US$	For the three months ended 31 December 2014 US$	For the twelve months ended 31 December 2015 US$	For the twelve months ended 31 December 2014 US$
Cash flows from investing activities					
Purchase of intangible assets	11	(112,230)	(189,798)	(1,852,201)	(911,432)
Purchase of property, plant and equipment	10	(1,664,286)	324,908	(2,604,522)	(1,163,742)
Proceeds from sale of property, plant and equipment and intangible assets		61,310	(129,240)	202,819	307,923
Interest received	8	39,857	68,391	103,447	204,647
Net cash outflows (used in)/from investing activities		(1,675,349)	74,261	(4,150,457)	(1,562,604)
Cash flows from financing activities					
Payment of final dividend		-	-	-	(3,322,717)
Proceeds/(repayments) of long term loans and long term obligations under finance lease		873,163	(324,961)	225,220	(1,096,489)
Repayments of short term borrowings and short term obligations under finance lease		(3,946,634)	(5,700,629)	(5,253,849)	(6,900,904)
Net cash outflows from financing activities		(3,073,471)	(6,025,590)	(5,028,629)	(11,320,110)
Net increase/(decrease) in cash and cash equivalents		22,221,810	64,668,197	(25,126,403)	28,926,075
Cash and cash equivalents at beginning of the period/year		(17,931,954)	(35,251,938)	29,416,259	490,184
Cash and cash equivalents at end of the period/year	27	4,289,856	29,416,259	4,289,856	29,416,259

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2015

1. Incorporation and principal activities

Asbisc Enterprises Plc was incorporated in Cyprus on 9 November 1995 with limited liability. These condensed consolidated interim financial statements ("interim financial statements") as at and for the twelve months ended 31 December 2015 comprise the interim financial statements of the company and its subsidiaries (together referred to as the "group"). The group's and the company's principal activity is the trading and distribution of computer hardware and software. The main shareholder of the company is K.S. Holdings Limited, a company incorporated in Cyprus.

The Company is listed on the Warsaw Stock Exchange since 30th October 2007.

2. Basis of preparation

(a) Statement of compliance

These interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. They do not include all the information required for a complete set of IFRS financial statements and they should be read in conjunction with the audited financial statements for the year ended 31 December 2014. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the group since the last annual consolidated financial statements as at and for the year ended 31 December 2014.

These interim financial statements were authorised for issue by the company's Board of Directors on 25 February 2016.

(b) Use of judgments and estimates

Preparing the interim financial statements requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by Management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2014.

Financial instruments comprise financial assets and financial liabilities. Financial assets mainly consist of bank balances, receivables and investments. Financial liabilities mainly consist of trade payables, factoring balances, bank overdrafts and loans. The Directors consider that the carrying amount of the company's/group's financial instruments approximate their fair value at the reporting date. Financial assets and financial liabilities carried at fair value through profit or loss represent foreign currency derivative contracts categorized as a Level 2 (inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

3. Significant accounting policies

The accounting policies adopted for the preparation of the condensed consolidated interim financial statements for the twelve months ended 31 December 2015 are consistent with those followed for the preparation of the annual financial statements for the year 2014 except for the adoption by the group of all the new and revised standards and interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations and effective for annual periods beginning on 1 January 2015. The adoption of new and revised standards and interpretations did not have any material effect on the group's condensed consolidated financial statements.

4. Effects of seasonality

The group's revenue and consequently its profitability are significantly lower during the first half of the year. The seasonality is driven by increased household expenditure during the Christmas period as well as the commencement of the academic period during the second half of the year resulting in a positive effect on demand for the group's products.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2015

5. Significant events and transactions

For the period ended December 2015, the group has posted a net loss mainly due to the following important events:

- negative trends faced in its biggest markets of operations – namely Russia and Ukraine – emanating from the turbulence in the region
- issues with excessive own brand inventory that led to the need to lower prices to sell it out
- increased warranty losses from own brand products due to the refusal of certain ODMs to satisfy their contractual obligations towards the group on products with epidemic failure.

However, the net loss was partially offset by a significant decrease in expenses, an increased focus on Central Eastern Europe region and a more precise and conservative approach on purchases.

6. Other gains and losses

	For the three months ended 31 December 2015 US$	For the three months ended 31 December 2014 US$	For the twelve months ended 31 December 2015 US$	For the twelve months ended 31 December 2014 US$
Profit/(loss) on disposal of property, plant and equipment	14,229	17,844	(51,280)	(65,888)
Other income	71,950	44,046	127,270	159,398
Bad debts recovered	78	20,274	4,425	35,220
Rental income	15,355	18,397	44,011	81,707
	101,612	100,561	124,426	210,437

7. Profit/(loss) before tax

	For the three months ended 31 December 2015 US$	For the three months ended 31 December 2014 US$	For the twelve months ended 31 December 2015 US$	For the twelve months ended 31 December 2014 US$
Profit/(loss) before tax is stated after charging :				
(a) Amortisation of intangible assets (Note 11)	143,123	87,048	532,322	373,863
(b) Depreciation (Note 10)	517,437	600,208	2,042,141	2,501,689
(c) Auditors' remuneration	89,767	70,809	342,720	420,308
(d) Directors' remuneration – executive (Note 29)	70,122	80,780	284,614	412,137
(e) Directors' remuneration – non-executive (Note 29)	544	8,686	16,670	40,192

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2015

8. Financial expense, net

	For the three months ended 31 December 2015 US$	For the three months ended 31 December 2014 US$	For the twelve months ended 31 December 2015 US$	For the twelve months ended 31 December 2014 US$
Financial income				
Interest income	39,857	68,391	103,447	204,647
Other financial income	273,149	82,619	465,474	588,403
Net exchange gain	-	3,500,658	173,053	1,225,260
	313,006	3,651,668	741,974	2,018,310
Financial expense				
Bank interest	1,393,436	1,738,901	6,060,762	8,059,720
Bank charges	358,528	928,344	1,383,128	2,001,153
Derivative charges	251,418	714,905	811,532	1,195,706
Factoring interest	1,376,764	1,130,512	4,309,777	3,981,412
Factoring charges	165,350	143,730	570,454	631,713
Other financial expenses	290,812	137,008	344,253	362,658
Other interest	362,145	341,145	1,392,230	999,815
Net exchange loss	342,871	-	-	-
	4,541,324	5,134,545	14,872,136	17,232,177
Net	(4,228,318)	(1,482,877)	(14,130,162)	(15,213,867)

9. Tax

	For the twelve months ended 31 December 2015 US$	For the year ended 31 December 2015 US$
(Receivable)/payable balance 1 January	(315,920)	351,591
Provision for the period/year	677,305	893,202
Under provision of prior year periods	13,000	23,559
Exchange difference on retranslation	67,654	(42,216)
Amounts paid, net	(677,112)	(1,542,056)
Net receivable balance 31 December	(235,073)	(315,920)

9. Tax (continued)

	For the twelve months ended 31 December 2015 US$	For the year ended 31 December 2015 US$
Tax receivable	(722,723)	(847,119)
Tax payable	487,650	531,199
Net	(235,073)	(315,920)

The consolidated taxation charge for the year consists of the following:

	For the three months ended 31 December 2015 US$	For the three months ended 31 December 2014 US$	For the twelve months ended 31 December 2015 US$	For the twelve months ended 31 December 2014 US$
Provision for the period	807,766	714,794	677,305	893,202
Under provision of prior years	359	3,966	13,000	23,559
Deferred tax charge (Note 21)	(632,675)	(504,565)	(599,558)	(640,693)
Charge for the period	175,450	214,195	90,747	276,068

The taxation charge of the group comprises corporation tax charge in Cyprus on the taxable profits of the company and those of its subsidiaries which are subject to tax in Cyprus and corporation tax in other jurisdictions on the results of the foreign subsidiary companies.

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10. Property, plant and equipment

	Land and buildings US$	Assets under construction US$	Computer hardware US$	Warehouse machinery US$	Motor vehicles US$	Furniture and fittings US$	Office equipment US$	Total US$
Cost								
At 1 January 2014	24,605,978	24,879	7,220,034	174,406	3,653,398	3,061,788	3,764,420	42,504,903
Additions	17,292	-	636,005	-	279,627	109,444	121,374	1,163,742
Disposals	(432,761)	-	(433,336)	(4,103)	(353,914)	(151,784)	(242,356)	(1,618,254)
Transfers	24,822	(24,822)	-	-	-	-	-	-
Foreign exchange difference on retranslation	(1,704,439)	(57)	(595,519)	(846)	(458,594)	(345,833)	(390,185)	(3,495,473)
At 31 December 2014	22,510,892	-	6,827,184	169,457	3,120,517	2,673,615	3,253,253	38,554,918
Additions	1,935,613	-	328,696	198,990	-	50,811	90,412	2,604,522
Disposals	-	-	(269,355)	-	(552,196)	(87,578)	(114,393)	(1,023,522)
Foreign exchange difference on retranslation	(1,091,328)	-	(449,694)	520	(314,559)	(252,719)	(361,533)	(2,469,313)
At 31 December 2015	23,355,177	-	6,436,831	368,967	2,253,762	2,384,129	2,867,739	37,666,605
Accumulated depreciation								
At 1 January 2014	3,393,288	-	5,067,589	75,480	1,985,309	1,761,161	2,240,471	14,523,298
Charge for the year	463,461	-	860,590	18,454	453,924	399,739	305,521	2,501,689
Disposals	(350,520)	-	(402,904)	(3,543)	(251,252)	(83,569)	(167,822)	(1,259,610)
Foreign exchange difference on retranslation	(348,346)	-	(438,098)	(458)	(261,358)	(267,418)	(253,455)	(1,569,133)
At 31 December 2014	3,157,883	-	5,087,177	89,933	1,926,623	1,809,913	2,124,715	14,196,244
Charge for the period	566,795	-	709,590	25,909	312,223	189,056	238,568	2,042,141
Disposals	-	-	(258,328)	-	(387,553)	(29,578)	(114,393)	(789,852)
Foreign exchange difference on retranslation	(213,967)	-	(446,470)	670	(190,711)	(184,517)	(251,838)	(1,286,833)
At 31 December 2015	3,510,711	-	5,091,969	116,512	1,660,582	1,784,874	1,997,052	14,161,700
Net book value								
At 31 December 2015	19,844,466	-	1,344,862	252,455	593,180	599,255	870,687	23,504,905
At 31 December 2014	19,353,009	-	1,740,007	79,524	1,193,894	863,702	1,128,538	24,358,674

11. Intangible assets

	Computer software US$	Patents and licenses US$	Total US$
Cost			
At 1 January 2014	6,708,587	1,145,482	7,854,069
Additions	899,068	12,364	911,432
Disposals/ write-offs	(73,474)	(598)	(74,072)
Foreign exchange difference on retranslation	(219,118)	(61,592)	(280,710)
At 31 December 2014	7,315,063	1,095,656	8,410,719
Additions	687,396	1,164,805	1,852,201
Disposals/ write-offs	(18,204)	(23,733)	(41,937)
Foreign exchange difference on retranslation	(133,040)	(4,634)	(137,674)
At 31 December 2015	7,851,215	2,232,094	10,083,309
Accumulated amortisation			
At 1 January 2014	5,904,126	1,022,154	6,926,280
Charge for the year	298,073	75,790	373,863
Disposals/ write-offs	(58,373)	(533)	(58,906)
Foreign exchange difference on retranslation	(216,854)	(52,131)	(268,985)
At 31 December 2014	5,926,972	1,045,280	6,972,252
Charge for the year	297,030	235,292	532,322
Disposals/ write-offs	(7,282)	(14,223)	(21,505)
Foreign exchange difference on retranslation	(124,600)	(27,462)	(152,062)
At 31 December 2015	6,092,120	1,238,887	7,331,007
Net book value			
At 31 December 2015	1,759,095	993,207	2,752,302
At 31 December 2014	1,388,091	50,376	1,438,467

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12. Available-for-sale financial assets

The details of the investments are as follows:

	Country of incorporation	Participation %	Cost US$	Impairment US$	As at 31 December 2015 US$	As at 31 December 2014 US$
Investments held in related companies						
E-Vision Ltd	Cyprus	18%	90,000	(90,000)	-	-
Other investments						
Asekol s.r.o.	Czech Republic	9.09%	9,580	-	9,580	9,580
Regnon S.A.	Poland	0.01%	2,214	-	2,214	2,214
			101,794	(90,000)	11,794	11,794

13. Inventories

	As at 31 December 2015 US$	As at 31 December 2014 US$
Goods in transit	9,746,106	17,354,875
Goods held for resale	91,463,696	116,866,430
Provision for slow moving and obsolete stock	(4,288,149)	(1,898,689)
	96,921,653	132,322,616

Movement in provision for slow moving and obsolete stock

	As at 31 December 2015 US$	As at 31 December 2014 US$
On 1 January	1,898,689	2,115,332
Net movement for the year	2,497,744	(91,690)
Exchange difference	(108,284)	(124,953)
On 31 December	4,288,149	1,898,689

14. Trade receivables

	As at 31 December 2015 US$	As at 31 December 2014 US$
Trade receivables	223,539,664	268,515,408
Allowance for doubtful debts	(6,073,505)	(6,181,370)
	217,466,159	262,334,038

15. Other current assets

	As at 31 December 2015 US$	As at 31 December 2014 US$
Deposits and advances to service providers	599,117	776,259
Employee floats	40,330	62,994
VAT and other taxes refundable	6,568,663	6,753,191
Other debtors and prepayments	6,487,710	3,760,776
	13,695,820	11,353,220

16. Share capital

	As at 31 December 2015 US$	As at 31 December 2014 US$
Authorised		
63,000,000 (2014: 63,000,000) shares of US$ 0.20 each	12,600,000	12,600,000
Issued and fully paid		
55,500,000 (2014: 55,500,000) ordinary shares of US$ 0.20 each	11,100,000	11,100,000

17. Short term borrowings

	As at 31 December 2015 US$	As at 31 December 2014 US$
Bank overdrafts (Note 27)	18,093,347	28,248,846
Current portion of long term loans	934,818	933,554
Bank short term loans	24,308,125	29,523,070
Short term obligations under finance leases (Note 20)	34,520	74,688
Total short term debt	43,370,810	58,780,158
Factoring creditors	43,299,321	40,482,397
	86,670,131	99,262,555

Summary of borrowings and overdraft arrangements

As at 31 December 2015 the group enjoyed factoring facilities of US$ 66,864,392 (31 December 2014: US$ 83,045,488).
In addition, the group as at 31 December 2015 had the following financing facilities with banks in the countries that the company and its subsidiaries are operating:

- overdraft lines of US$ 44,425,253 (31 December 2014: US$ 51,761,403)
- short term loans/revolving facilities of US$ 48,447,298 (31 December 2014: US$ 58,023,364)
- bank guarantee and letters of credit lines of US$ 8,725,281 (31 December 2014: US$ 11,484,368)

The Weighted Average Cost of Debt (cash lines and factoring lines) for the year was 9.5% (for 2014: 8.0%).

The factoring, overdraft and revolving facilities as well as the loans granted to the company and its subsidiaries by their bankers are secured by:

- Floating charges over all assets of the company
- Mortgage on land and buildings that the group owns in Cyprus, Czech Republic, Belarus, Middle East, Bulgaria, Slovakia and Ukraine
- Charge over receivables and inventories
- Corporate guarantees to the extent of facilities granted to subsidiary companies
- Assignment of insurance policies
- Pledged deposits of US$ 5,626,714 (31 December 2014: US$ 6,222,423)

18. Long term borrowings

	As at 31 December 2015 US$	As at 31 December 2014 US$
Bank loans	1,812,755	1,538,139
Long term obligations under finance leases (Note 20)	28,178	77,573
	1,840,933	1,615,712

19. Other long term liabilities

	As at 31 December 2015 US$	As at 31 December 2014 US$
Pension provision	366,588	455,063

20. Finance leases

	As at 31 December 2015 US$	As at 31 December 2014 US$
Obligation under finance lease	62,698	152,261
Less: Amount payable within one year	(34,520)	(74,688)
Amounts payable within 2-5 years inclusive	28,178	77,573

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21. Deferred tax

	For the twelve months ended 31 December 2015 US$	For the year ended 31 December 2014 US$
Debit balance on 1 January	(863,287)	(257,138)
Deferred tax credit for the year (Note 9)	(599,558)	(640,694)
Exchange difference on retranslation	26,829	34,545
Debit balance on 31 December	(1,436,016)	(863,287)

	For the twelve months ended 31 December 2015 US$	For the year ended 31 December 2014 US$
Deferred tax assets	(1,490,607)	(910,954)
Deferred tax liabilities	54,591	47,667
Net deferred tax assets	(1,436,016)	(863,287)

22. Other current liabilities

	As at 31 December 2015 US$	As at 31 December 2014 US$
Salaries payable and related costs	1,173,825	1,475,960
Amount due to directors - executive (Note 29)	-	1,122,681
VAT payable	6,624,220	10,305,056
Accruals and deferred income	10,246,914	14,538,916
Non-trade accounts payable	1,812,747	2,801,693
	19,857,706	30,244,306

23. Commitments and contingencies

As at 31 December 2015 the group was committed in respect of purchases of inventories of a total cost value of US$ 2,010,060 (31 December 2014: US$ 3,258,157) which were in transit at 31 December 2015 and delivered in January 2016. Such inventories and the corresponding liability towards the suppliers have not been included in these financial statements since, according to the terms of purchase title of the goods had not passed to the group at period/year end.

As at 31 December 2015 the group was contingently liable in respect of bank guarantees and letters of credit lines of US$ 8,725,281(31 December 2014: US$ 11,484,368) which the group has extended mainly to its suppliers.

As at 31 December 2015 the group had no other capital or legal commitments and contingencies.

24. Operating segments

1.1 Reportable segments

The group mainly operates in a single industry segment as a distributor of IT products. The group's operating segments are based on geographic location, and the measure of segment profit is profit from operations. The group operates in four principal geographical areas – Former Soviet Union, Central Eastern Europe, Western Europe and Middle East & Africa.

1.2 Segment revenues

	For the three months ended 31 December 2015 US$	For the three months ended 31 December 2014 US$	For the twelve months ended 31 December 2015 US$	For the twelve months ended 31 December 2014 US$
Former Soviet Union	117,846,644	155,399,461	376,265,658	516,563,716
Central Eastern Europe	169,327,136	199,602,809	525,044,419	660,959,032
Western Europe	25,961,156	38,064,194	65,285,898	119,926,726
Middle East & Africa	45,673,207	47,287,238	168,489,073	206,393,583
Other	8,038,260	18,232,008	46,528,321	47,327,193
	366,846,403	458,585,710	1,181,613,369	1,551,170,250

1.3 Segment results

	For the three months ended 31 December 2015 US$	For the three months ended 31 December 2014 US$	For the twelve months ended 31 December 2015 US$	For the twelve months ended 31 December 2014 US$
Former Soviet Union	3,888,358	3,231,447	(3,010,392)	7,627,993
Central Eastern Europe	729,479	3,282,612	1,186,943	8,168,348
Western Europe	100,897	(1,019,292)	(1,049,466)	(1,574,226)
Middle East & Africa	1,183,855	1,773,586	447,832	2,397,613
Other	438,229	(362,034)	(630,854)	(361,307)
Profit/(loss) from operations	6,340,818	6,906,319	(3,055,937)	16,258,421
Net financial expenses	(4,228,318)	(1,482,877)	(14,130,162)	(15,213,867)
Other gains and losses	101,612	100,561	124,426	210,437
Profit/(loss) before taxation	2,214,112	5,524,003	(17,061,673)	1,254,991

24. Operating segments (continued)

1.4 Inter-segment revenues

Selling segment	Purchasing segment	For the three months ended 31 December 2015 US$	For the three months ended 31 December 2014 US$
Western Europe	Middle East & Africa	-	2,162

1.5 Segment capital expenditure (CAPEX)

	As at 31 December 2015 US$	As at 31 December 2014 US$
Former Soviet Union	4,105,812	5,033,410
Central Eastern Europe	12,158,485	11,635,459
Western Europe	85,910	143,273
Middle East & Africa	3,406,971	3,446,663
Unallocated	8,056,001	7,272,676
	27,813,179	27,531,481

1.6 Segment depreciation and amortisation

	For the three months ended 31 December 2015 US$	For the three months ended 31 December 2014 US$	For the twelve months ended 31 December 2015 US$	For the twelve months ended 31 December 2014 US$
Former Soviet Union	86,600	152,617	450,026	723,371
Central Eastern Europe	260,246	250,107	870,766	1,030,924
Western Europe	10,644	20,065	43,617	69,853
Middle East & Africa	65,545	66,163	252,556	292,863
Unallocated	237,525	198,305	957,498	758,541
	660,560	687,257	2,574,463	2,875,552

24. Operating segments (continued)

1.7 Segment assets

	As at 31 December 2015 US$	As at 31 December 2014 US$
Former Soviet Union	101,836,477	168,000,256
Central Eastern Europe	159,681,004	151,910,016
Western Europe	24,880,728	58,422,613
Middle East & Africa	50,096,896	24,173,211
Total	336,495,105	402,506,096
Assets allocated in capital expenditure (1.5)	27,813,179	27,531,481
Other unallocated assets	17,266,559	63,122,554
Consolidated assets	381,574,843	493,160,131

25. Derivative financial liability

	As at 31 December 2015 US$	As at 31 December 2014 US$
Derivative financial liabilities carried at fair value through profit or loss		
Foreign currency derivative contracts	124,563	1,264,863

26. Derivative financial asset

	As at 31 December 2015 US$	As at 31 December 2014 US$
Derivative financial assets carried at fair value through profit or loss		
Foreign currency derivative contracts	1,069,705	183,804

27. Cash and cash equivalents

	As at 31 December 2015 US$	As at 31 December 2014 US$
Cash at bank and in hand	22,383,203	57,665,105
Bank overdrafts (Note 17)	(18,093,347)	(28,248,846)
	4,289,856	29,416,259

The cash at bank and in hand balance includes an amount of US$ 5,626,714 (31 December 2014: US$ 6,222,423) which represents pledged deposits.

28. Goodwill

	As at 31 December 2015 US$	As at 31 December 2014 US$
At 1 January	1,734,340	1,969,009
Foreign exchange difference on retranslation	(178,368)	(234,669)
At 31 December (note i)	1,555,972	1,734,340

(i) The capitalized goodwill arose from the business combinations of the following subsidiaries:

	As at 31 December 2015 US$	As at 31 December 2014 US$
ASBIS d.o.o. (BA) (formerly Megatrend D.O.O. Sarajevo)	381,349	424,419
SHARK Computers a.s.	1,174,623	1,309,921
	1,555,972	1,734,340

29. Transactions and balances of key management

	For the three months ended 31 December 2015 US$	For the three months ended 31 December 2014 US$	For the twelve months ended 31 December 2015 US$	For the twelve months ended 31 December 2014 US$
Directors' remuneration - executive (Note 7)	70,122	80,780	284,614	412,137
Directors' remuneration - non executive (Note 7)	544	8,686	16,670	40,192
	70,666	89,466	301,284	452,329

	As at 31 December 2015 US$	As at 31 December 2014 US$
Amount due to directors – executive (Note 22)	-	1,122,681

30. Business combinations

Disposals of subsidiaries to 31 December 2015

During the year the following group's subsidiary went into liquidation. No gain or loss arose on the event.

Name of disposed entity	Type of operations	Date liquidated	% liquidated
- Asbis Taiwan Co. Ltd	Information Technology	13 April 2015	100

31. Fair values

Financial instruments comprise financial assets and financial liabilities. Financial assets mainly consist of bank balances, receivables and investments. Financial liabilities mainly consist of trade payables, factoring balances, bank overdrafts and loans. The Directors consider that the carrying amount of the company's/group's financial instruments approximate their fair value at the reporting date. Financial assets and financial liabilities carried at fair value through profit or loss represent foreign currency derivative contracts categorized as a Level 2 (inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).