



Interim Consolidated Management Report

of "Sirma Group Holding" JSC
for Q1 2023

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1 STATEMENT BY THE BOARD OF DIRECTORS OF “SIRMA GROUP HOLDING” JSC

The present interim consolidated management of “Sirma Group Holding” JSC covers the period, ending on 31 March 2023 and was prepared in accordance with the provisions of Article 39 of the Accountancy Law and Art. 100o, para. 2 and 5 of the the Public Offering of Securities Act (POSA), including also the established events, occurring after the balance sheet date. The structure of this report is in accordance with Article 12 of Ordinance No. 2 of of the Financial Supervision Commission (FSC).

The board of directors of the holding confirms that:

- there were no irregularities in which managers or employees were involved, which may be material to the consolidated financial statements;
- all material transactions are duly accounted for and reflected in the interim consolidated financial statements as at 31 March 2023;
- there is no actual or potential breach of laws and (or) other regulatory provisions which would have a material impact on the consolidated financial statements or could serve as a basis for reporting contingent loss;
- there are no legal or other restrictions on the flow of funds;
- there are no known trends, requests, commitments, events or occasional circumstances for which there is reason to expect that they may affect the company as a whole.

This interim consolidated management report contains estimates and information based on our beliefs and assumptions, using currently available information about them. Any statements contained in this report which are not historical facts are predictions. We have based these statements on the future of our current expectations, assumptions and predictions about future conditions and events. As a result, our predictions and information are exposed to uncertainties and risks, many of which are beyond our control. If one or more of these uncertainties or risks materialize or if the underlying management assumptions prove to be incorrect, our actual results may differ materially from those described in the report. We describe these risks and uncertainties in the report in the Risk Section.

This report includes IT industry statistics and global economic trends which come from information published by sources including International Data Corporation (IDC), a market information and information technology consultant, telecoms and consumer technology markets; Gartner, the European Central Bank (ECB); and the International Monetary Fund (IMF). This type of data is only the forecasts of IDC, the ECB, the IMF and other data sources for the global economy and industry. SIRMA does not guarantee any statistical information provided by sources such as IDC, Gartner, ECB, IMF, or other similar sources cited in this report. In addition, although we believe that information from these sources is generally reliable, this type of data is inaccurate. We warn readers not to create unnecessary dependence on this data.

In our interim consolidated management report we analyze our business activities for the reporting financial period as well as the current situation of Sirma Group. Starting from a description of our business, economic environment and strategy, we present our financial system and explain in detail our results and operations as well as our financial position and net assets. We also report on the various aspects of financial sustainability of Sirma Group and the expected development of possible risks.

The financial information presented in this report includes our consolidated financial statements, our report to the Board of Directors and some financial aspects derived from our management accountability. The non-financial data presented in the report includes aspects of intellectual, human and social rights and relationships derived from our materiality assessment.

Our interim consolidated financial statements have been prepared in accordance with IFRSs. Internal control over financial reporting ensures the reliability of the information presented in the consolidated financial statements. Our Board of Directors has confirmed the effectiveness of our internal financial reporting.

All financial and non-financial data and information for the reporting period is collected and / or reported by the responsible business units.

The reporting period is the financial year ending on 31.03.2023. The report includes Sirma Group Holding JSC and all subsidiary companies of the Group without EngView Systems Latin America and Sirma ISG, which are excluded from consolidation due to lack of relevance.

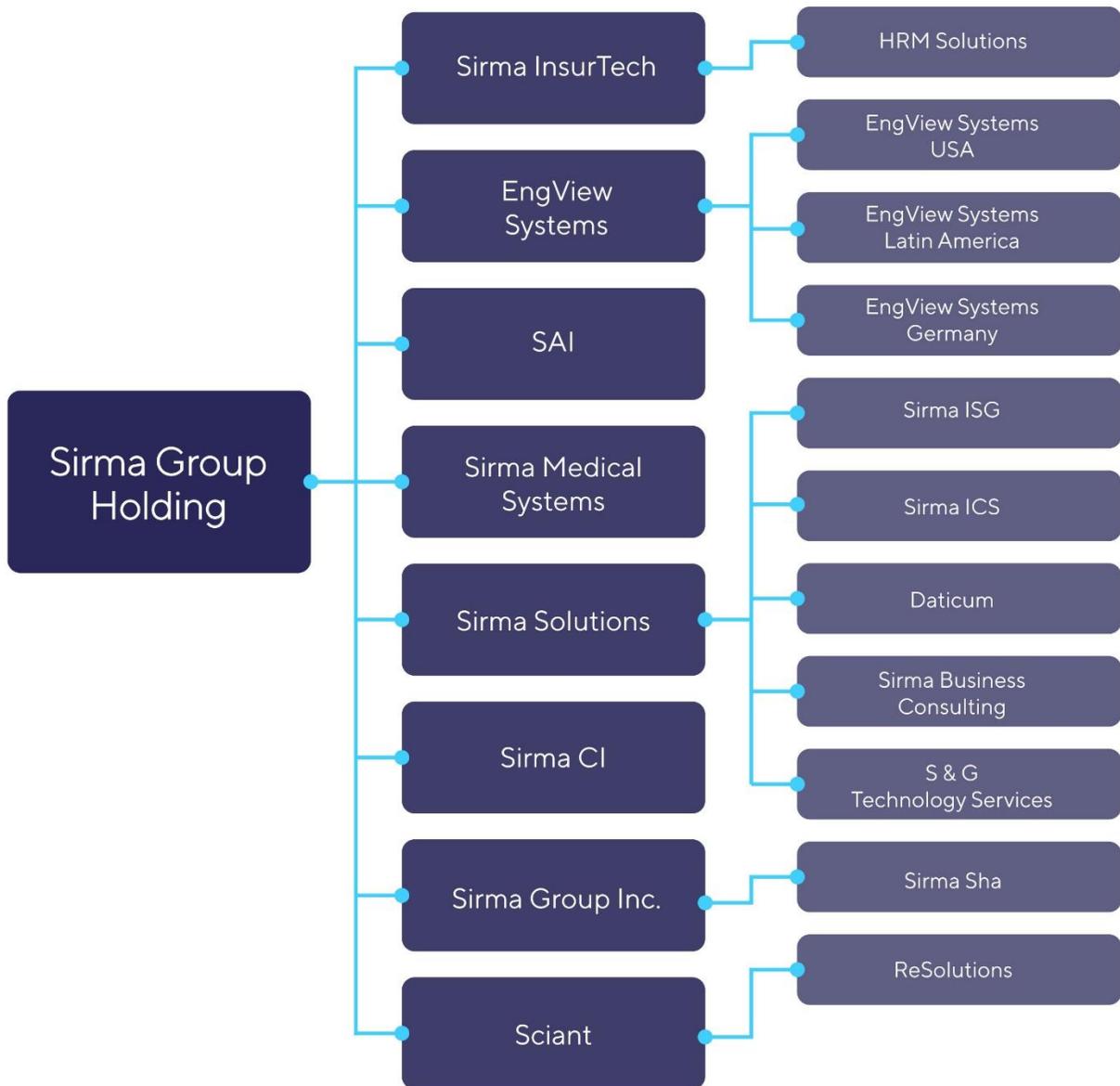


2 ORGANIZATION AND WAY OF PRESENTATION

“Sirma Group Holding” JSC is a holding company that invests in technological businesses, manages them strategically and operationally, provides its subsidiaries with management, administrative, marketing and financial services.

Over the years, Sirma has created over 20 companies, investing in them a tremendous financial and human capital. Our strategy is to create businesses, incubate them and develop them.

Generating robust growth, cost-effectiveness and consistent business results are among the company’s top priorities.



History and development of the company

"Sirma Group Holding" JSC is a holding company registered on 25.04.2008 at the Registry Agency with UIC 200101236, with head office: BULGARIA, Sofia (capital), Sofia municipality, City Sofia 1784, Mladost area, bul. Tsarigradsko Shose, No 135.

The name of the company changed on 23.03.2009 from "SGH" JSC to "Sirma Group Holding" JSC.

The object of the company is: Acquisitions, management, evaluation and sale of participation in bulgarian and foreign

Changes in the statement of activity

At the time of its incorporation, the company operated under the following business activities: design, development, marketing, sales, implementation, training and support of software products and complete solutions, including software project management, information and communication technology consultancy services, accounting services, as well as any other activity not prohibited by law.

On 23.03.2009 Sirma Group Holding changed its scope of activity as follows: Acquisition, management, evaluation and sale of participations in Bulgarian and foreign companies, acquisition, evaluation and sale of patents, surrender of licenses for use of patents of companies in which the holding company participates, financing of the companies in which the holding company participates, organization of the

CAPITAL

The share capital of the company amounts to 59 360 518 BGN, divided into 59 360 518 dematerialized shares with nominal value of BGN 1.

History of Share Capital

History of changes in share capital

- The company was incorporated with BGN 50 000 of capital.

On 15.10.2008, after the adoption of three triple expert appraisals of experts, the share capital was increased from BGN 50,000 to BGN 77,252,478 through non-cash contributions and issuance of new 77,202,478 shares. Non-cash contributions are as follows:

- 1) 29 software modules worth 61,555,838 BGN;
- 2) Non-monetary contribution representing real estate amounting to 3 911 660 BGN:
 - Office building - offices, floor 3th and floor 5th of an office building, located in Sofia, 135 Tsarigradsko shose

On 22.10.2010. as a result of the decision of the regular annual general meeting of the Company's shareholders, a reduction of the capital of "Sirma Group Holding" JSC from

77 252 478 BGN to 73 340 818 BGN was recorded through the cancellation of 3 911 660 shares with a par value of 1

BGN each. The Company's capital was reduced on the basis of Art. 200, para. 2, in conjunction with Art. 187f, par. 1, item 2n of the Bulgarian Commercial Law.

companies, acquisition, evaluation and sale of patents, cession of licenses to use patents of companies which the company holds, finance of companies in which the company participates, organization of accounting and compiling financial statements under the law of accounting. the company may perform independent business activities which are not prohibited by law.

accounting and preparation of financial statements under the order of the Law for Accounting. The company may also carry out its own commercial activity, which is not prohibited by law.

From the establishment of the company until the date of this document, Sirma Group Holding JSC:

- is not the subject of consolidation;
- no transfer or pledge to the enterprise;
- No claims have been filed for the opening of insolvency proceedings of the company;
- There are no tenders from third parties to the Company or from the Company to other companies;

Blvd., owned by "Sirma Group" AD, a company registered in the Commercial Register at the Registry Agency UIC 040529004, with headquarters and address of management in Sofia, Mladost district, 135 Tsarigradsko shose Blvd., accepted as shareholder in "SGH" AD by decision of the General Meeting of "SGH" JSC from 10.07.2008

3) Non-cash contribution representing shares of 11 734 980 BGN:

- A total of 81,690 shares of the total amount of 11,734,980 BGN (143.6526 BGN per share) of the capital of "Sirma Group" JSC, registered in the Commercial Register at the Registry Agency UIC, 040529004

During the transformation, entered in the Commercial Register on 23.10.2014, the Company's capital is reduced to 49 837 156 through the cancellation of 23 503 662 shares.

This decrease is a result of the estimated fair value of the shares of Sirma Group Holding JSC by three independent appraisers. The shareholder structure of the Company does not change as the shareholder structures of the transforming and that of the newly established companies are mirrored.

On 30.10.2015, after a successful initial public offering, the capital was increased to 59 360 518 BGN by issuing 9 523 362 new shares with nominal value per share 1 BGN and issue value 1,20 BGN.



Information on the terms of any vesting rights and / or liabilities for statutory but unissued capital

“Sirma Group Holding” JSC does not have information about the terms of any acquisition and / or liabilities for statutory but unissued capital.

3 STRUCTURE OF SHARE CAPITAL AND MANAGEMENT AUTHORITIES**3.1. Capital structure**

As of 31.12.2022 the distribution of the share capital of Sirma Group Holding is as follows:

	31.03.2023 (BGN '000,%)	31.12.2022 (BGN '000,%)
Share capital	59 361	59 361
Number of shares (par value of 1 BGN)	59 360 518	59 360 518
Total number of registered shareholders	1 052	1 033
Including legal entities	40	40
Including Individuals	1 012	993
Number of shares held by legal entities	6 280 076	5 286 591
% of capital of legal entities	10,58%	8,91%
Number of shares held by individuals	53 080 442	54 073 927
% of capital held by individuals	89,42%	91,09%



Shareholders	Number of shares at 31.03.2023	Number of shares at 31.12.2022	Nominal VALUE (BGN)	Value (BGN)	% Shareholding	% of voting rights*
Georgi Parvanov Marinov	5 335 748	5 269 748	1	5 335 748	8,99%	9,22%
Tsvetan Borisov Alexiev	4 965 753	4 965 753	1	4 965 753	8,37%	8,58%
Chavdar Velizarov Dimitrov	4 750 786	4 750 786	1	4 750 786	8,00%	8,21%
Veselin Antchev Kirov	4 700 786	4 700 786	1	4 700 786	7,92%	8,13%
Ivo Petrov Petrov	4 013 920	4 013 920	1	4 013 920	6,76%	6,94%
Ognyan Plamenov Chernokozhev	3 741 620	3 741 620	1	3 741 620	6,30%	6,47%
Krasimir Nevelinov Bozhkov	2 534 161	2 534 161	1	2 534 161	4,27%	4,38%
Vladimir Ivanov Alexiev	2 177 583	2 177 583	1	2 177 583	3,67%	3,76%
Rosen Vasilev Varbanov	2 156 687	2 156 687	1	2 156 687	3,63%	3,73%
Emiliana Ilieva Ilieva	1 985 209	1 965 209	1	1 985 209	3,34%	3,43%
Deyan Nikolov Nenov	1 790 748	1 790 748	1	1 790 748	3,02%	3,10%
Atanas Kostadinov Kiryakov	1 487 524	2 887 524	1	1 487 524	2,51%	2,57%
Yavor Liudmilov Djonev	1 292 746	1 292 746	1	1 292 746	2,18%	2,23%
Rosen Ivanov Marinov	1 265 795	1 265 795	1	1 265 795	2,13%	2,19%
Peter Nikolaev Konyarov	872 803	867 165	1	872 803	1,47%	1,51%
Mandjukov Ltd.	860 000	860 000	1	860 000	1,45%	1,49%
UPF Doverie JSC	802 126	802 126	1	802 126	1,35%	1,39%
UPF DSK Rodina	747 036	747 036	1	747 036	1,26%	1,29%
Asen Krumov Nelchinov	641 349	641 349	1	641 349	1,08%	1,11%
Others	13 238 138	11 844 930	1	13 238 138	22,30%	20,26%
Total	59 360 518	59 360 518		59 360 518	100%	100%

*Percentage of voting rights represents participation in the capital of the company net of the purchased own shares.

As of 31.03.2023 the total amount of repurchased own shares in the Group is 1 516 685 shares (2,56 % of share capital) in the amount of BGN 1 502 634,50, distributed as follows:

- "Sirma Group Holding" JSC holds 1 483 746 (31.12.2022: 84 846) repurchased own shares at the total amount of BGN 1 483 746. On 25.01.2023 the company purchased 1 398 900 own shares at an average price of BGN 0.71 per share, for a total value of BGN 993 219.
- "SAI" AD ("Ontotext" AD) owns 550 shares of the parent company "Sirma Group Holding" JSC with total value of BGN 643,50. The company has no newly acquired shares during the reporting period.
- "Sirma Solutions" AD owns 32 389 shares of the parent company "Sirma Group Holding" JSC with total value of BGN 18 245. The company has no newly acquired shares during the reporting period.



Shareholders holding more than 5% of the company's capital are:

Shareholders	Number of shares at 31.03.2023	% Shareholding	% of voting rights
Georgi Parvanov Marinov	5 335 748	8,99%	9,22%
Tsvetan Borisov Alexiev	4 965 753	8,37%	8,58%
Chavdar Velizarov Dimitrov	4 750 786	8,00%	8,21%
Veselin Antchev Kirov	4 700 786	7,92%	8,13%
Ivo Petrov Petrov	4 013 920	6,76%	6,94%
Ognyan Plamenov Chernokozhev	3 741 620	6,30%	6,47%

Shareholders	Number of shares at 31.12.2022	% Shareholding	% of voting rights
Georgi Parvanov Marinov	5 269 748	8,88%	8,89%
Tsvetan Borisov Alexiev	4 965 753	8,37%	8,38%
Chavdar Velizarov Dimitrov	4 750 786	8,00%	8,01%
Veselin Antchev Kirov	4 700 786	7,92%	7,93%
Ivo Petrov Petrov	4 013 920	6,76%	6,77%
Ognyan Plamenov Chernokozhev	3 741 620	6,30%	6,31%

Insofar as it is known to the Company, indicate whether the company is directly or indirectly owned or controlled and by whom and how the nature of that control and the measures introduced are introduced to avoid abusing such control.

"Sirma Group Holding" JSC is owned by its shareholders exercising full control over the company. Operational control is delegated to the Board of Directors and, respectively, the Executive Director. The company has implemented a number of internal documents aimed at regulating the work and preventing abuses. Such are the "Instruction on the Obligations and Responsibilities of Insiders with Insider Information", "Code of Conduct for Financial and Accounting Posts", "Rules of Procedure of the Board of Directors", "Good Corporate Governance Program".

Description of any arrangements known to the Company, the operation of which may at any subsequent date result in a change in the control of the Company

The Company is not aware of any arrangements the effect of which could lead to a change in the control of "Sirma Group Holding" JSC in the future.

3.2 Management authorities

Sirma Group Holding has a one-tier management system - Board of Directors.

The Board of Directors as of 31.03.2023 includes the following members:

Chavdar Velizarov Dimitrov
Tsvetan Borisov Alexiev
Atanas Kostadinov Kiryakov
Georgi Parvanov Marinov
Veselin Anchev Kirov
Yavor Ludmilov Djonev - independent member
Martin Veselinov Paev - independent member
Peyo Vasilev Popov - independent member
Yordan Stoyanov Nedev - independent member



Competencies of the management

The competences of the management are in line with those listed in the Commercial Law, the Statute and the POSA.

Stock options of the company

As of the date of this report, no options are available to the members of the Board of Directors on shares of the Company.

Rights of the members of the BD to acquire shares and bonds of the company

The rights of the members of the BD to acquire shares in the company are regulated in the legal framework. The company does not have a bond issue.

Committees in The Company

"Sirma Group Holding" JSC creates the following internal committees, which are assigned to manage the respective activities at the operational level, as well as to propose decisions to the Board of Directors of the company:

- | | |
|--|---|
| <p>1. Investment and Risk Committee, composed of:
 <i>Yordan Nedev – chairman</i>
 <i>Tsvetan Alexiev – member</i>
 <i>Georgi Marinov – member</i></p> | <p>3. Information Disclosure Committee, composed of:
 <i>Tsvetan Alexiev – chairman</i>
 <i>Stanislav Tanushev – member</i>
 <i>Chavdar Dimitrov – member</i>
 <i>Atanas Kiryakov - member</i></p> |
| <p>2. Remuneration Committee, composed of:
 <i>Georgi Marinov – chairman</i>
 <i>Petar Statev – member (until 02.03.2023)</i>
 <i>Martin Paev – member (after 02.03.2023)</i>
 <i>Yordan Nedev – member</i></p> | <p>4. Audit Committee, composed of:
 <i>Angel Petrov Kraychev - chairman</i>
 <i>Alexander Todorov Kolev - member</i>
 <i>Veselin Anchev Kirov – member</i></p> |

Accepted internal normative documents

In 2015 the company adopts the necessary internal documents related to the company's working and management processes and fulfillment of its obligations as a public company:

- Good Corporate Governance Program;
- Operating Rules of the Board of Directors;
- Instructions and clarifications on the obligations and responsibilities of internal insiders;
- Special code of conduct for financial and accounting positions.

All documents are publicly available on the company's website:

<https://investors.sirma.com/investors/corporate-governance.html>

The participation of members of the board of directors in the capital of the company is as follows:

Shareholders	Number of shares at 31.03.2023	Number of shares at 31.12.2022	Nominal VALUE (BGN)	Value (BGN)	% Shareholding	% of voting rights
Georgi Parvanov Marinov	5 335 748	5 269 748	1	5 335 748	8,99%	9,22%
Tsvetan Borisov Alexiev	4 965 753	4 965 753	1	4 965 753	8,37%	8,58%
Chavdar Velizarov Dimitrov	4 750 786	4 750 786	1	4 750 786	8,00%	8,21%
Veselin Anchev Kirov	4 700 786	4 700 786	1	4 700 786	7,92%	8,13%
Atanas Kostadinov Kiryakov	1 487 524	2 887 524	1	1 487 524	2,51%	2,57%
Yavor Ludmilov Djonev	1 292 746	1 292 746	1	1 292 746	2,18%	2,23%
Martin Veselinov Paev	126 720	126 720	1	126 720	0,21%	0,22%
Yordan Stoyanov Nedev	3 433	3 433	1	3 433	0,01%	0,01%
Peyo Vasilev Popov	100	100	1	100	0,0002%	0,0002%
Total	22 663 596	23 997 596		22 663 596	38,18%	39,16%

During the period 01.01.2023 – 31.03.2023 the member of the BD Georgi Parvanov Marinov has acquired 66 000 shares and the member of the BD Atanas Kostadinov Kiryakov has sold 1 400 000 shares of the capital of the company.



Remuneration UNDER CMC of the members of the Board of Directors of "Sirma Group Holding" JSC:

Board Member	Company	Sums for the period 01.01.2023 - 31.03.2023
		(BGN)
Atanas Kostadinov Kiryakov	EngView Systems Sofia	(150)
	Sirma Group Holding	(5 220)
	Sirma Solutions	(1 500)
Veselin Anchev Kirov	Sirma Group Holding	(5 220)
Georgi Parvanov Marinov	EngView Systems Sofia	(30 000)
	Sirma Business Consulting	(1 500)
	Sirma Group Holding	(5 220)
	SAI (Ontotext)	(160)
Yordan Stoyanov Nedev	Sirma Group Holding	(5 220)
	SAI (Ontotext)	(160)
Martin Veselinov Paev	Sirma Group Holding	(5 220)
Peyo Vasilev Popov	Sirma Group Holding	(5 220)
Tsvetan Borisov Alexiev	Sirma Group Holding	(45 510)
	EngView Systems Sofia	(150)
	Sirma Business Consulting	(3 000)
	Sirma Solutions	(21 000)
Chavdar Velizarov Dimitrov	Sirma Medical Systems	(300)
	Sirma Group Holding	(5 220)
Yavor Ludmilov Djonev	Sirma Group Holding	(5 220)
Total		(145 190)

Information on the contracts of the members of the administrative, management or supervisory bodies with the company providing severance pay

In the contracts of the members of the board of directors, both with the Company itself and with subsidiaries of the Company, where such contracts are available to them, no benefits have been provided upon termination of their contracts.

Information on the company's audit committee or remuneration committee, including the names of the members of the committee and a mandate summary by which the committee functions

At the Annual General Meeting of the Shareholders of the Company held on 24.06.2022 was decided to relieve the member of the Audit Committee Emiliyat Ivanov Petrov from his position and elected Veselin Anchev Kirov as a member of the Audit Committee. The mandate of the Audit Committee was continued with 3 (three) years at the current remuneration. The Audit Committee consisting of:

Angel Petrov Kraychev - chairman
Alexander Todorov Kolev - member
Veselin Anchev Kirov – member

Statement on whether the company complies or does not to the regime for corporate governance

In view of the fact that "Sirma Group Holding" JSC is entered in the Register under Art. 30, para. 1, item 3 of FSCA, kept by FSC, the Company has implemented a Program prepared in accordance with internationally recognized standards for good corporate governance. In accordance with the provision of Art. 100n, para. 4, item 3 of POSA, the financial statements of "Sirma Group Holding" JSC comply with its Program for the application of internationally recognized standards for good corporate governance and maintains its accounting policy in accordance with International Accounting Standards.



4 FUNCTIONING OF THE GROUP

The economic group of "Sirma Group Holding" JSC includes the parent company and its subsidiaries and associates - all of them operating in the IT sector. The Group functions as a typical holding structure with the organization, coordination and subordination of the companies characteristic of a similar structure.

Group companies have a common strategic framework, corporate values, financial and accounting policies, a vision of good corporate governance and staff policy.

Subsidiaries of "Sirma Group Holding" JSC

Company	Value of the investment at 31.03.2023 (in BGN'000)	Percentage of capital at 31.03.2023	Percentage of voting rights* at 31.03.2023	Value of the investment at 31.12.2022 (in BGN'000)	Percentage of capital at 31.12.2022	Percentage of voting rights* at 31.12.2022	Changes (in BGN'000)
Sirma Solutions	39 686	80,11%	100,00%	39 686	80,11%	100,00%	-
SAI (Ontotext)	17 865	84,56%	100,00%	17 865	84,56%	100,00%	-
Sciant	10 237	77,82%	77,82%	10 237	80,00%	80,00%	-
Sirma Group Inc, USA	3 471	76,30%	76,30%	3 471	76,30%	76,30%	-
Sirma InsurTech	914	55,00%	55,00%	914	55,00%	55,00%	-
Sirma CI	106	80,00%	80,00%	106	80,00%	80,00%	-
Sirma Medical Systems	66	66,00%	66,00%	66	66,00%	66,00%	-
Engview Systems	50	72,90%	72,90%	50	72,90%	72,90%	-

*Percentage of voting rights represents participation in the capital of the company net of the purchased own shares.

Subsidiaries of "Sirma Solutions"

Company	Value of the investment at 31.03.2023 (in BGN'000)	Percentage of capital at 31.03.2023	Value of the investment at 31.12.2022 (in BGN'000)	Percentage of capital at 31.12.2022	Changes (in BGN'000)
Daticum	1 394	60,50%	1 394	60,50%	-
Sirma Business Consulting	1 374	54,08%	1 374	54,08%	-
Sirma ICS	270	90,00%	270	90,00%	-
S&G Technology Services Ltd., UK	117	51,00%	117	51,00%	-
Sirma ISG	4	71,00%	4	71,00%	-

Subsidiaries of "EngView Systems Sofia"

Company	Value of the investment at 31.03.2023 (in BGN'000)	Percentage of capital at 31.03.2023	Value of the investment at 31.12.2022 (in BGN'000)	Percentage of capital at 31.12.2022	Changes (in BGN'000)
EngView Systems Germany	235	100%	235	100%	-
EngView Systems USA	190	100%	190	100%	-
EngView Systems Latin America, Brazil	7	95%	7	95%	-



Subsidiaries of Sirma Group Inc.

	Value of the investment at 31.03.2023	Percentage of capital at 31.03.2023	Value of the investment at 31.12.2022	Percentage of capital at 31.12.2022	Changes
Company	BGN '000		BGN '000		BGN '000
Sirma Sha Albania	25	55%	25	55%	-

Subsidiaries of "Sciant"

	Value of the investment at 31.03.2023	Percentage of capital at 31.03.2023	Value of the investment at 31.12.2022	Percentage of capital at 31.12.2022	Changes
Company	BGN '000		BGN '000		BGN '000
ReSolutions Shpk	256	100%	256	100%	-

Subsidiaries of " Sirma InsurTech"

	Value of the investment at 31.03.2023	Percentage of capital at 31.03.2023	Value of the investment at 31.12.2022	Percentage of capital at 31.12.2022	Changes
Company	BGN '000		BGN '000		BGN '000
HRM Solutions	150	100%	150	100%	-

Associated companies of "Sirma Solutions"

	Value of the investment at 31.03.2023	Percentage of capital at 31.03.2023	Value of the investment at 31.12.2022	Percentage of capital at 31.12.2022	Changes
Company	BGN '000		BGN '000		BGN '000
HRM Solutions	-	-	20 511	23,80%	(20 511)

Information about participations

Apart from the Company's stated participations in item 4 above, there are no other participations of the Company that are likely to have a significant effect on the valuation of its own assets and liabilities, financial position or profits or losses.

The Company has no branches.



5 SIRMA GROUP IN Q1 2023

5.1 The business

Established in 1992, Sirma has become one of the largest IT companies in the region for 27 years, owning a range of proprietary, innovative technologies, a diverse product portfolio and growing market share in Europe and North America.

Sirma owns software solutions for a wide range of businesses with a focus on the development of cognitive technologies (AI). The Group has diversified market exposure exclusively to the private sector with a stable customer portfolio. Sirma's services and solutions are concentrated in the most promising and high-tech areas - financial technologies, transport and logistics, hospitality and retail, industrial software, healthcare technologies. The group has a large sales and marketing capacity, actively uses cross-selling strategies and modern marketing mechanisms. Sirma has offices in Bulgaria, USA, UK, Canada, Germany, Sweden, Albania, Brazil and regional representatives and/or distributors in over 50 countries.

Sirma is a globally recognized company in areas such as financial technology, transportation and logistics, hospitality, healthcare technology and some classes of industrial technology. One of Sirma's products - EngView Package Designer Suite CAD is part of the packaging design and production solutions of world leaders in the printing industry. The Group is among the regional leaders of the IT market, with 60% of operators in the financial sector as clients. The Group's clients are among the world's largest logistics companies, the largest hotel chains, international banking and European institutions. One of the Group's products in the field of health care - Diabetes:M is in the Top3 global products for the fight against diabetes. Sirma has a strong presence in the US market, executing a huge number of IT consulting projects. One of the companies in the group - Daticum is a first-class regional provider of cloud services with a Class 4 Data Center, licensed for data storage by the BNB and other organizations requiring increased data security. Through one of its companies, the Group is a leader in the delivery of SaaS for insurance intermediaries. Our philosophy for our strategic technologies and solutions is that we embed a sense of human thought – perception, interpretation, prediction and decision making. AI-based technologies have been in Sirma's DNA since its inception. In 2022, Sirma sold a majority stake in one of its subsidiaries, Sirma AI, and in early 2023, its remaining stake in it. Sirma AI (now Ontotext AD) is a company founded by Sirma and working in the field of semantic technologies. The flagship product of Sirma AI is GraphDB – one of the best graph databases in the world. An undeniably successful company, Sirma AI has reached the level where in order to continue to develop successfully and compete with its strong American competitors (companies such as Neo4J, Microsoft, Amazon, Oracle, IBM) it needs very large investments, such as Sirma can not afford. The company was valued at nearly 30M euros, which is an excellent reference for Sirma's abilities to create and develop successful businesses. In the last 2 years, Sirma's strategy has changed dramatically. The realities of business are such that it is almost impossible to

5.2 Economic trends

Summary

Fragile recovery, slightly more balanced risks, but persisting inflation in conditions of contracted growth - this is how the IMF and OECD synthesize the global economy at the beginning of 2023. Although forecasts for economic development at the beginning of 2023 are slightly more

develop a product business without significant investments. That's why Sirma started positioning itself as a service company with deep expertise in several strategic verticals and powerful solutions, often supported by AI technologies. The main revenue, focus, marketing and growth are concentrated in the service-related activity - software development, IT consulting, system integration, cloud services, etc. This activity generates over 90% of the group's business. Sirma also retains an investment part - its product companies such as EngView and Sirma Medical Systems. R&D and product development is done in these companies. The companies and businesses in the investment part of the Group can be subject to investments - internal and external, they can be sold to a strategic buyer, as we have already proven that we can successfully do (the sale of Sirma AI). Growth in the main - service part of the company takes place organically and through acquisitions. Here, the model is clear, understandable for investors, with a fairly clearly established dependence "investment size - growth". The investment part is more risky, but the chances of a "breakout" or a "very successful deal" are also much greater.

Sirma's mid-term goal is to reach \$100+ million in revenue and list on a major global exchange (most likely NASDAQ). Sirma's positioning at the time of listing will be:

- One of the largest Eastern European groups specializing in providing IT services
- R&D companies in several countries in South-Eastern and Eastern Europe, providing access to one of the world's most attractive IT specialist markets
- Companies, representative offices and distributors in over 50 countries around the world
- Specialization, know-how and solutions in several strategic industries
- Regional leader in a number of industries, very good global recognition, significant reference customers
- Revenues of more than 100 million dollars and attractive EBITDA
- Excellent working marketing and sales machine
- Promising investment part – product companies and businesses and companies in incubation

optimistic than those at the end of 2022, risks to the global economy remain significant. Against this background, the ICT industry continues to be seen as the solution to overcome the consequences of the crisis. At the same time, the various segments of the ICT sector, and their sub-segments, are expected to develop in diametrically different directions. While some segments are growing at double-digit rates (Software), others are experiencing a similar contraction (Devices). A similar divergent development can



also be seen among the components of each segment (e.g. cloud software compared to stationary software).

The economy of Bulgaria in 2023 and forecast for the future years

Unfortunately, the processes caused by the war in Ukraine, disrupted supply chains, generated energy uncertainty and double-digit inflation led (as in all other countries) to limited growth. The BNB ([BNB, Macroeconomic Forecast December 2022](#)) expects the slowdown in economic growth to continue in 2023 and to reach only 0.4% growth during the year.

The negative influences on the European economy are transferred entirely to the Bulgarian one. In addition, however, increased domestic demand, and relatively weak fiscal measures led to the strengthening of negative processes in the country. Recovery of economic growth to 3.4% is expected only in 2024 when the recovery of the European markets for Bulgarian goods and services is also expected.

Overall for the period [January 2022 through January 2023](#) the registered average inflation in Bulgaria has been determined by the National Statistical Institute is 16.7%. It is expected to decrease to 4.2% at the end of 2023 and 3.3% at the end of 2024. BNB expects on the average 2023 inflation to sit at 7%.

The risks to the development of the Bulgarian economy in 2023, according to the BNB, are

- Escalation of the military conflict in Ukraine;
- Postponing the implementation of investment projects;
- A faster-than-expected rise in interest rates in the US and the EU;
- A slow rate of utilization of funds under European programs;
- Delayed implementation of the National Recovery Plan;
- Higher-than-expected inflation, as a result of prolonged retention of high prices of energy sources.

Development of global economy in 2023 and forecast for the future years

In March 2023, the OECD ([OECD Economic Outlook, March 2023](#)) reported global GDP growth of 3.2% in 2022 (more than 1% weaker than expected at the end of 2021). The factors that slow down world development are the war in Ukraine, inflationary growth, as well as China's economic

slowdown. In early 2023, the OECD reports some positive signs, such as lower fuel prices, improving consumer sentiment, China's full opening-up and falling inflation. Expected global growth is 2.6% and 2.9% for 2023 and 2024, respectively (still about 0.5% less than expected at the end of 2022).

The IMF ([World Economic Outlook, January 30, 2023](#)) forecasts that the highest inflation values have already passed (around the third quarter of 2022) and inflation is expected to decrease in the future. Global inflation is expected to fall from 8.8% in 2022, to 6.6% in 2023 and 4.3% in 2024 (remaining still above the pre-pandemic levels of 3.5%).

The recovery to inflation levels ([Gartner, April 6, 2023](#)) that are close to historical average ones for different countries is expected to occur unevenly, and the timing of this in the large European economies (France and Germany) is expected to be only after 2025.

Although the IMF's forecasts in January 2023 are more optimistic than those in October 2022, risks to the world's economic development still remain. These are: an escalation of Russia's war in Ukraine, an increase in debt distress due to high interest rates and slowing growth, a potential persistence of inflation and a worsening health situation in China and a slowdown in China's economic recovery, a deepening of the geopolitical fragmentation that has begun in 2022. Since March 2023, after the bankruptcy of several banks, a "global banking and financial crisis" was added to the potential risks that threaten global economic development.

Growth in the **advanced economies** is expected to fall from 5.2% in 2021 to 1.2% in 2023. The Central banks in advanced economies have sharply increased key interest rates. This measure, designed to fight inflation, is also contributing to the slowdown in the economy.

GDP growth in the **emerging economies** is also slowing, from 6.6% in 2021 to 3.9% in 2022 and 4.0% in 2023, which is significantly below the average level of 4.8% over the period 2011-2019. The negative impact of the war in Ukraine will erode the increased revenues of some fuel-exporting countries.

The development of the world economy is moving in the exact opposite direction of inflation. GDP growth has contracted sharply since the start of 2022 and is expected to remain at relatively low levels (lower than the average for the last 10 years), in contrast to inflation, which set records for its growth in 2022.

Despite depressed economic growth in 2022, no (standard in such cases) recovery is expected in 2023. This is due to the various factors that hinder economic development and which



are expected to persist in 2023 – high prices of consumer goods, food and fuels, as well as increased monetary restrictions and rising interest rates (aimed at fighting inflation). Moreover, limited development is accompanied by more than normal risks (for which the IMF has a higher than average expectation of realization).

The Industry of Sirma

Sirma Group companies specialize in the information technology (IT) industry, predominantly focused on businesses (B2B). Industrial data is usually combined with data on the "communications segment" because this segment is completely dependent on information technology. Accordingly, the industry acquired the name "Information and Communication Technologies" or ICT for short. Out of all the variety of ICT segments, the companies in the group mainly work in the segments "IT services" (system integration, infrastructure as a service, software as a service, software support, consulting) and "Business software" (various software products and services aimed at different business verticals and custom software development).

The two main segments ("IT Services" and "Software") in which the Group operates were the fastest and most consistently growing in the past ([Gartner, April 6, 2023](#)). Historically, both segments have followed the same development trends. The two segments are seen as the solution to all problems arising from global economic uncertainty. The mass digitization that is unfolding relies precisely on "Software", for the various technological solutions and "IT services" through which these solutions can be implemented. This led to growth in both segments in 2022, as well as expectations for continued growth in 2023 and beyond.

Expectations for 2023 are that both segments will not only maintain their growth - 12.3% for "Software" and 9.1% for "IT Services", but that growth will be accelerating to 13.1% and 10.2% in 2024 respectively.

Geographically, Sirma is focused on the world's leading markets (US, UK, and Europe), which are also the leading geographic centers for demand for ICT products and services.

Sirma is a B2B IT provider. Sirma's client portfolio - Digital Business (Consulting and Integration, Chatbots, IT Security and Software Development), Financial Institutions (Consulting, Integration, IT Security, Chatbots, and the products of Sirma Business Consulting AD), Insurance (The platform for insurance broker of Sirma), hospitality (Sciant), and healthcare (Sirma Medical Systems) show sustainable development and strong growth in 2023 and the following years.

The global ICT market in 2023 and forecast for the future years

After the rapid recovery from the COVID-19 recession in 2021 and the achieved sector growth of 10%, IT spending stagnated in 2022 ([Gartner, April 6, 2023](#)) - with limited growth of only 0.5% for the year. Another feature of the ICT market in 2022 was its multidirectional development - while the "Data Center" segment recorded double-digit growth of 13.7%, the "Devices" segment shrank by approximately the same percentage (10.7%). In 2023, the ICT sector is expected to restore its "normality", as well as to resume its upward trend - growth of 5.5% for the year.

Table 1. Worldwide IT Spending Forecast (Millions of U.S. Dollars)

	2022 Spending	2022 Growth (%)	2023 Spending	2023 Growth (%)	2024 Spending	2024 Growth (%)
Data Center Systems	216,095	13.7	224,123	3.7	237,790	6.1
Devices	717,048	-10.7	684,342	-4.6	759,331	11.0
Software	793,839	8.8	891,386	12.3	1,007,769	13.1
IT Services	1,250,224	3.5	1,364,106	9.1	1,502,759	10.2
Communications Services	1,424,603	-1.8	1,479,671	3.9	1,536,156	3.8
Overall IT	4,401,809	0.54	4,643,628	5.55	5,043,805	8.6

Source: Gartner (April 2023)

The ICT markets of consumers and corporate customers are experiencing different dynamics during the two years under review. While inflation erodes the purchasing power of individual consumers, businesses continue to invest in their digitization. It is because of some of the challenges in the world that the leading segment in 2022 is shaping up to be "Data Centers" with a growth of 12% year-on-year in current USD prices. The Software and IT Services segments remain in second and third place, expected to grow by 7.1% and 3%, respectively, in 2022. The big loser for the year turned out to be the Devices segment with a drop of as much as 10.6%. The negative impact of inflation on the purchasing power of "Devices" consumers around the world has led to the postponement of much of their purchases and technological renewal, resulting in a dramatic decline in the segment.

In 2023, the ICT sector is expected to restore its "normality", as well as to resume its upward trend - growth of 5.5% in 2023 in current prices. Although "Data Centers" continue to grow, their growth is significantly lower - 3.7%. On the other hand, "IT services" and "Software" again occupy their leading place with growth of 9.1% and 12.3% respectively in 2023. For the first time in many years, the Communication Technologies segment is expected to post significant growth of 3.9%. The entire ICT sector is expected to reach a record USD 4.6 trillion during the year – with growth only expected to accelerate in the coming years (8.6% in 2024).



Sources of growth

The growth expected in 2023 and the following years is global. While leading by volume, spending growth is also leading in North America, Europe and Australia.

Even countries experiencing increased economic difficulties (Turkey, Greece, Argentina) are expected to increase their ICT spending in the coming years. Forecast growth varies significantly between countries, but no country is expected to shrink its ICT spending.

Despite the ubiquitous growth, it is uneven among the different technology segments. The expected growth of ICT spending in constant currency in 2023 is 5.2% and CAGR 2022-2027 of 6.3%. At the same time, these are only the average values, as there is almost no segment that has a similar growth. "Devices" has limited and sometimes negative growth. "Software" as a whole lead the segments in terms of growth. Infrastructure as a Service (IaaS) outperforms all segments with a whopping growth of 30.2% in 2023 and a CAGR of 24.2%. Software (Infrastructure Software, Application Software and Vertical Specific Software) and IT Services (Consulting, System Integration) are the segments expected to lead the growth in 2023 and the coming years, with double-digit annual growth starting from 2023.

If individuals' ICT spending is excluded from these forecasts, the sector's growth is even more impressive. Business

spending on ICT grew by 8.2% in 2022 and is expected to grow by 7.5% in 2023. This lends to the claim that business spending on ICT is recession-proof. The "Software" and "IT services" segments are leading again, with their growth accelerating in the coming years.

When looking at the components of growth in the leading segment "Software", yet again huge differences can be observed in the anticipated growth between the various sub-segments – ranging from -7% to +27%.

It is also interesting to note the massive dominance of cloud software relative to non-cloud solutions. Although the latter have their place in the future as well, cloud-based software is experiencing a much greater growth, which reveals the full direction of the market towards cloud-based solutions. Almost all leading sub-segments are already predominantly in the cloud, and this share is only expected to increase in the coming years.

The components of the second most dynamic segment - "IT services" also have very different growth patterns. "Infrastructure as a service" is also growing with rates which are literally off the charts. Similar is the growth of all other services related to cloud access. "Design" and "Construction" in all its varieties is also expected to see significant growth in 2023 and the following years.

5.3. Additional information for Q1 2023

Impact of exclusive factors

The information in this report is not affected by the presence of exceptional factors.

Summary information relating to the state of which the company depends on patents or licenses, industrial, commercial or financial contracts or from new processing processes

Sirma Group Holding is not dependent on patents or licenses, industrial, commercial or financial contracts, as well as new production processes.

For all employees of the Group, it has the appropriate licenses for operating systems and application software for PCs and servers required for the normal workflow.

Information, concerning significant factors, including non-ordinary or rare events or new developments, that expressly render the income of the Company's activity

There are no significant factors, including unusual or rare events or new developments that materially affect the Group's revenue and future investments.

Significant changes in net sales or revenues disclosed in the accounts

Significant changes in net sales or earnings reported in the Group's accounts detailed in Section 9 of this Report are observed during the period considered.

Information on governance, economic, fiscal, monetary policy or political course or factors that significantly have been concerned or may contribute to significant, direct, or consequential activity of the Group

During the period under review, there were no factors of government, economic, fiscal, monetary or political factors that had a significant impact on the company's operations.

The main factors that may affect the Company's operations and how it manages the risk are described in the Risk Factors of this document.



5.4. Major news in Q1 2023

The following events and business news took place in Q1 2023:

30.03.2023

Disclosure of information about the finalization of the sale of the minority stake in Sirma AI.

28.03.2023

The Executive Director of Sirma Solutions JSC was a speaker at the „Fintech and Insurtech Summit”

24.03.2023

Sirma Medical Systems has joined the Bulgarian cluster for digital solutions and innovation in healthcare

14.03.2023

Sirma Solutions took part in the forum Finovate London

07.03.2023

Disclosure of information about the appointment of a financial controller.

01.03.2023

Disclosure of interim consolidated financial reports by Sirma Group Holding JSC for the period ending on 31.12.2022.

24.02.2023

The executive director of Sirma Solutions – Momchil Zarev and the director for strategic partnerships Mark Belane took part in the forum MWC Barcelona.

21.02.2023

EngView Systems Sofia joins The European Diemaker Association

20.02.2023

Sirma Group Holding started the disbursement of the interim six-month dividend for 2022.

16.02.2023

Publication of the Minutes of the GSM of Sirma Group Holding and notification for dividend payment.

15.02.2023

An extraordinary General Meeting of the Shareholders of Sirma Group Holding JSC was held

03.02.2023

The daughter company of Sirma Group Holding JSC – Sirma Solutions JSC disclosed that it plans to hire 100 new employees in 2023

30.01.2023

Disclosure of information about the purchase of 66 000 shares of Sirma Group Holding by the Chairman of the BD of Sirma Group Holding JSC Georgi Marinov.

26.01.2023

Disclosure of information about the sale of 1 400 000 shares of Sirma Group Holding JSC by the member of the BD of Sirma Group Holding JSC Atanas Kiryakov.

26.01.2023

Disclosure of information of a buy-back of 1 398 900 shares of Sirma Group Holding JSC.

23.01.2023

Disclosure of the interim individual financial reports of Sirma Group Holding for the period ending on 31.12.2023.

13.01.2023

Disclosure of the Invitation and corresponding documents for the GMS of Sirma Group Holding JSC



09.01.2023

Publication of the Minutes of the GSM of Sirma Group Holding and notification for dividend payment.

06.01.2023

Disclosure of the Invitation to a GMS of Sirma Group Holding JSC

5.5. Main legal information in Q1 2023

Transactions with shares for the period 01.01.2023 - 31.03.2023:

- **Buyback of shares**

By decision of the General Meeting of Shareholders of "Sirma Group Holding" JSC from 09.01.2023, on 25.01.2023 "Sirma Group Holding" JSC bought back 1 398 900 of its shares at an average price of BGN 0.71 per share at a total price of BGN 993 219. The shares represent 2.37% of the company's capital. The purchase was made on the Bulgarian Stock Exchange - Sofia AD.

- **Sale of shares by a member of the Board of Directors**

On 26.01.2023 in the office of "Sirma Group Holding" JSC a letter-notification was received from Atanas Kiryakov - a member of the Board of Directors of "Sirma Group Holding" JSC, stating that he has sold 1 400 000 shares from the capital of "Sirma Group Holding" JSC, through transactions made on the Bulgarian Stock Exchange - Sofia on 25.01.2023 at an average price of BGN 0.71 per share.

- **Purchase of shares by member of the Board**

On 30.01.2023 in the office of "Sirma Group Holding" JSC a letter-notification was received from Georgi Marinov – Chairman of the Board of Directors of "Sirma Group Holding" JSC, stating that he has bought 66 000 shares from the capital of "Sirma Group Holding" JSC, through transactions made on the Bulgarian Stock Exchange - Sofia on 27.01.2023 at an average price of 0.7779 BGN per share.

- **Finalization of a transaction on the sale of a majority stake in the subsidiary "Sirma AI" AD**

On 30.03.2023 all actions regarding the sale of shares from the capital of "Sirma AI" AD, which were owned by the subsidiary company "Sirma Solutions" AD, were finalized, according to the decision of the General Meeting of Shareholders of the majority owner "Sirma Group Holding" JSC, held on 15.02.2023, as follows:

- Subsidiary whose shares are subject to disposal: "Sirma AI" AD;
- Subsidiary company owner of the minority share package: „Sirma Solutions“ AD;
- Size of the minority package subject to disposal: 23.80% of the capital of "Sirma AI" AD;
- Transaction value: EUR 9 460 000;
- Buyers of shares:



Purchaser	Type of Shares	Number of Shares	Purchase Price Distribution (EUR)
European Bank for Reconstruction and Development , an international financial institution having its headquarters at Five Bank Street, London E14 4BG, United Kingdom (" EBRD ")	Common	1 179 908	6 960 000
	Class A	226 974	
OTX-Partner Korlatolf Felelossegu Tarsasag , a Hungarian limited liability company with registration number 01-09-410198 and having its registered address at 53 Alkotás utca, MOM Park C épület V. emelet, 1123 Budapest, Hungary (" PortfoLion ")	Common	338 946	2 000 000
	Class A	65 201	
Atanas Kostadinov Kiryakov , Member of the Board of Sirma Group Holding JSC, Bulgaria;	Common	84 905	500 000
	Class A	16 333	
Total:		1 912 267	9 460 000

As a result of the received cash and the transferred shares, the commitments of all parties to the transaction have been completed.

Litigation for the period 01.01.2023 – 31.03.2023:

There are no lawsuits filed against the company for the period.

Other legal information for the period 01.01.2023 – 31.03.2023:

- **Payment of six-monthly dividend**

At the General Meeting of Shareholders of "Sirma Group Holding" JSC, held on 09.01.2023, a decision was made regarding the distribution of a six-month dividend in the amount of BGN 889 thousand from the profit for the period 01.01.2022 – 30.06.2022 in amount of BGN 998 thousand.

- **Change of name and Board of Directors of subsidiaries of "Sirma Group Holding" JSC**

On 10.02.2023 "Ontotext" AD - a subsidiary of "Sirma Group Holding" JSC, changed its name to "SAI" AD and a new Board of Directors of the company was registered in the CR, composed of:

Tsvetan Georgiev Trenchev

Georgi Parvanov Marinov

Yordan Stoyanov Nedev

- **Held General Meeting of "Sciant" AD - a subsidiary of "Sirma Group Holding" JSC**

On 28.02.2023 "Sciant" AD - a subsidiary of "Sirma Group Holding" JSC, held a General Meeting of Shareholders, at which the following more important decisions were made:

- increase of the Company's capital from BGN 250 000 (two hundred and fifty thousand) to BGN 257 000 (two hundred and fifty seven thousand) by issuing 7 000 (seven thousand) ordinary registered voting shares with a nominal value of BGN 1 (one) each;



- part of the Company's net profit for 2022 in the amount of BGN 1 612 500 /one million six hundred and twelve thousand and five hundred/ to be distributed as a dividend to the shareholders, and the rest of the net profit for 2022 in the amount of of BGN 1 079.55 /one thousand seventy-nine leva and fifty-five cents/ not to be distributed and to be reflected as retained earnings.

5.6 Information for contracted large transactions in Q1 2023

In Q1 2023, the Group made several large contracts with customer and subcontracts, in connection with the new strategy of the Group:

Purchases:

- Deal 1 for BGN 3 960 thousand
- Deal 2 for BGN 601 thousand
- Deal 3 for BGN 397 thousand

Sales:

- Deal 1 for BGN 4 402 thousand
- Deal 2 for BGN 2 020 thousand
- Deal 3 for BGN 646 thousand

5.7 Information of the used financial instruments in Q1 2023

In Q1 2023 the company has not used any financial instruments.

5.8 R&D activity of the company in Q1 2023

The strategy for growth and development of the Group foresees the concentration of the intellectual property of the Group in the Holding company. This concentration also implies the concentration of the Group's research and development activities at Sirma Group Holding JSC. Implementation of this process started in 2018.

The total value of the investments made in research and development in Q1 2023 amounts to BGN 510 thousand.

5.9 Possible future development of the company

The forecasts for the development of the Information and Communication Technologies sector in 2023 and the following years are a function of the expected development of the health crisis, as well as of the effects caused by the ongoing military actions in Ukraine and the resulting economic crisis.

Although a direct impact of the war in Ukraine on the ICT sector is not expected, it will strengthen other risks for the global economy – inflation, volatility of exchange rates, difficult supply chains, geopolitical uncertainty. In addition, the BNB expects the postponement of the implementation of investment projects, the slow rate of absorption of funds under European programs and the delayed implementation of the National Recovery Plan to be associated risks in 2023. The annual budget has been prepared taking into account the current situation in order to maintain stable financial performance.

The Group is in a continuous process of searching for companies in which to invest in order to improve the profitability of the company's shares.

The Group reports liabilities on loans received. The Group does not expect its revenue to shrink to such an extent that it will affect its ability to repay its current borrowings.

5.10 Contracts under Art.240b of the Commerical Code in Q1 2022

During Q1 2023 the Group has not been notified for contracted transactions with the members of the Board of Directors or parties related to them, which fall outside the line of activity of the company or the terms of which differ substantially from the current market.



6 RESULTS BY COMPANY

DATICUM

- <https://www.daticum.com/>
- **Daticum JSC is a subsidiary of Sirma Solutions AD**
- **Capital:** BGN 2 302 049 divided into 2 302 049 registered materialized shares with a nominal value of BGN 1 with the right to vote, the right to dividend and a liquidation share according to the participation in the capital. Sirma Solutions JSC holds 1 392 740 shares or 60.5% of the capital.

Main markets:

Bulgaria, North and South America, Europe

Main clients:

The main clients of the company are the following industries - insurance, ICT, utilities, media and information services, industrial production, wholesale and retail, transport and courier services.

Main competitors:

International companies providing cloud services such as Amazon, Google (Alphabet), Microsoft, IBM and others. At the local level, competitors can be considered "Netera" OOD, "Evolink" AD, "Telepoint" OOD, "3DC" EAD, SuperHosting.BG EOOD

Business model of the company

The Company's core business model is to build infrastructure to provide computing resources for data processing and storage and to provide these resources for a fee to a wide range of customers who prefer not to maintain such infrastructure or have a temporary need for these resources.

Resources of the company

The company has the necessary resources and is able to invest in the development of its business without using debt capital.

New products, new business or business models for the period

The company focused on consolidating its market positions and expanding its IaaS and PaaS cloud services. Thanks to our partners, we can now offer a new Remote Backup as a Service, through which we can back up our data center data from client servers and end user devices regardless of their geographic location. Along with the increasing tendency of customers to use leased computing resources on a monthly use basis, there is a similar tendency on the part of the company's suppliers to switch to business models for the provision of licenses and services based on monthly consumption.

HR policy

Preserve current staff. Maintaining and increasing its qualification through training, courses and participation in affiliate programs. Staff costs are rising in line with an increase in business volumes by up to 10-15% per year.

Daticum in 2023

Business development in 2023 and realization of the investment plan

- Daticum continue to recover the level of revenues from before the announcement of the epidemiological situation and the subsequent negative results for the economy.
- Despite the crisis, Daticum continued to invest in upgrading and improving the cloud infrastructure, as well as the data center in general, in order to provide even better services to its customers.

Important events

- Daticum is actively developing its partnership with RIPE (<https://www.ripe.net/>), the regional internet registry for Europe, the Middle East and parts of Central Asia, successfully conducting training and certification of its employees.
- Daticum strengthened its marketing initiatives, with the aim of greater recognition of the company's brand. Site modifications were made in this regard, as well as Daticum's participation in various media. We have additionally strengthened our presence in the Internet space.

New clients:

- Daticum concluded a contract with one of the largest forwarders in Romania, which successfully uses the company's services for the needs of its business.
- One of the largest grocery chains in Northeastern Bulgaria - Bulmag, became a client of Daticum

Business development in Q1 2023 and realization of the plan

- The company's revenues from services in Q1 2023 exceed those in Q1 2022 by almost 16%.
- Total revenue for the quarter was just over 7% lower compared to the first quarter of 2022, but that was due to the fact that last year there was a large hardware sale during this period.
- The company's profit in Q1 2023 is 16% higher than in Q1 2022.
- The goods sold for less for the specific quarter than the previous year, but this is due to the fact that this is not the main business of the company, but a complementary service that is carried out when necessary.

Perspectives and forecasts for 2023



The war in Ukraine and its adverse economic consequences concerning the prices of fuels, electricity and hardware equipment further aggravate the global economic crisis.

The crisis with rising electricity prices will continue to negatively affect our services, especially in the colocation part.

More than 14% growth of the main revenues for 2023 is set.

Greater growth in usage of our cloud platform is expected at the expense of services such as colocation and hardware rental.

We expect the investments made in equipment and software to have their effect towards the end of 2023.

FINANCIAL RESULTS

	31.03.2023	31.03.2022/ 31.12.2022	Change BGN '000	Change %
Revenues	804	867	(63)	(7,27%)
EBITDA	331	297	34	11,45%
Depreciation	(73)	(74)	1	(1,35%)
Net Result	255	220	35	15,91%
EBITDA margin	41,17%	34,26%	6,91%	20,18%
Net Profit margin	31,72%	25,37%	6,34%	24,99%
Sales per share	0,3493	0,3766	(0,03)	(7,27%)
EPS	0,1108	0,0956	0,015	15,91%
ROE	0,0726	0,0676	0,005	7,49%
Total Assets	4 316	4 090	226	5,53%
Intangibles	273	281	(8)	(2,85%)
Book value	3 237	2 974	263	8,84%
Equity	3 510	3 255	255	7,83%
Total Liabilities	806	835	(29)	(3,47%)
Interest bearing	429	429	-	-
D/E	0,2296	0,2565	(0,03)	(10,49%)
ROA	0,0591	0,0538	0,005	9,84%

SIRMA SOLUTIONS

- <http://www.sirmasolutions.com>
- **Sirma Solutions is a subsidiary of Sirma Group Holding JSC**
- **Capital: BGN 35 370 800**

SIRMA SOLUTIONS IN 2023:

General information

"Sirma Solutions" JSC is a global provider of complex software systems, IT consulting and system integration, in various industrial verticals. Founded in 1992, the company is the largest in Sirma Group Holding JSC. Since its inception, Sirma Solutions has developed organically, thanks to the unique combination of innovative spirit, solid technology expertise and business flair.

The company specializes in the creation of corporate software systems and solutions, system integration and IT consulting for both specific industries and multi-industrial solutions. Sirma Solutions JSC is among the leading Bulgarian software developers, thanks to its excellent reputation, proven expertise and comprehensive know-how used in software product development and the successful implementation of numerous complex projects for clients on a regional and global scale.

Sirma Solutions also specializes in hardware delivery, infrastructure development, cloud services and virtualization.

The company maintains excellent relationships with leading software and technology vendors for the fastest growing



industries, as well as independent software companies. Also, there are excellent interactions with the other holding company, which ensures the successful realization of projects, regardless of the degree of complexity. Depending on the size and complexity of a project, the company has access to an expanded range of resources from over 500 people.

Sirma Solutions is Microsoft Gold Partner, IBM Advanced Partner, Oracle Gold Partner, HP Preferred Gold Partner, and so on. The company is certified to ISO 9001: 2015 and ISO 27001: 2005 to meet the regulatory and contractual requirements in terms of security and data integrity and IT management.

Business activity of Sirma Solutions in Q1 2023

General

Despite the forecasts for the growth of the ICT market in 2023, a large number of users are concerned due to the numerous risks facing economic growth. This is the reason behind the slowdown, postponement or complete termination of orders in the sector. Despite this stagnation in the first quarter of 2023, Sirma Solutions JSC managed to increase its sales by 16.6% compared to the first quarter of 2022.

From the beginning of 2023, the administrative fees that Sirma Solutions JSC pays monthly to Sirma Group Holding JSC were greatly increased. They are now a function of sales volume. In parallel with this, the remuneration of the company's employees was also increased, as a compensation for the high inflation in the past year. These factors also led to a loss for the company in the first quarter of 2023, despite the increased revenues. The increase in the prices of the products and services of "Sirma Solutions" JSC and sustainability of the increased sales should compensate for this lag during the year.

Market in North America

Over the years, Sirma Solutions has managed to build an excellent name on the market for software services in the United States, as the teams in Bulgaria and the United States manage to deliver them efficiently and on time without a failed project. This leads to a high percentage of loyal sustainable business (over 80%). We believe that our existing contracts are low to medium risk for continuity or in other words, we do not expect existing customers to change our services with other competing companies.

Sirma maintains and develops its position on the American market. The increase in the prices of our services, which we carried out in 2022, remains sustainable in the beginning of 2023.

In the first quarter, work continued on projects launched last year - the PureInfluencer platform (powered by Kanin.io

technology), the 1Health.io platform (a platform to connect their customers / suppliers / partners), automotive projects for development of software for monitoring the process of car service and for the development of a universal multi-channel communicator customer-dealer).

Work also continues on a start-up project for Kayzor, Florida to build an online car sales platform. A year's worth of work on the latter culminated in March 2023 with the launch of our client's QoreAI platform. It is already used by several major car dealers in the US.

North American sales revenue of Sirma Solutions JSC in the first quarter amounted to 17% of the company's total sales, which were entirely the result of "sales of services".

European Market

The ICT market in Europe was relatively frustrated in the first quarter of 2023. The reasons for this are several bank bankruptcies in the USA and Switzerland, rapidly rising interest rates and fears of an impending more massive crisis. It is exactly the financial sector that is postponing or completely canceling its plans for digital development.

Despite the trend described above, the unit responsible for the business in Europe almost managed to achieve its sales targets.

In the first quarter of 2023, work continued on the active projects from 2022, such as:

- Implementation of an innovative chatbot solution in a large bank in Bulgaria;
- Implementation of a solution for regulatory reports;
- Support of the IT equipment for the data center of one of the leading 5 banks in Bulgaria;
- Temenos online portal for SaaS services;
- Development of an administrative platform for working with large travel agencies;
- Development of an online payment system for a bank in Spain.

In the first quarter, the registration of a new subsidiary in Stockholm, Sweden - Sirma AB - was prepared. The company will be commercially driven with a focus on the dynamic Nordic and DACH markets. We can expect its registration and results of its activity in the coming quarters.

Public sector



New projects in the Public Sector in the first quarter of 2023 were not many. The main reason can be the political instability in the country and, accordingly, the lack of development in the Bulgarian public and municipal sector.

However, in the public sector, in the first quarter of 2023, active work continued on the long-term projects won in 2021 and 2022:

- construction of the overall IS for managing the activity of the Financial Mechanism Office (EEA Grants, Brussels),
- the step-by-step construction of the MusIT IS for managing Music Author's activities;
- the development of the system for electronic protocols at the NHIF.

The provision of warranty and out-of-warranty support for all key state IT systems developed by us also continued:

- out-of-warranty maintenance of the Bulgarian State Railways' (BDZ) operating system
- the overall IS of the NSCRLP, supporting the LP registers and playing a key role in the field of electronic health care,
- Updating the system for applying in kindergartens and upgrading the system to also manage the application process in first grade;
- Migration to Oracle Cloud on Premise of a large company in the aviation industry.

Upon formation of a regular working government by the Bulgarian parliament in the period May-June 2023, there is a potential for the public sector to receive some stimulation in the last quarter of the year.

System integration

In 2023, the system integration team renewed partner status with vendors such as:

- Cisco Systems
- Palo Alto Networks
- Oracle

In the first quarter of 2023:

- We concluded a contract for system integration and supply of equipment to a large fintech company with operations in Great Britain and Bulgaria;
- We delivered more than 1,000 mobile and desktop computers mainly to our clients from the fintech industry, and for the first time we have such a delivery of 120 computers in a Latin American country;
- We concluded a 3-year contract for our client worth over BGN 3.5 million for the sale and integration of the new add-on to the Cisco portfolio, namely Cisco AppDynamics;
- In strong competition from local and European companies, we have renewed several annual support contracts for VMWare, Cisco, F5, Paloalto, RedHat, HPE, IBM, Immersive Labs, Lenovo, Imperva, Veeam and others in several of our main customers for a total value of more than BGN 2.5 million;
- We replaced servers for BGN 500 thousand in a data center of one of our client banks.

The logistics crisis led to a global shortage of components (chips) necessary for the manufacture of computers, servers and communication equipment. At the same time, inflation has severely reduced the purchasing power of customers. This has led to delays in deliveries, postponement of contracts or termination of integration intentions altogether.

Despite the difficulties it created, the system integration business unit managed to achieve the set goals for the first quarter of 2023.

FINANCIAL RESULTS



	31.03.2023	31.03.2022/ 31.12.2022	Change BGN '000	Change %
Revenues	10 962	9 146	1 816	19,86%
EBITDA	141	1 114	(973)	(87,34%)
Depreciation	(477)	(249)	(228)	91,57%
Net Result	(333)	702	(1 035)	n/a
EBITDA margin	1,29%	12,18%	(10,89%)	(89,44%)
Net Profit margin	(3,04%)	7,68%	(10,71%)	n/a
Sales per share	0,3099	0,2586	0,05	19,86%
EPS	(0,0094)	0,0198	(0,029)	n/a
ROE	(0,0094)	0,0197	(0,029)	n/a
Total Assets	49 055	52 717	(3 662)	(6,95%)
Intangibles	5 533	5 867	(334)	(5,69%)
Book value	29 820	29 819	1	0,003%
Equity	35 353	35 686	(333)	(0,93%)
Total Liabilities	13 702	17 031	(3 329)	(19,55%)
Interest bearing	705	3 678	(2 973)	(80,83%)
D/E	0,0199	0,1031	(0,083)	(80,65%)
ROA	(0,0068)	0,0133	(0,0201)	n/a

SIRMA INSURTECH AND HRM SOLUTIONS

“Sirma InsurTech” AD is a subsidiary of “Sirma Group Holding” JSC

- Share Capital: BGN 396 000

Shares:

- Ordinary Shares, Number: 396 000, Nominal: BGN 1.
- “Sirma Group Holding” JSC owns 87,65% of the capital of the company.

The company has been part of Sirma Group since the beginning of July 2022, with the main goal of concentrating within itself and developing the technological and business knowledge of Sirma Group in the field of insurance.

Conditions for the business development in Q1 2023

Sirma InsurTech operates in the financial non-banking sector, with the main focus on insurance. Insurance companies, as well as Brokers, are in their early stage of digital business transformation, which in recent years was catalyzed as a process mainly by the pandemic Covid situation, but also by the change in the profile and requirements of users of insurance services. In order to continue to exist and to meet the needs of their increasingly demanding customer, otherwise rather clumsy and resistant to change, insurance companies are forced to turn to consulting services and new technological solutions that the IT sector offers, building long term partnership and business.

The company has its almost 20-year rich history in consulting services in the IT sphere, as well as in the implementation and development of software solutions for business management. The main expertise and experience is in the

field of insurance as a specific area of non-banking financial services. On the one hand, the company continues to be a trusted partner of its current customers on the way to the digitization of their business processes, and on the other hand, the specific know-how in the field became the basis for creating the first own product (Sirma InSuite), developed on the basis of the Creatio platform. The product aims to help insurance companies easily integrate a CRM solution with existing insurance systems, which will lead to the automation of part of the business processes and increase efficiency, while at the same time improving the customer experience and increasing their satisfaction. The solution can be implemented in any existing ecosystem at an extremely competitive price, taking into account all the specifics of the business process and relationships between the entities of the particular insurer. A potential customer is any insurance company, regardless of its location, product portfolio or size. The solution can also be used by Brokers or other types of insurance intermediaries. The model of use of the solution is on a subscription, license basis. The initial implementation will be done by the Company's team, and the one-time price for implementation and configuration will be estimated according to the specific client and the scope of the project.



The creation of Sirma InSuite was made possible thanks to the company's partnership with CREATIO. The team includes certified consultants, architects and developers who have the necessary knowledge and skills to implement standard CREATIO solutions for any business other than insurance.

Another business line is the development of custom solutions in the field of insurance. The company has a team that has developed legacy systems for life insurance and pension insurance. Bespoke solutions continue to occupy an extremely large share in insurance companies, due to the specifics of each individual company.

Regional and international factors, reflected on the business of the company

The company has business in Bulgaria and potential for development in Europe, as the solutions it offers for insurance are applicable in any type of company, regardless of the location and the specifics of the environment. The processes that catalyze the digital transformation of insurers are the same in Bulgaria and around the world, and the solution we offer can become part of any existing ecosystem.

At the European level, Sirma InsurTech is the only representative of CREATIO that has specific expertise related to insurance.

Business development in Q1 2023 and realization of the investment plan

In Q1 2023, Sirma InsurTech continued to fulfill its strategic objectives:

- Continued work on pushing the product into the Creatio ecosystem. We participated in an internal Marketplace circle event aimed at promoting partner solutions on the platform

"HRM Solutions" EAD is a subsidiary of "Sirma InsurTech" AD

- **Share Capital: BGN 150 000**

HRM Solutions has been part of Sirma Group since July 2022, and is a subsidiary of "Sirma InsurTech" AD, with the main goal of concentrating and developing Sirma Group's technological and business knowledge in the field of human resources management, resources and personnel administration.

Conditions for the business development in Q1 2023

The company provides an electronic employment file solution. In the market, especially after the pandemic in 2021, there is an increased desire to digitize employer-employee communication. There is a clear legal framework that regulates the order in which this can happen.

The company has been offering the sHRedy product since September 2020. For these 2 years, there has been a very serious interest in the product and it is the most recognizable on the market, mainly because of the very serious work on building the brand.

- We successfully completed an implementation project in Global Services Bulgaria.

- Bulstrad Life's system was migrated onto their infrastructure in connection with specific requirements for insurers in terms of risk management.

- Signed a contract to participate as a sponsor in No Code Days in Fort Lauderdale Florida. The package includes a stand and presentations. The main target is finding partners to offer Sirma InSuite to insurance companies.

Currently, we have open negotiations with Generali Slovakia, Uniqa Romania, LevIns Bulgaria, Wiener Serbia, NetRisk Group Hungary, Groupama Bulgaria, Unicredit Bulbank.

Ongoing implementation of an insurance solution based on CREATIO in Bulstrad Life, which covers health insurance.

The company continues to rely on a stable and sustainable model of selling products with a monthly license fee, rather than relying on large one-off deals that are more difficult to predict.

The company continues to develop the team and its specific expertise in the field of CREATIO solutions.

Perspectives and forecasts for 2023

The company relies on the volumes generated by existing customers (Vienna Insurance Group) as well as the acquisition of new ones made possible after the acquisition by Sirma. The company is in advanced talks with Lev Ins and Grupama Insurance in Bulgaria. Contacts have also been made to start a partnership with Infosys.

Shares:

- **Ordinary Shares, Number: 150 000, Nominal: BGN 1.**
- **"Sirma InsurTech" AD owns 100% of the capital of the company.**

The solution is aimed at companies with more than 80 employees. The usage model is subscription-based, with a one-time cost for configuration and deployment.

sHRedy is the first product that integrates all the necessary qualified authentication services required by the Ordinance for electronic employment records within itself.

The product is also positioned well with the existing customers to date – Telus, KPMG IT, Soitron, Nexo, Software Group, Tavex.

Regional and international factors, reflected on the business of the company

The company has business in Bulgaria and this is the main location we are targeting at the moment. There is potential to upgrade with additional functionalities available in other group companies (HRistina) and potential for development in Europe, but there are a number of differences in the legislation and treatment of signing and service in the other EU countries.



Business development in Q1 2023 and realization of the investment plan

In Q1 2023, HRM Solutions continued to fulfill its strategic goals:

- 2 new clients were attracted
- More than 100 demonstrations were conducted with customers, and in the mass case the active party was the customer.
- Participation in the annual BAUH conference with a discussion panel on the subject of electronic employment records.
- Conducting a campaign together with Eurotrust AD regarding the need for the Electronic registered mail service when implementing an electronic employment file.

At the moment, we have open negotiations with a number of large companies: Experian, Lidl and Schwartz IT, Talia, Newway, Würth.

It is being implemented in several clients in parallel, and in order to speed up the implementation processes, we have changed the terms of the contract, and the entire value is paid in advance. Our expectation is that this will engage the client's team to a greater extent, resulting in a faster completion of the implementation.

- The company continues to rely on a stable and sustainable model of selling products with a monthly license fee

Partnered with Survey Sparrow to integrate 360-degree staff assessment at Shreddy. So far, interest has been expressed in signing a contract with two more clients in 2023 – Soitron and Tavex.

FINANCIAL RESULTS

Sirma Insurtech

	31.03.2023	31.03.2022/ 31.12.2022	Change BGN '000	Change %
Revenues	541	545	(4)	(0,73%)
EBITDA	(82)	(41)	(41)	100%
Depreciation	(26)	(26)	-	-
Net Result	(114)	(70)	(44)	62,86%
EBITDA margin	(15,16%)	(7,52%)	(7,63%)	101,48%
Net Profit margin	(21,07%)	(12,84%)	(8,23%)	64,06%
Sales per share	1,3662	1,3763	(0,01)	(0,73%)
EPS	(0,2879)	(0,1768)	(0,111)	62,86%
ROE	(5,7000)	(0,5224)	(5,178)	991,14%
Total Assets	1 824	1 653	171	10,34%
Intangibles	570	456	114	25,00%
Book value	(550)	(322)	(228)	70,81%
Equity	20	134	(114)	(85,07%)
Total Liabilities	1 804	1 519	285	18,76%
Interest bearing	290	277	13	4,69%
D/E	14,5000	2,0672	12,4328	601,44%
ROA	(0,0625)	(0,0423)	(0,0202)	47,59%



HRM Solutions

	31.03.2023	31.03.2022/ 31.12.2022	Change BGN '000	Change %
Revenues	122	14	108	771,43%
EBITDA	64	6	58	966,67%
Depreciation	(14)	(14)	-	-
Net Result	48	(8)	56	n/a
EBITDA margin	52,46%	42,86%	9,60%	22,40%
Net Profit margin	39,34%	(57,14%)	96,49%	n/a
Sales per share	0,81	0,09	0,72	771,43%
EPS	0,3200	(0,0533)	0,37	n/a
ROE	0,3288	(0,0816)	0,41	n/a
Total Assets	883	910	(27)	(2,97%)
Intangibles	817	810	7	0,86%
Book value	(671)	(712)	41	(5,76%)
Equity	146	98	48	48,98%
Total Liabilities	737	812	(75)	(9,24%)
D/E	5,05	8,29	(3,24)	(39,08%)
ROA	0,0544	(0,0088)	0,06	n/a

ENGVIEW SYSTEMS SOFIA

- **EngView Systems Sofia JSC is a daughter company of Sirma Group Holding JSC**
- **Capital : BGN 68 587.**

Shares: **68 587 ordinary named voting shares, with right to dividend and liquidation share, proportional to the participation in the capital.**

Sirma Group Holding owns 50 000 shares or 72,9 % of the company capital.

EngView Systems Sofia JSC is a joint-stock company, member of Sirma Group, with main activity - development of software products.

EngView Systems in Q1 2023

Conditions for business development in Q1 2023

EngView Systems operates in two main markets that of software and hardware solutions in the field of Metrology and Quality Management in the production of metal products, as well as software for video measuring machines in partnership with manufacturers, and complete solutions for automation and management of the production process of the packaging industry. The company works with manufacturers of packaging and displays around the world, served by a developed and

expanding network of distributors and partners, as well as our own offices in Brazil, Germany and USA.

A large share of packaging production remains in the established offset printing segment. The spread of digital technologies is happening at an ever-increasing pace and more and more companies are investing in digital printing and production machines. New niche markets are being formed, related to personalization, small circulations of cardboard and corrugated packaging, products for advertising purposes and better visualization of selected brands (shelves) or entire structures, exhibition stands, shows, printed and cut from thick materials (Rigid Board). In Europe and the United States, there is a trend for the entry and production of materials and products from them, which are directly related to nature conservation and are environmentally friendly and easily recycled.



This determines the direction of the predominant investments in the packaging industry - along with those in machines, companies from different niches are looking for solutions to further save time and resources, modernize their production to improve their competitiveness, and follow modern technologies that improve the relationship with the customer and optimize the order channels. Such solutions are Internet and cloud-based solutions for communication with customers and shortening the Order-Delivery cycle (web-to-print, web-to-pack), which become possible precisely in combination with new digital technologies.

In the market of technologies for monitoring and quality management of mass production, there are growing trends towards digitalization of processes. This is determined by the mass penetration of new modern technologies for measurement and communication, as well as the growing availability of instruments based on such technologies.

Confidence in cloud-based technologies and SaaS solutions is also increasing. The advantages of this type of solutions such as quality of service, accessibility for a wide range of users, accelerated exchange and fast access to information, replacement of many analog processes with digital ones, the ability to quickly make accurate informed decisions based on real data and analysis, determines the future trends and market demand for such solutions and related to their work measuring equipment.

Another driving factor is the growing competition among metal manufacturers and their desire to expand their markets. This is possible only if the highest quality criteria are set and the ISO 9000 standards are met. More and more small and medium-sized companies strive to achieve this standard and this causes the demand for products that digitize processes and provide opportunities for successful management of quality.

EngView Systems successfully develops its products in its two main areas for the packaging and video measuring industries. In recent years, the company has invested in the development of new products based on its already implemented solutions and the accumulated knowledge and expertise in individual niches. They meet the latest trends, as well as customer requirements for high-quality software capable of accelerating production, increase sales through optimization and maintenance of additional processes. The company's marketing efforts combine both the traditional way of branding, advertising and product positioning, as well as new trends in digital marketing, online demonstrations, multimedia, participation in panels, etc.

The company continues to develop its core product for the packaging industry - the Packaging Suite. At the end of the third quarter of 2022, a major version 8 of the product was implemented, with new functionalities to support the workflows of printers, packaging or display manufacturers, die makers and advertising agencies. Through the built-in new and modern technologies, customers can count on augmented reality, realistic 3D visualization through PBR (physical based

rendering) and file exchange through a cloud-based base. The prices of modules and configurations were increased. A campaign to upgrade customers with old versions has begun, and this continued into the first quarter of 2023. The company is increasingly emphasizing the signing of paid maintenance contracts to ensure constant and easily predictable revenue for subsequent periods.

The purchase of services on a subscription basis is a very important trend in the global market in the last few years. This is due to the advent of cloud technology and the ability to sell even very complex software products as services rather than licenses. This makes them more affordable both in terms of price and in terms of time to master and start in real business. For this reason, SaaS sales are growing rapidly, and the pressure on suppliers to offer this type of service is growing.

After launching the policy of offering the software on a subscription basis in 2021, during 2022 and in early 2023 customers benefit from this model with smaller but ongoing payments for EngView Suite licenses. More and more customers are starting to use the software without the need to make a large investment or bear a large risk. Since this model relies on a large number of subscribers to reach the turnover of selling the software, the company still maintains its old sales model. However, in the revenue part, purchases of permanent licenses have a larger share, but in the long term this trend should reverse. From the beginning of 2023, the contract to replace the payment of royalties by Heidelberg with the payment of rent for the use of the software by their end customers came into force.

The company's expectations are that an increasing number of customers will prefer this type of software usage due to the small investment and the possibility to install the latest versions of the products within the lease. 2023 is the year EngView will invest in online products based on CAD technology. The company hopes that through the realization of online products aimed at different types of users from the packaging industry, this product will also be found to be useful for the mass consumer.

Development of the core CAD API-based technology to offer developments integrated with other products or platforms continues. The first pilot client in Bulgaria has already integrated parts of the main system into its own online store, with the use and payment model being pay per use.

New mechanisms, partnerships and representations around the world are also being sought to increase brand recognition, increase sales and search for new niche markets. In the first quarter of 2023, a new VP Sales and Marketing at EngView USA started working, whose goal is to increase sales and better organize the marketing of the main products in North America. Attending several major shows, as well as signing new contracts with partners in the region, video recording of major functionalities, booking a booth at two shows in the fall, are the main highlights of the company's first 3 months in the US.



Products oriented to Metrology and Quality Control such as ScanFit&Measure and mCaliper, TurnCheck are also being developed.

For mCaliper, unfortunately, sales are still minimal, but the company continues with its marketing activities to find suitable customers. Sales continue to be sporadic and insufficient.

Online demos of ScanFit&Measure are being held and for 2023 the company is developing more functionalities and conducting marketing more aggressively to reach more distributors and customers. Sales of this product are increasing, campaigns continue worldwide. In the summer, the company will participate in a large exhibition in China with its own stand, trainings are being conducted and new employees are being sought for the team to cover the needs for support, training and development.

Regional and international factors influencing the business of the company

The first quarter of 2023 was successful and the sales made marked growth for all products. This is due both to the efforts and investments in marketing and sales, as well as to the opening of new market niches, new partnerships and new functionalities.

From last year until now, specialized sales campaigns have been carried out for different regions of the world and for different products from EngView's portfolio. An external specialized company is used, which carries out both targeted branding and sales activities.

The company develops all its products in Bulgaria, but has a network of distributors all over the world, as well as its own offices in the USA, Germany and Brazil. The factors influencing the business are mainly related to the saturation of the market with competitive products or the degree of development of the given market. Still a major share of software sales for the packaging industry is generated in Europe. The new partnership with an English plotter manufacturer was successful, for which EngView rebranded its CAD software, which will be sold to everyone who purchased the plotter.

EngView as one of the leading names in the packaging industry works with strategic partners from Germany Heidelberg for which new versions of their products are developed every year for the printing industry and from the USA - QVI for their video measuring machines. EngView has been working with both companies for years, consolidating its

positions by providing quality and modern software for their customers. The company is investing in a new QVI solution in 2019 and 2020 - Turn Check. New licenses were ordered in 2023, and it is expected that they will increase by the end of the year.

Business development and investments in Q1 2023

In the first quarter of 2023, the company continues to develop its products and prepare for more online services and developments. Work on the online product for daymakers, as well as new online products, began already in the first days of the new year, and a new basic version of the CAD product was implemented. In 2023, the product management will change the policy for the implementation of new versions, as a Continuous development model will be followed, through which all customers with a contract or leased software will receive a new version at least once a year.

The company is gradually increasing its capacity and resources for innovation developments in the two areas in which it operates. In 2023, the company seeks to increase its teams and hire new employees, activities are planned to retain key personnel.

The German company EngView Systems GmbH hired and trained a new person to handle customer support. The company is still young, but it is already successfully establishing its name and making sales. There is already a website in German, we are working with an external company for searching for new customers, processing leads and conducting specialized campaigns. In the last working days of 2022, a contract was signed with a German company for the development of an integrated solution in the field of design and production of displays, which will be implemented in the first quarter of 2023 and will continue until the end of 2023.

In Brazil, it is established as the main sales model through the subscription principle. Sales from there have increased compared to last year, and we hope that this trend will continue in the coming periods.

In Canada, a new entity is expected to be launched in the second quarter of 2023, while documents are being prepared to purchase an existing business there.

Perspectives and forecast for 2023

Revenues are expected to increase on an annual basis in 2023. There is a moderate investment interest in all niches and industries in which the company operates, but nevertheless, EngView is working to successfully position and increase sales of its products in which it has invested in recent years.



FINANCIAL RESULTS

	31.3.2023	31.3.2022/ 31.12.2022	Change BGN '000	Change %
Revenues	1 178	747	431	57,70%
EBITDA	552	95	457	481,05%
Depreciation	(204)	(198)	(6)	3,03%
Net Result	348	(111)	459	n/a
EBITDA margin	46,86%	12,72%	34,14%	268,46%
Net Profit margin	29,54%	(14,86%)	44,40%	n/a
Sales per share	17,0725	10,8261	6,25	57,70%
EPS	5,0435	(1,6087)	6,65	n/a
ROE	0,0622	(0,0212)	0,08	n/a
Total Assets	6 316	5 954	362	6,08%
Intangibles	3 502	3 440	62	1,80%
Book value	2 091	1 794	297	16,56%
Equity	5 593	5 234	359	6,86%
Total Liabilities	723	720	3	0,42%
Interest bearing	287	287	-	-
D/E	0,0513	0,0548	(0,004)	(6,42%)
ROA	0,0551	(0,0186)	0,074	n/a

SIRMA BUSINESS CONSULTING

- <https://sirmabc.com/>
- **Sirma Business Consulting is a subsidiary of Sirma Solutions**
- **Capital: BGN 2 539 768**

Sirma Solutions holds 1 077 048 pcs. Class A shares and 296 500 Class B shares or 54.08% of the company's capital and 55% of the voting shares.

Sirma Business Consulting (SirmaBC) is a subsidiary of Sirma Solutions JSC, which is highly specialized in the provision of software products and services in the financial sector. The SirmaBC implements Universal Banking Solutions (UBS) individually or based on the FlexCube (Oracle platform). This is a complete banking solution which has received worldwide recognition as one of the most preferred systems in the banking and financial industries.

The range of services provided by the company covers mainly banking, retail and wholesale banking, regulatory compliance and risk management as well as the whole range of implementation and advisory services. SirmaBC is the third largest holding company and accounts for about 20% of revenue.

SirmaBC was established as a consolidated unit in 2007 and has since become one of the leading technology players in the financial sector. The company has been established not only in the local market, but has continued to seek to increase its presence on international markets, especially in

Europe, North and South America, Asia and the Caribbean. SirmaBC has a team of highly specialized professionals with complementary expertise in the financial field. This helps to develop a wide range of products designed to respond to growing demand and evolving industry trends tailored to the banking and financial industry specification both locally and globally.

Conditions for business development in Q1 2023

The realized revenue for the first quarter is significantly better compared to the same period in 2022. While the revenue realization is in an improving gradation, there is still uncertainty and delay in generating "new" projects and income. There is a positive trend in catching up with the plans for the implementation of the company's current projects and unfulfilled joint commitments with customers for delivery.

In any case, several serious challenges are emerging for the company that delivers solutions and services to financial players:



- Price adjustment of the offered services and products.
- Finding and retaining highly qualified personnel within the Bulgarian market.
- Adaptation of the business model and approaches in project implementation.
- Adaptation of existing solutions in the company's portfolio to meet new regulatory requirements and trends in the direction of robotization of digital operations and processes. The advent of artificial intelligence and machine learning technologies to optimize service delivery times for end customers will lead to new demand, but also lead time for new projects.

SirmaBC will continue to be focused on providing IT and consulting services and products, and the first half of the year, in addition to active actions to stabilize several ongoing projects, will focus on offering versions of the FlexCube banking system and opening all systems to solutions that give possibility of implementation of "Open banking" API based services with which the plans in the direction of "Open digital business" are realized.

Regional and international factors, influencing the business of the company

Macro environment

The development of the financial market in Bulgaria in 2023 will depend on many factors, both internal and external to the country. Among them are the economic crisis in Europe, political instability in the region and the country, energy security and unclear plans for the country's accession to the Eurozone. According to financial analyses, Bulgaria is on the verge of a severe financial blow due to the reduction in the consumption and production of electricity, as well as the export of electricity.

Military actions on the territory of Ukraine and the accompanying trade war affect the prices of energy resources, metals and commodities, which in turn affect inflation internationally. In addition, Bulgaria will have to deal with pressure from international organizations to limit arms exports from the Rose Valley, which is an important source of foreign exchange for the country.

An increase in interest rates and a devaluation of any of the major currencies creates additional uncertainty in the financial market and opens many questions for companies that provide services and in addition to market risks, interest rate and currency risk will have to be managed.

In the country, appetites, intentions and real actions to consolidate the banking and financial market continue, which conditions on the one hand the competition between the many relatively small players and on the other hand provokes an active dialogue for the consolidation of the companies in the market.

Bulgaria will very quickly either resume actions to join the Eurozone (by fulfilling the convergence criteria) or postpone the process indefinitely. All this depends on the possibility of forming a regular government. In conclusion, the financial market in Bulgaria in 2023 will be challenging and require

adaptation and reforms, which also implies a limitation of investments in innovations and new projects.

The trend continues to expand the business volume of companies and support centers with investments and employers from the USA, Canada, Germany and England, which significantly raise the average salary in the industry and additionally pump resources into projects that are focused in other markets.

Industrial vertical

The development of the IT business in Bulgaria until the end of 2023 is connected with a number of challenges and opportunities. On the one hand, the sector needs a skilled workforce, modern infrastructure and an appropriate regulatory environment, which continues to lag behind. The lack of reforms is directly dependent on the lack of a regular government, which, in addition to making the environment unstable, leads to a loss of focus and a lack of fresh foreign investment. On the other hand, the IT business can take advantage of various funding programs, such as European funds, but this too will be inert in the absence of political trust and stability. The delay of the negative effects in the European economy and the ongoing military conflict will be a prerequisite for increasing inflation and reducing projects. The IT sector will continue to grow until the end of 2023, albeit at a slower pace, and although it will reach a turnover of over BGN 10 billion by the end of the year, it will face a huge challenge of an impending recession.

The lack of stable government management, global conflicts, inflation puts pressure on all companies in the IT industry. One part of which is directly affected and dependent on government contracts and projects and another part, because of the tension of the public climate and uncertainty about the tax and fiscal policy of a future regular government. The problems with this defocusing of working resources are invisible at the national level, but they significantly exhaust the mainly nationally oriented players, in which category SirmaBC also falls.

In the long term, we will have to completely change the final price for customers or seek to enter foreign markets by providing services on an isleme basis or renting out resources.

New clients, projects, products and services in Q1 2023

- Clients

All the company's clients show and declare that they are partially or strongly affected by the uncertain financial framework, inflationary processes, military activities and the shortage of energy resources, as well as the late or lack of financial measures to overcome them. In practice, there are very few new projects and new revenues for the company. The only sources of fresh and new revenue are resources that are submitted for expert work on client projects on a time worked basis.

At the beginning of 2023, SirmaBC finalized the conclusion of several maintenance contracts and several new initiatives for the renewal of electronic channels at customers. The



company is actively working on the implementation of all planned changes within the framework of payment standards and the national plan for switching to the euro and using ISO 20022.

- Projects

The implementation of started projects continues, including the two parallel implementations of major banking systems and several projects for the implementation of payment and other satellite solutions, which cover: "RepXpress", "ceGate" and "UBX Suite", DIGI Bank.

- Products

The company is actively trying to advertise and distribute the first versions of:

- Open banking API hub, which implements the BISTRA standard for all services in the scope of PSD2;
- Up2Pay - a payment software terminal that resides with a mobile application provider or as a Plug-in for a web site;
- Up2Seal - a portfolio for generating one-time passwords and codes, which also serves as an advanced electronic signature and provides SCA, which is within the meaning of the Payments Regulation.

- Services

The company positions a package of consulting services for analysis and documentation regarding the selection of digital

FINANCIAL RESULTS

	31.3.2023	31.3.2022/ 31.12.2022	Change BGN '000	Change %
Revenues	1 108	895	213	23,80%
EBITDA	8	(105)	113	n/a
Depreciation	(81)	(75)	(6)	8,00%
Net Result	(87)	(181)	94	(51,93%)
EBITDA margin	0,72%	(11,73%)	12,45%	n/a
Net Profit margin	(7,85%)	(20,22%)	12,37%	(61,17%)
Sales per share	0,4362	0,3524	0,08	23,80%
EPS	(0,0343)	(0,0713)	0,04	(51,93%)
ROE	(0,0336)	(0,0676)	0,03	(50,32%)
Total Assets	4 503	4 577	(74)	(1,62%)
Intangibles	1 313	1 211	102	8,42%
Book value	1 276	1 465	(189)	(12,90%)
Equity	2 589	2 676	(87)	(3,25%)
Total Liabilities	1 914	1 901	13	0,68%
Interest bearing	105	105	-	-
D/E	0,0406	0,0392	0,001	3,36%
ROA	(0,0193)	(0,0395)	0,02	(51,14%)

solutions. The methodology used is based on Assist Knowledge Development and the British Business Analysis Association.

Perspectives and forecasts for 2023

Despite some positive signals for the improvement of the economic climate and the relaxation of strict health and social restrictive measures, the stagnation and inertia of financial players does not suggest a quick recovery and revival of the market. The uncertain environment and redirection of part of the resources in the company to work for rent, makes it difficult to predict the financial framework and business development for 2023.

In the budgeted new revenues for the company, the share of revenues that are related to adaptation and changes in customer systems, which will have to respond to the legal changes for Bulgaria's accession to the Eurozone, is increasing. In addition, increased revenue is expected from the new reporting frameworks being introduced.

The expected revenue growth in 2023 will catch up with the company's goals in a medium-term horizon of 2-3 years. The financial macro framework for the company will be in the range of BGN 5.2 million revenues and BGN 250 thousand EBITDA.

Retention of all employees and customers will be key to the successful implementation of all the company's plans, which must go with a clear policy and communication for increasing the prices of the provided solutions and services for all directions in the company's portfolio.



SIRMA GROUP INC.

- <http://panatonsoftware.com/>
- Sirma Group Inc. is a subsidiary of Sirma Solutions

Forecast for 2023

We expect that the economic volatility which occurred during 2022 will impact our business in 2023. The war in Europe, high inflation and interest rates in the US, the crypto death-spiral, the significant layoffs in the tech sector and the inconsistent performance of the stock market are causing our clients to spend less and to delay expansion projects. We have seen one of our smallest startup clients go out of business and one short-term media client cancel planned product features. We expect this shrinkage trend to continue through 2023.

We have been fortunate to have clients in somewhat recession-proof vertical segments – healthcare, cybersecurity and financial services. We expect that by Q2 of 2023, the venture investment in technology to accelerate significantly, as funds are sitting on large cash positions that have to be put to work. We are in a very advantageous position this year regarding our ability to market our services to startups and small businesses. In 2022 seven of the companies with technology we built from the ground up raised money (3) or were acquired (4), and not with "down rounds" or at "fire sales".

FINANCIAL RESULTS

	31.3.2023	31.3.2022/ 31.12.2022	Change BGN '000	Change %
Revenues	2 148	2 973	(825)	(27,75%)
EBITDA	(7)	1 440	(1 447)	n/a
Depreciation	(1)	(2)	1	(50%)
Net Result	(14)	1 434	(1 448)	n/a
EBITDA margin	(0,33%)	48,44%	(48,76%)	n/a
Net Profit margin	(0,65%)	48,23%	(48,89%)	n/a
Sales per share	0,0996	0,1378	(0,04)	(27,75%)
EPS	(0,0006)	0,0665	(0,07)	n/a
ROE	(0,0016)	0,1898	(0,19)	n/a
Total Assets	10 451	9 768	683	6,99%
Intangibles	1 702	1 634	68	4,16%
Book value	7 189	5 923	1 266	21,37%
Equity	8 891	7 557	1 334	17,65%
Total Liabilities	1 560	2 211	(651)	(29,44%)
Interest bearing	19	19	-	-
D/E	0,0021	0,0025	0,0004	(15%)
ROA	(0,0013)	0,1468	(0,148)	n/a



Sirma ICS

- <http://sirmaics.com/>
- **Sirma ICS is a subsidiary of Sirma Solutions**
- **Capital:** BGN 300 000 divided into 300 000 number of registered nominal shares with a nominal value of 1 BGN per 1 share with voting right, dividend and liquidation share. Sirma Solutions owns 270 000 number of shares or 90% of the capital.

Sirma ICS is part of Sirma Group, with the main goal to concentrate the technological and business knowledge of Sirma Group's in the insurance sphere.

Conditions for Business Development in Q1 2023

The company offers a product covering all of the processes in the structure of an insurance broker - Sirma Insurance Enterprise Platform. There is also a developed opportunity for clients to integrate through the Sirma Insurance Enterprise MTPL API and to integrate the policy issuing a policy payment in any system and application. Regarding the online presence of brokers, we offer Sirma Insurance Enterprise Web Calculator. With this product, end visitors to websites can calculate their price and place an order. The company also creates individual solutions and developments on assignment such as websites, web portals for end customers, administrative portals and mobile applications.

Business Development in Q1 2023 and investment plan

In Q1 2023 Sirma ICS continued with the execution of its strategic objectives:

- Increasing the product range of the software for insurance brokers and optimizing the product and its functionalities
- Attraction of new insurance broker-clients and upgrading the services.
- The company continues to rely on a stable and sustainable model of selling products with a monthly license fee, instead of relying on large

one-off transactions which are more difficult to predict.

- Major customization and development projects were implemented and initiated that are paid for by customers and then available to other customers for a monthly license.

New:

- Projects

Improvements in the main SIRMA INSURANCE ENTERPRISE platform to allow even more monthly and one-time income, increasing functionalities.

General refinements to the "Life Insurance" theme in the platform are also planned, as well as the display of "customer profile" information, which will be available to end customers through a broker application that we will develop or through a broker website.

- Events

In the first quarter of 2023, all license fee changes were completed for SIRMA INSURANCE ENTERPRISE and 3 separate major customer projects were launched.

Perspectives and forecasts for 2023

We anticipate development of the platform with new functionalities and integrations, we will make maximum efforts to retain customers and increase their satisfaction. Inclusion of Casco insurance product in 1 more insurance company and separately integration under Civil Liability insurance with another one for Sirma Insurance Enterprise.



FINANCIAL RESULTS

	31.3.2023	31.3.2022/ 31.12.2022	Change BGN '000	Change %
Revenues	242	218	24	11,01%
EBITDA	50	16	34	212,50%
Depreciation	(25)	(19)	(6)	31,58%
Net Result	24	16	8	50,00%
EBITDA margin	20,66%	7,34%	13,32%	181,51%
Net Profit margin	9,92%	7,34%	2,58%	35,12%
Sales per share	0,8067	0,7267	0,08	11,01%
EPS	0,0800	0,0533	0,03	50,00%
ROE	0,0265	0,0181	0,01	46,19%
Total Assets	1 233	1 205	28	2,32%
Intangibles	903	915	(12)	(1,31%)
Book value	3	(32)	35	(109,38%)
Equity	906	883	23	2,60%
Total Liabilities	327	322	5	1,55%
Interest bearing	111	111	-	0,00%
D/E	0,1225	0,1257	(0,003)	(2,54%)
ROA	0,0195	0,0133	0,006	46,59%

S&G TECHNOLOGY SERVICES

- <http://www.sngservices.co.uk/>
- **S & G Technology Services operates in the Financial Segment**

S & G Technology Services is a joint venture of Sirma Solutions, which operates in the United Kingdom. The company provides technology services in the areas of software integration, data integration and mobile technologies for the financial service sector.

S & G Technology Services has accumulated tremendous expertise on the banking industry and the development of technology solutions for some of the world's largest banks. This enables the company to better understand the challenges faced by customers, identify the areas in which it can provide innovative solutions and integrate seamlessly into its specific solutions within a broader delivery program. S & G Technology Services specializes in providing IT consulting services, software products and services to the software ecosystem of one of the most popular banking systems - the Temenos T24.

SIRMA CI

- **Sirma CI** is a subsidiary of Sirma Group Holding
- **Capital:** BGN 133 000. Sirma Group Holding owns 80% of the capital.

Conditions for Business Development in 2023

A significant factor remains the war in Ukraine. The energy market in Europe is not in the critical situation it was in a year ago. The EU has already announced the first joint purchase of gas, which should lead to a problem-free winter 2023/2024. This is a prerequisite for growth in the economy and a reduction in inflation.

Expectations for forming a government are not high. If one is drawn up, it will hardly have a horizon greater than one year.

But even with this scenario, the current caretaker government is expected to continue the main activities, with the aim of restoring the economy, implementing the planned acceptance of Bulgaria into the Eurozone in 2024.



Inflation has fallen from 16.9% for December 2022 to 14% for March 2023.

The year-to-date price increase index for the small basket has risen by 3%.

The unemployment rate falls steadily from 4.6% in 2022 to 4.3% in March 2023.

The European Central Bank predicts a decrease in inflation in 2023 by 3.5% and in 2024 by 2.1%, which means that in the next two years the economy in Europe should be stimulated and growth should begin compared to the current situation.

The political and economic crisis is not having a significant impact on business at this stage, but we are prepared and in this regard we have taken steps towards diversification.

We continue to adapt the business to the new rules (digital transformation is everyday), for which we believe we are prepared and will take adequate measures based on short-term and long-term goals.

Despite the stagnation on a global scale, Sirma CI will continue its development with the aim of positive balance and diversification in the sector and revenues.

For 2023 our focus remains on the trends defined by Gartner and internal analysis of market demand and our customers.

We will maintain a focus on the need to provide services by our experts and work in collaboration with partners to develop and integrate our products, which leads to diversification and increased revenue. According to Gartner the top 3 services for Digital Retail, which are at their peak of demand for them:

- Software solutions for user engagement
- Conversational commerce, ie. technological solutions that recognize speech, speech, language processing via AI. These are applied in chatbots
- Algorithmic sales, ie. AI-based software solutions

According to Gartner the top 3 services of Digital Retail, which will be in demand in the next 2-5 years:

- Unified Commerce Ecosystem
- Real-Time Pricing
- Smart Check-Out
- eCommerce software (web and mobile apps)

Of the top 3 services that Gartner defines at their peak, we offer two. The other products and expertise that we have and are described in the Technology stack (item 5) are very up to date. Regarding the services that will be in demand in the next 2-3 years, we are already working on one of them.

We are actively continuing our partnering activities with US companies and plan to launch activities in Northern Europe for entry in the second quarter, maintaining our focus on current markets and customers.

We have provided a marketing budget for PR materials to advertise our new concept in the "retail" vertical. Update of a completely new solution for eCommerce (B2B and B2C), ie. the rewriting of our platform continues to develop according to a plan on a market basis. Fully focused on unified commerce trends, which will unite our implementation solutions for large retailers: e-shop, loyal mobile application program, chatbots, real-time behavior analysis system (SFS) and more.

Technology stack and Microservices - Sirma Customer Intelligence expertise and products:

- Consultations for digital transformation and innovation
- Business analysis and planning
- Individual web and mobile design (responsive)
- Personalized e-commerce (back-end and front-end development)
- Integration of loyalty program (back-end and front-end development)
- ERP integration / optimization
- Implementation of logistics integrations / optimizations
- Integrations for online payments
- Billing integrations
- Mobile applications - native Android and iOS
- RTS - real-time user behavior analysis system
- Chatbots - based on Melinda

The war in Ukraine is a significant factor that makes us accelerate our development in markets outside Bulgaria in order to diversify.

We hope that in 2023 the recovery and development plan will be accelerated and the country's economy will begin to grow.

New contracts during 2023:

- The contracts we signed in 2022 are already being implemented. They are long-term and include maintenance and development.
- Our current customers continue to be active with orders for new features to their current solutions, in order to sell more to end customers.



Perspectives and forecasts for 2023

We expect to attract several new clients, currently negotiating with them, as well as to develop our current partnerships with additional features, integrations and expert advice.

Positive business development is expected to continue in 2023, because large companies are forced to digitize their processes, which preserves the interest in online sales, ie. the search for B2B and B2C solutions to generate direct sales with integrations to ERPs, virtual POSs, logistics solutions and others. The forced (Covid-19) digitalization of companies changed their habits and processes in their organizations, requiring constant development and support of

their new activities. All this has a positive effect on both the sector and us as a company.

In 2023, we expect revenue growth to remain in the range of 20-35% compared to the previous year. The forecast for positive development in 2023 is based on long-term - current contracts that are in progress and development.

eCommerce digitalization services: unification of sales, analysis, loyalty modules and implementation of marketing automation will continue to grow in 2023.

Increased interest in the development of additional sales channels (digital transformation), such as mobile applications, chatbots, real-time analysis, updates and migrations of sales platforms.

FINANCIAL RESULTS

	31.3.2023	31.3.2022/ 31.12.2022	Change BGN '000	Change %
Revenues	363	425	(62)	(14,59%)
EBITDA	6	46	(40)	(86,96%)
Depreciation	(1)	-	(1)	n/a
Net Result	5	46	(41)	(89,13%)
EBITDA margin	1,65%	10,82%	(9,17%)	(84,73%)
Net Profit margin	1,38%	10,82%	(9,45%)	(87,27%)
Sales per share	1,2100	1,4167	(0,21)	(14,59%)
EPS	0,0167	0,1533	(0,14)	(89,13%)
ROE	0,0323	0,3067	(0,27)	(89,48%)
Total Assets	475	432	43	9,95%
Intangibles	30	30	-	-
Book value	125	120	5	4,17%
Equity	155	150	5	3,33%
Total Liabilities	320	282	38	13,48%
ROA	0,0105	0,1065	(0,10)	(90,11%)



SIRMA MEDICAL SYSTEMS

- **Sirma Medical Systems** is a subsidiary of Sirma Group Holding
- **Capital:** BGN 100 000. **Sirma Group Holding** owns 66% of the capital.

Perspectives and forecasts for 2023

Revenues are expected to increase on an annual basis compared to 2022. There is an increased investment interest in all products of the company. Sirma Medical Systems is working to successfully position and increase sales of its products, in which it has invested in recent years.

And in 2023, the main goal of business development and marketing activities will be to increase and maintain the customer base of the two mobile apps Diabetes:M and Medrec:M, as well as attract new customers for the medical

platforms Diabetes:M Monitor and Medrec:M Clinic in the company's strategic markets. Also seeking partnerships with leading healthcare organizations and Bluetooth device manufacturers.

Sirma Medical Systems is expected to be ISO 27001 certified.

By the end of the year, it is expected to complete the certification procedure of the bolus calculator on the Diabetes:M platform as a class 2 medical device.

A clinical trial of the Diabetes:M platform on the medical effect and improvement of patients' quality of life through the application is expected by the end of 2023.

FINANCIAL RESULTS

	31.3.2023	31.3.2022/ 31.12.2022	Change BGN '000	Change %
Revenues	59	56	3	5,36%
EBITDA	(58)	(10)	(48)	480,00%
Depreciation	(10)	(14)	4	(28,57%)
Net Result	(68)	32	(100)	n/a
EBITDA margin	(98,31%)	(17,86%)	(80,45%)	450,51%
Net Profit margin	(115,25%)	57,14%	(172,40%)	n/a
Sales per share	0,1967	0,1867	0,01	5,36%
EPS	(0,2267)	0,1067	(0,33)	n/a
ROE	(2,7200)	0,3478	(3,07)	n/a
Total Assets	1 558	1 513	45	2,97%
Intangibles	1 276	1 284	(8)	(0,62%)
Book value	(1 251)	(1 192)	(59)	4,95%
Equity	25	92	(67)	(72,83%)
Total Liabilities	1 533	1 421	112	7,88%
Interest bearing	250	250	-	-
D/E	10,00	2,72	7,28	268,00%
ROA	(0,0436)	0,0212	(0,0648)	n/a



SCIANT

- **Sciانت is a subsidiary of Sirma Group Holding JSC**
- **Capital: BGN 250 000. Sirma Group Holding owns 80% of the capital.**

Sciانت has been part of Sirma Group since November 2021, with the main goal to concentrate in itself the technological and business knowledge of Sirma Group, related to the development and export of software products and services specialized in the following industries: Hospitality, Logistics and Transport, Finance and Banking.

Conditions for business development in 2023

Sciانت provides software services in the following industries: Hospitality, Logistics and Transport, Finance and Banking. In 2022 there was an increase in customers from the Hospitality and Logistics verticals. The third vertical Finance and Banking has also developed in the global market.

The company works with clients from the United States, Singapore, Australia, China and the European Union.

The company provides software services to customers in the industries in which it specializes. The services have added value with the fact that the company's software engineers also have knowledge of the respective industry. Combined with the presence of consultants and business analysts, this leads to attracting customers from a higher segment of the market. The rights to the developed software are owned entirely by the Company's customers.

Sciانت also provides services for maintenance of integration adapters through a developed system for semi-automated maintenance. The support is with monthly subscription contracts.

Although smaller, the company also works with Bulgarian companies. For them he performs development, maintenance, optimization of web sites; development of internal platforms for management of various processes; project management.

Regional and international factors affecting the company's business

The company is export oriented and has no business in Bulgaria. The regional factor that influences is the labor market.

The main international factor is the war in Ukraine. There is no influence of this factor on the company's business. Customers from Hospitality, Logistics and Transport, Finance and Banking continue to increase their orders. The company manages to add new customers and new projects.

In 2023 Sciانت continued to fulfill its strategic goals:

- Attracting new customers in Western Europe, North America and Bulgaria.
- New clients from the existing verticals have been attracted: Hospitality, Logistics and Transport, Finance and Banking.
- Increase in the number of staff by 4% in the first quarter of 2023. The planned staff increase for 2023 is 50%.
- Building new integrations into systems and products of external companies, established in the respective industry.
- Continue to build its own system for support of Integrated Adapters Managed Integration Services (MIS).
- The company continues to rely on a stable and sustainable sales model of software development services and services for maintenance of integration adapters.

New clients:

In Q1 2023, the company concluded new contracts the company concluded new contracts with Boston Consulting Group and Medplaya Management.

Important events:

- The company is developing according to the plan. There are no extraordinary events that stand out against the planned actions.

Solved and unresolved issues in the realization of the business plan for 2023

The company exceeded the plan for Q1 2023 by 14%. The main factor for the increase in business is the good positioning of the company in the three verticals and the vibrancy in the global economy. The main limiting factor for growth at the moment is the situation on the labor market. The company manages to hire and train new employees more successfully than competing companies, but nevertheless the speed of hiring new employees is lower than the speed of sales. To address this issue, the Company plans to open a new offices.

Perspectives and forecasts for 2023

The company plans to increase the number of employees by 50%. The company plans to increase revenues in 2023 by over 50%. Planned growth will be a combination of organic growth plus acquisitions of companies with similar businesses.



FINANCIAL RESULTS

	31.3.2023	31.3.2022/ 31.12.2022	Change BGN '000	Change %
Revenues*	3 521	3 226	295	9,14%
EBITDA	398	725	(327)	(45,10%)
Depreciation	(94)	(85)	(9)	10,59%
Net Result	287	639	(352)	(55,09%)
EBITDA margin	11,30%	22,47%	(11,17%)	(49,70%)
Net Profit margin	8,15%	19,81%	(11,66%)	(58,85%)
Sales per share	0,0995	0,0912	0,01	9,14%
EPS	0,0081	0,0181	(0,010)	(55,09%)
ROE	0,2980	0,2800	0,018	6,43%
Total Assets	3 877	4 268	(391)	(9,16%)
Book value*	963	2 282	(1 319)	(57,80%)
Equity	963	2 282	(1 319)	(57,80%)
Total Liabilities	2 914	1 986	928	46,73%
Interest bearing	533	533	-	-
D/E	0,5535	0,2336	0,3199	136,97%
ROA	0,0740	0,1497	(0,0757)	(50,56%)

SAI (Ontotext)

"SAI" AD ("Ontotext" AD) is a subsidiary of "Sirma Group Holding" JSC since 2008, with the main goal of concentrating within itself the knowledge and expertise of "Sirma Group Holding" JSC, in the field of artificial intelligence and in the last year, its application in the field of cyber security. The company's activity is oriented towards specialization in the field of corporate cyber security and application of artificial intelligence to achieve the main goals of the same.

The company aims to modernize the cyber-security system of the group of companies owned and/or under the control of "Sirma Group Holding" JSC, as well as to attract external customers in need of a comprehensive solution in the same area.

Conditions for Business Development in 2023

"SAI" AD ("Ontotext" AD) provides complete "holistic" services in the field of cyber security, company security, auditing according to modern cyber security standards and drafting of policies and procedures in this area.

The transition, during the Covid pandemic, to a remote form of work, maintains its trend in 2023 as well, and together with the increasing spread of IoT in every sphere of business, contributes like never before to raising the requirements for cyber security at completely different levels of functioning and effectiveness. This also determines the main, key trends of the industry in 2023.

- A. Dominant role of the remote form of work;
- B. Directing internationally-oriented and state-funded attacks against businesses and other governments;
- C. Building a cyber-security oriented business culture;
- D. An increasingly important role of artificial intelligence (AI) in the field of cyber security;

The company plans to provide a full package of services in the field of company and cyber security, by providing the following services:

A. "SOC" and "Response" team

The evolution of cyber threats and attacks in recent years has led to uncertainty in cyber ecosystems. Vital to meeting these challenges is building advanced Cyber Security Operations Centers (SOCs) providing an operational risk management framework within organizations to manage, monitor and respond to cyber security threats.

B. "CISO as a Service"

A key challenge facing the sector is the global shortage of skilled cybersecurity workers and the expertise available to help protect data at risk.

C. "Penetration Testing"

Growing demand for security solutions for software-based web and mobile applications is expected to boost the growth of the global security testing market. Additionally, the growing use of cloud-based cybersecurity



services is expected to drive demand for vulnerability and security testing services. Moreover, with the increasing digitization in developing countries, it is expected to boost the trend of IoT-based connected devices. This, in turn, reinforces the need for vulnerability and security testing.

D. Audit, risk assessment and subsequent implementation of cyber security procedures

The dynamic international situation and economic trends, in 2022 and the beginning of 2023, show the ever-increasing need for comprehensive services in the field of cyber-security and will allow the company, after building the modern SOC center planned for the first quarter, to add new clients to its portfolio of services.

In 2023, "SAI" AD ("Ontotext" AD) will follow the implementation of its strategic goals, namely:

- A. Building a modern and up-to-date SOC
- B. Hiring and training of qualified personnel who meet the requirements of the activity
- C. Modernization of the cyber-security system of the group of companies owned and/or under the control of "Sirma Group Holding" JSC
- D. Attracting new, international clients in need of developing and implementing comprehensive solutions in the field of cyber security.

Overview of the Activity During Q1 2023

In the first quarter of 2023, the company implemented the following important activities for the realization of its strategic goals:

2.1 Construction of a modern and compliant operational center for cyber security "SOC".

2.2 Development and approval of new, updated, brand and marketing strategy.

2.3 Hiring and training of SOC analyst and technical director of the company responsible for cyber security activities.

2.4 Initial steps in introducing and implementing modern cyber security procedures and practices in some of the companies owned and/or under the control of Sirma Group Holding JSC.

2.5 Participation in a joint Bulgarian-Israeli conference on cooperation in the field of security and cyber-security.

2.6 Conducting training for the employees, from the financial department" of "Sirma Group Holding" JSC, on the topic of fraud in the field of finance.

2.7 Development of the "Sirma Cyber Security Management Platform"

SIRMA GROUP HOLDING – individual financial results

	31.3.2023	31.3.2022/ 31.12.2022	Change BGN '000	Change %
Revenues*	2 271	1 040	1 231	118,37%
EBITDA	1 556	427	1 129	264,40%
Depreciation	(146)	(149)	3	(2,01%)
Net Result	1 345	186	1 159	623,12%
EBITDA margin	68,52%	41,06%	27,46%	66,88%
Net Profit margin	59,23%	17,88%	41,34%	231,15%
Sales per share	0,0383	0,0175	0,02	118,37%
EPS	0,0227	0,0031	0,02	623,12%
ROE	0,0179	0,0025	0,02	628,29%
Total Assets	92 753	89 495	3 258	3,64%
Intangibles	6 477	6 556	(79)	(1,21%)
Book value	68 568	69 026	(458)	(0,66%)
Equity	75 045	75 582	(537)	(0,71%)
Total Liabilities	17 708	13 913	3 795	27,28%
Interest bearing	8 699	9 052	(353)	(3,90%)
D/E	0,1159	0,1198	(0,004)	(3,21%)
ROA	0,0145	0,0021	0,012	597,72%

* according to the FSC's instructions, the dividend income is included in the income from the main activity of "Sirma Group Holding" JSC



7 RESULTS BY SEGMENTS

The group defined operation in several segments:

Segment INTELLIGENT EVOLUTION OF ENTERPRISES

Companies of Sirma Group operating in the segment are: EngView Systems, Sirma AI, Sirma Solutions, Sirma Medical Systems, Datium, Sirma CI, Sirma Group Inc., Sciant, SAI (Ontotext) and ReSolutions.

FINANCIAL RESULTS OF THE SEGMENT

	31.3.2023	31.3.2022
	BGN'000	BGN'000
Revenue from:		
- external customers	9 333	11 649
Segment revenues	9 333	11 649
Cost of materials	(262)	(305)
Hired services expenses	(1 576)	(1 905)
Employee benefits expense	(6 261)	(6 202)
Depreciation and amortisation of non-financial assets	(808)	(1 553)
Other expenses	(309)	(166)
Segment operating profit/loss	117	1 518

In Q1 2023 the revenues of the segment decreased by 19,88% compared to Q1 2022.

Segment SOLUTIONS, PRODUCTS AND CONSULTING IN FINANCE

Companies of Sirma Group operating in the segment are: Sirma Business Consulting, Sirma ICS, Sirma Solutions, S&G Technologies Inc., Sirma Group Inc., Sciant and Sirma InsurTech.

FINANCIAL RESULTS OF THE SEGMENT

	31.3.2023	31.3.2022
	BGN'000	BGN'000
Revenue from:		
- external customers	2 977	2 871
Segment revenues	2 977	2 871
Cost of materials	(16)	(17)
Hired services expenses	(509)	(681)
Employee benefits expense	(2 119)	(1 705)
Depreciation and amortisation of non-financial assets	(72)	(95)
Other expenses	(25)	(11)
Segment operating profit	236	362

In Q1 2023 the revenues of the segment increased by 3,69%, and operating profit decreased by 34,81% compared to Q1 2022.



Segment SYSTEM INTEGRATION

Companies of sirma group operating in the segment are: Sirma Solutions

Financial results of the segment

	31.3.2023	31.3.2022
	BGN'000	BGN'000
Revenue from:		
- external customers	6 950	5 574
Segment revenues	6 950	5 574
Cost of materials	(6 406)	(4 975)
Hired services expenses	(39)	(103)
Employee benefits expense	(190)	(180)
Depreciation and amortisation of non-financial assets	(13)	(13)
Other expenses	(1)	(6)
Segment operating profit	301	297

In Q1 2023 the revenues of the segment increased by 24,69%, and operating profit of the segment increased by 1,35% compared to Q1 2022.

8 MAIN MARKETS

Consolidated earnings of Sirma Group Holding for the historical period under review are of different nature and geographic origin. Traditionally, revenues from services and goods have the highest share. At the same time, Europe, North America and the United Kingdom are at the forefront of geographic distribution of earnings. Revenues by region and countries are presented in the following table.

Revenue by regions and countries:

Region	31.3.2023	31.3.2022	Change	Change
	BGN '000	BGN '000	BGN '000	%
Europe	12 586	11 868	718	6,05%
North America	3 793	4 452	(659)	(14,80%)
United Kingdom	2 377	3 281	(904)	(27,55%)
Asia	257	385	(128)	(33,25%)
South America	188	67	121	180,60%
Australia	50	41	9	21,95%
Africa	9	-	9	n/a
Total	19 260	20 094	(834)	(4,15%)

"Sirma Group Holding" JSC and the companies of the Group realize their production and services without geographical restrictions. However, the Group traditionally generates the highest sales in Europe and North America. Together with the revenue from United Kingdom, they traditionally account for 97,38% of the total amount of consolidated revenues. Nevertheless, due to the extreme diversification of its products and services, which are applied in many completely different sectors and customers, there can be no question of any dependence of the Group on individual customers or on certain services.

In the first quarter of 2023, the Group made sales in 44 countries. In the consolidated revenues, the largest share is the revenues from Bulgaria in the amount of BGN 9 881 thousand or 51,82% of total consolidated revenues, followed by the USA with BGN 3 644 thousand or 18,92% and from United Kingdom with BGN 2 377 thousand or 12,34%.



9 CONSOLIDATED FINANCIAL RESULTS

Consolidated revenues

Consolidated revenues includes:

	31.3.2023	31.3.2022	Change	Change
	BGN '000	BGN '000	BGN '000	%
Revenue from contracts with customers	19 203	19 601	(398)	(2,03%)
Revenue from financing	14	452	(438)	(96,90%)
Interest income	3	9	(6)	(66,67%)
Gain on sale of non-current assets	1	-	1	n/a
Other income	39	32	7	21,88%
Total	19 260*	20 094*	(834)	(4,15%)

Consolidated revenues in Q1 2023 decreased by 4,15% or BGN 834 thousand compared to Q1 2022.

**Due to the sale of a controlling stake, the consolidated revenues during the reporting period do not include the revenues of "Sirma AI" AD, unlike the same period of 2022.*

Consolidated revenue by product line includes:

	31.3.2023	31.3.2022	Change	Change
	BGN '000	BGN '000	BGN '000	%
Software services	8 355	9 999	(1 644)	(16,44%)
Sale of IT equipment	7 066	5 150	1 916	37,20%
Subscriptions	1 712	978	734	75,05%
Cloud services	404	318	86	27,04%
Licenses	375	1 213	(838)	(69,08%)
Support	313	395	(82)	(20,76%)
Consulting services	251	520	(269)	(51,73%)
System integration	99	424	(325)	(76,65%)
Others	628	604	24	3,97%
Total	19 203	19 601	(398)	(2,03%)

Consolidated expenses

	31.3.2023	31.3.2022	Change
	BGN '000	BGN '000	(BGN '000,%)
Cost of materials	(381)	(720)	339
<i>Change in %</i>			(47,08%)
Hired services expenses	(2 202)	(2 694)	492
<i>Change in %</i>			(18,26%)
Employee benefits expense	(9 002)	(8 654)	(348)
<i>Change in %</i>			4,02%
Depreciation and amortisation of non-financial assets	(893)	(1 661)	768
<i>Change in %</i>			(46,24%)
Capitalized own expenses	510	572	(62)
<i>Change in %</i>			(10,84%)
Cost of goods sold and other current assets	(6 303)	(4 577)	(1 726)
<i>Change in %</i>			37,71%
Other expenses	(335)	(183)	(152)
<i>Change in %</i>			83,06%
Total expenses	(18 606)	(17 917)	(689)
<i>Change in %</i>			3,85%

In Q1 2023 consolidated operating expenses increased by BGN 689 thousand or by 3,85 % compared to Q1 2022.



Consolidated financial income / costs (net)

	31.3.2023	31.3.2022	Change	Change
	BGN '000	BGN '000	BGN '000	%
Financial costs	(163)	(178)	15	(8,43%)
Financial income	36	25	11	44%
Financial income / costs (net)	(127)	(153)	26	(16,99%)

Consolidated financial income increased by BGN 11 thousand or by 44% in Q1 2023, mainly due to the increase in income from foreign exchange operations. Consolidated financial costs decreased by BGN 15 thousand or by 8,43% in Q1 2023, mainly due to the decrease of other financial costs.

Consolidated assets

Consolidated assets posted an decrease of BGN 5 122 thousand or 4,18% in Q1 2023.

Non-current assets

	31.3.2023	31.12.2022	Change	Change
	BGN '000	BGN '000	BGN '000	%
Goodwill	26 252	26 083	169	0,65%
Property, plant and equipment	9 813	9 881	(68)	(0,69%)
Intangible assets	20 776	20 706	70	0,34%
Investment in associates	-	18 502	(18 502)	(100%)
Long - term financial assets	336	336	-	-
Deferred tax assets	1 122	1 278	(156)	(12,21%)
Total non-current assets	58 299	76 786	(18 487)	(24,08%)

Non-current assets decreased by BGN 18 487 thousand or by 24,08% in Q1 2023.

Current assets

	31.3.2023	31.12.2022	Change	Change
	BGN '000	BGN '000	BGN '000	%
Inventory	984	560	424	75,71%
Contract assets	5 070	6 167	(1 097)	(17,79%)
Trade receivables	15 257	16 405	(1 148)	(7%)
Prepayments and other assets	1 088	706	382	54,11%
Related party receivables	601	418	183	43,78%
Income tax receivables	29	-	29	n/a
Loans granted	150	150	-	-
Cash and cash equivalents	35 748	21 146	14 602	69,05%
Total current assets	58 927	45 552	13 375	29,36%

Current assets increased by BGN 13 375 thousand or by 29,36 % in Q1 2023.



Equity

	31.3.2023	31.12.2022	Change
	BGN '000	BGN '000	(BGN '000,%)
Share Capital	59 361	59 361	-
<i>Change</i>			-
Purchased own shares	(1 502)	(85)	(1 417)
<i>Change</i>			1 667,06%
Reserves	7 298	7 043	255
<i>Change</i>			3,62%
Retained earnings	18 363	19 068	(705)
<i>Change</i>			(3,70%)
Equity attributable to the owners of the parent	83 520	85 387	(1 867)
<i>Change</i>			(2,19%)
Non-controlling interest	5 087	4 995	92
<i>Change</i>			1,84%
Total	88 607	90 382	(1 775)
<i>Change</i>			(1,96%)

Equity in Q1 2023 decreased by BGN 1 775 thousand or by 1,96 %.

Consolidated liabilities

Consolidated liabilities decreased by 3 337 BGN thousand or 10,44% in Q1 2023.

Non-current liabilities

	31.3.2023	31.12.2022	Change	Change
	BGN '000	BGN '000	BGN '000	%
Pension and other employee obligations	400	400	-	-
Long-term borrowings	7 352	7 707	(355)	(4,61%)
Long-term lease liabilities	1 578	1 287	291	22,61%
Deferred tax liabilities	327	327	-	-
Total non-current liabilities	9 657	9 721	(64)	(0,66%)

Non-current liabilities decreased by BGN 64 thousand or by 0,66% in Q1 2023.



Long-term and short-term bank loans

Recipient of credit	In Bank	Type of loan	Currency	Total amount of credit (BGN)	Remaining obligation to 31.03.2023 (BGN)	Date of making the loan	Interest rate	The amount of monthly installment (BGN)	End date of the contract	Collateral
Loans in which the Issuer is a debtor										
Sirma Group Holding JSC	United Bulgarian Bank	Overdraft	BGN	2 800 000	24 514	15.12.2022	The applicable variable interest rate for the relevant interest period +1.5 points, but not less than 1.5%		20.12.2024	Pledge of receivables
Sirma Group Holding JSC	United Bulgarian Bank	Investment	EUR	2 933 745	2 542 579	11.12.2021	3 m. EURIBOR + 1.2%, but no less than 1.3% per year	108	11.12.2031	Pledge of receivables, pledge of real estate
Sirma Group Holding JSC	United Bulgarian Bank	Investment	EUR	6 391 652	5 327 681	11.12.2021	3 m. EURIBOR + 1.2%, but no less than 1.3% per year	84	11.12.2029	Pledge of receivables, pledge of commercial enterprises, pledge of real estate
Sirma Group Holding JSC	United Bulgarian Bank AD	Investment	EUR	731 131	649 638	30.06.2021	3 m. EURIBOR + 1.2%, but no less than 1.3% per year	51	30.06.2027	Pledge of receivables, pledge of subsidiary



Interim Consolidated Management Report of "Sirma Group Holding" JSC for Q1 2023

Loans for which the Issuer is a guarantor

Recipient of credit	In Bank	Type of loan	Currency	Total amount of credit (BGN)	Remaining obligation to 31.03.2023 (BGN)	Date of making the loan	Interest rate	End date of the contract	Collateral
Sirma Solutions	United Bulgarian Bank	Overdraft	BGN	4 025 000	-	12.12.2019	RIR + 1.2%, but no less than 1.3% per year	20.12.2025	Pledge of receivables, pledge of commercial enterprises, pledge of real estate
Sirma Solutions	United Bulgarian Bank	Overdraft	BGN	2 080 000	-	15.12.2022	The applicable variable interest rate for the relevant interest period +1.5 points, but not less than 1.5%	15.12.2024	Pledge of receivables.
Sirma Solutions	United Bulgarian Bank	Overdraft	BGN	4 000 000	-	28.10.2020	RIR + 1.2%, but no less than 1.3% per year	28.10.2025	Pledge of receivables.
Sciant	United Bulgarian Bank	Overdraft	BGN	500 000	-	18.5.2020	The applicable variable interest rate for the relevant interest period +3.5 points, but not less than 3.5%		Pledge of receivables
Sciant	United Bulgarian Bank	Overdraft	BGN	500 000	-	7.4.2022	The applicable variable interest rate for the relevant interest period +1.3 points, but not less than 1.3%		Pledge of receivables
EngView Systems Sofia	United Bulgarian Bank	Overdraft	BGN	1 000 000	-	15.12.2020	The applicable variable interest rate for the relevant interest period +1.3 points, but not less than 1.3%		Pledge of receivables
Sirma Medical Systems	United Bulgarian Bank	Bank revolving credit	BGN	250 000	250 000	15.12.2020	ADI + 1,3 percent, (but not less than 1,3 percent per year)	15.12.2023	Pledge on receivables



Other loans and deposits provided by "Sirma Group Holding" JSC and its subsidiaries:

Lender	Recipient	United identification code	Relationships	Type	Currency	Liability as of 31.03.2023 (BGN '000)	Date of contract/ last annex	Interest rate %	Term of contract	Pledges
SAI (Ontotext)	Sirma Medical Systems	204054855	Subsidiary	Loan	BGN	1 200	20.12.2022	2.80	31.12.2023	No pledges
Sirma Group Holding	Sirma ISG	201580558	Company under common control	Loan	BGN	7	26.04.2017	1.3, 2.8, 6.5	31.12.2023	No pledges
Sirma Group Holding	Sirma ICS	203940550	Company under common control	Loan	BGN	83	23.01.2017, 31.01.2021	1.3	31.12.2023	No pledges
Sirma Group Holding	Pirina Technolgies	175149906	Company under common control	Loan	BGN	295	10.01.2022	2	31.12.2023	No pledges
Sirma Group Holding	Sirma InsurTech	205982173	Subsidiary	Loan	BGN	450	03.10.2022	1.3	31.12.2023	No pledges
Sirma Solutions	Sirma ISG	201580558	Subsidiary	Loan	BGN	107	12.12.2016	5	31.12.2023	No pledges
Sirma Solutions	Sirma Group Holding	200101236	Parent company	Deposit	BGN	6 438	29.10.2020	0.1	31.12.2023	No pledges
Sirma Solutions	*Individual S.S.		Non related party	Loan	BGN	150	27.06.2017, 20.09.2017	3	31.12.2023	No pledges
Sirma Solutions	*Individual S.S.		Non related party	Loan	BGN	133	31.05.2022	2	31.12.2023	No pledges
Daticum	Sirma Group Holding	200101236	Company under common control	Deposit	BGN	514	04.01.2009	0.1	31.12.2023	No pledges
Worklogic Canada	Sirma Group Inc	Foreign company	Non related company	Loan	USD	86	31.07.2017	0.01	31.12.2023	No pledges
Sirma InsurTech	HRM Solutions	200101236	Subsidiary	Loan	BGN	157	14.07.2021	3.2	31.08.2023	No pledges



Other loans and deposits received from Sirma Group Holding and its subsidiaries:

Recipient	Lender	United identification code	Relationships	Type	Currency	Liability as of 31.03.2023 (BGN '000)	Date of contract/ last annex	Interest rate %	Term of contract	Pledges
Sirma Medical Systems	SAI (Ontotext)	200356710	Company under common control	Loan	BGN	1 200	20.12.2022	2.80	31.12.2022	No pledges
Sirma Group Holding	Sirma Solutions	040529004	Subsidiary	Deposit	BGN	2 526	29.10.2020	0.1	31.12.2022	No pledges
Sirma Group Holding	Daticum	200558943	Company under common control	Deposit	BGN	514	04.01.2009	0,1	31.12.2022	No pledges
Sirma Group Inc	Worklogic Canada	Foreign company	Non related company	Loan	USD	82	31.07.2017	0,01	31.12.2022	No pledges
Sirma InsurTech	*Individual Y.M.		Related party	Loan	BGN	77	30.08.2022	2.9	31.08.2023	No pledges

*The Issuer has disclosed only the initials of the individuals to whom it has granted loans, in compliance with the provisions of the Personal Data Protection Act and the General Regulation on Data Protection (Regulation (EU) 2016/679, GDPR).



Current liabilities

	31.3.2023	31.12.2022	Change	Change
	BGN '000	BGN '000	BGN '000	%
Provisions	77	77	-	-
Pension and other employee obligations	4 183	3 973	210	5,29%
Short-term borrowings	1 736	5 251	(3 515)	(66,94%)
Short-term lease liabilities	454	590	(136)	(23,05%)
Trade and other payables	4 949	3 610	1 339	37,09%
Contract liabilities	6 844	8 119	(1 275)	(15,70%)
Short-term related party payables	665	497	168	33,80%
Tax liabilities	54	118	(64)	(54,24%)
Total current liabilities	18 962	22 235	(3 273)	(14,72%)

Current liabilities decreased by BGN 3 273 thousand or 14,72% in Q1 2023.

Cash flows

The Group has no liquidity problems and operates with the available resources while maintaining a low level of indebtedness for the period under review. Traditionally, the largest pay-out in revenue streams is paid by customers, while the role of a negative item is paid by payments to suppliers and payments for staff and social security contributions.

Summary of cash flow

	31.3.2023	31.3.2022	Change	Change
	BGN '000	BGN '000	BGN '000	%
Net cash flow from operating activities	1 980	979	1 001	102,25%
Net cash flow from investing activities	18 265	(5 716)	23 981	n/a
Net cash flow from financing activities	(5 714)	103	(5 817)	n/a
Net change in cash and cash equivalents	14 531	(4 634)	19 165	n/a
Cash and cash equivalents at the beginning of the year	21 223	11 353	9 870	86,94%
Exchange gains/(losses) on cash and cash equivalents	(6)	2	(8)	n/a
Cash and cash equivalents at the end of the year	35 748	6 721	29 027	431,89%



Indicators and ratios

№	Indicators (in BGN '000)	31.3.2023	31.3.2022/ 31.12.2022	Change	Change
				(value)	%
1	Revenue from operating activities	19 260	20 094	(834)	(4,15%)
2	Cost of sales	(18 271)	(17 734)	(537)	3,03%
3	Gross profit / loss	989	2 360	(1 371)	(58,09%)
4	Other operating costs	(335)	(183)	(152)	83,06%
5	Operating profit / loss	654	2 177	(1 523)	(69,96%)
6	Financial income	36	25	11	44,00%
7	Financial costs	(163)	(178)	15	(8,43%)
8	Profit / loss before tax expense	527	2 024	(1 497)	(73,96%)
9	Tax costs	(4)	-	(4)	n/a
10	Net profit / loss	523	2 024	(1 501)	(74,16%)
11	Dividend	1 212	-	1 212	n/a
12	Cash and cash equivalents	35 748	21 146	14 602	69,05%
13	Inventories	984	560	424	75,71%
14	Short-term assets	58 927	45 552	13 375	29,36%
15	Total amount of assets	117 226	122 338	(5 112)	(4,18%)
16	Average arithmetic total asset value for 5 quarters	137 701	147 111	(9 411)	(6,40%)
17	Current liabilities	18 995	22 235	(3 240)	(14,57%)
18	Debt	11 120	14 835	(3 715)	(25,04%)
19	Liabilities (borrowed funds)	28 619	31 956	(3 337)	(10,44%)
20	Equity	88 607	90 382	(1 775)	(1,96%)
21	Equity averaged 5 quarters	101 796	106 675	(4 879)	(4,57%)
22	Turnover capital	39 932	23 317	16 615	71,26%
23	Number of shares at the end of the period (in thousands)	59 361	59 361	-	-
24	Gain / loss minority interest	141	349	(208)	(59,60%)
25	Interest expenses	(88)	(58)	(30)	51,72%
26	Weighted average price of last trading session	0,6375	0,5275	0,1100	20,85%
27	Last price per share of last trading session	0,65	0,53	0,1200	22,86%



Indicators	31.3.2023	31.3.2022/ 31.12.2022	Change	Change
			(value)	%
EBITDA	1 508	3 743	(2 235)	(59,71%)
DEPRECIATION	(893)	(1 661)	768	(46,24%)
EBIT	615	2 082	(1 467)	(70,46%)
FIN/INVEST NET	(127)	(153)	26	(16,99%)
EBT	527	2 024	(1 497)	(73,96%)
ROA	0,0033	0,0137	(0,0104)	(76,13%)
ROA(BSE)	0,0028	0,0114	(0,0086)	(75,62%)
Debt/EBITDA Ratio	7,3740	3,9634	3,4106	86,05%
Quick Ratio	3,0504	2,0235	1,0270	50,75%
ROE	0,0051	0,0190	(0,01384)	(72,92%)
Debt/Equity Ratio (BSE)	0,3230	0,3536	(0,0306)	(8,65%)
Profitability ratios				
Gross profit margin	0,0513	0,1174	(0,0661)	(56,28%)
Operating profit margin	0,0340	0,1083	(0,0744)	(68,66%)
Net profit margin	0,0272	0,1007	(0,0736)	(73,04%)
Return on Assets	0,0038	0,0138	(0,0100)	(72,38%)
Return on Equity	0,0051	0,0190	(0,0138)	(72,92%)
Coefficients for assets and liquidity				
Assets turnover ratio	0,1401	0,1368	0,0034	2,46%
Assets turnover ratio (BSE)	0,1399	0,1366	0,0033	2,40%
Operating cycle	0,4823	0,8618	(0,3795)	(44,03%)
Current ratio	3,1022	2,0487	1,0536	51,43%
Quick ratio	3,0504	2,0235	1,0270	50,75%
Cash ratio	1,8820	0,9510	0,9309	97,89%
Odds per share				
P/S ratio	1,9648	1,5583	0,4065	26,09%
P/E ratio	72,3569	15,4708	56,8860	367,70%
Revenue per share	0,3245	0,3385	(0,0140)	(4,15%)
Earnings per share	0,0088	0,0341	(0,0253)	(74,16%)
Book value of equity per share	1,7149	1,7971	(0,0822)	(4,57%)
Development Ratios				
Revenue growth	(0,0415)	0,2460	(0,2875)	n/a
Gross profit growth	(0,5809)	1,5569	(2,1378)	n/a
Assets growth	(0,0418)	0,0196	(0,0614)	n/a
Leverage Ratios				
Debt/total assets	0,0808	0,1008	(0,0201)	(19,92%)
Debt/capital	0,0985	0,1221	(0,0236)	(19,34%)
Debt/equity	0,1092	0,1391	(0,0298)	(21,45%)
Total assets/equity	1,3527	1,3791	(0,0263)	(1,91%)
Market value of the company	38 288	31 165	7 123	22,86%



Related companies transactions

The Group's related parties include its owners, associates and key management

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

Transactions with subsidiaries and other related parties

	31.3.2023	31.3.2022
	BGN'000	BGN'000
Sales of:		
- goods	121	97
- services	3 434	3 414
Purchases of:		
- materials	55	50
- services	3 499	2 846
- others	1	1

Transactions with key management personnel

Key management of the Company includes members of the board of directors. Key management personnel remuneration includes the following expenses:

	31.3.2023	31.3.2022
	BGN'000	BGN'000
Short-term employee benefits:		
Salaries	145	138
Social security costs	3	3
Total remunerations	148	141



10 EMPLOYEES AND ECOLOGY

Ecology

Sirma Group Holding maintains and observes its commitments in compliance with the national legislation in the field of environmental protection. The company applies measures for consolidated collection of waste, minimization, recovery and recycling of municipal waste. The Group stopped the use of plastic cups, and they were replaced with porcelain and glass.

Employees

The Company believes that its employees play a key role in the development of its business and the overall corporate goals and therefore pays special attention to the development of a common human resources management strategy and policies. Sirma Group Holding's policies in this regard are aimed at stimulating the responsibility and motivation of the staff to fulfill the assigned tasks and objectives.

The company and the companies in the group apply certain selection criteria and consider that they have an ambitious team of professionals capable of pursuing the strategic and operational objectives. Sirma Group Holding invests in various training programs for its employees and provides its employees with opportunities for professional development.

Count of employees in the Group:

31.03.2023

Company	LC	CMC	Total
SIRMA SOLUTIONS	167	7	174
SCIANT	108	2	110
SIRMA BUSINESS CONSULTING	66	5	71
SIRMA INSURTECH	37	1	38
ENGVIEW SYSTEMS SOFIA	33	4	37
RESOLUTIONS	23	1	24
SIRMA GROUP HOLDING	20	9	29
SIRMA SHA, ALBANIA	15	3	18
S&G, UK	9	1	10
SIRMA ICS	9	1	10
DATICUM	8	2	10
SIRMA MEDICAL SYSTEMS	4	3	7
SIRMA CI	2	3	5
SIRMA GROUP INC., USA	1	1	2
ENGVIEW SYSTEMS GERMANY	1	1	1
SAI (ONTOTEXT)	-	1	1
Total	503	45	548



31.03.2022

Company	LC	CMC	Total
SIRMA SOLUTIONS	147	7	147
SCIANT	102	2	104
SIRMA AI	82	6	85
SIRMA BUSINESS CONSULTING	50	5	56
ENGVIEW SYSTEMS SOFIA	34	4	39
SIRMA GROUP HOLDING	20	6	26
SIRMA SHA, ALBANIA	14	3	15
SIRMA ICS	10	1	11
DATICUM	8	5	14
S&G, UK	10	1	10
SIRMA MEDICAL SYSTEMS	5	3	8
SIRMA CI	2	3	5
SIRMA GROUP INC., USA	1	1	2
ENGVIEW SYSTEMS GERMANY	-	1	1
ONTOTEXT	-	1	1
Total	485	49	524

11 RISK FACTORS

Risk management objectives and policies

The Group is exposed to various risks in relation to financial instruments. The main types of risks are market risk, credit risk and liquidity risk.

The Group's risk management is carried out by the central administration, in close co-operation with the board of directors and focuses on actively securing the Group's short to medium-term cash flows by minimizing the exposure to financial markets.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

The most significant financial risks to which the Group is exposed are described below.

Market risk analysis

The Group is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risks, which result from both its operating and investing activities.

As the economic consequences of the war unfolded in Ukraine, strong inflationary pressures arose. The average annual inflation for the period January - December 2022 compared to the period January - December 2021 is 15.3 percent. Inflation is expected to remain high in the short term. In the medium term, as the energy market rebalances, uncertainty is expected to ease and inflation to fall towards the end of 2023. By the second half of 2025, easing pressures from energy prices and other costs, together with the ECB's monetary policy measures, should return inflation to the target level.

The expected retention of the level of inflation will continue to affect the maintenance of high levels of purchase prices of the goods and services used by the Group, which could lead to an unexpected contraction in consumer demand and, consequently, future revenues.

Foreign currency risk

Most of the Group's transactions are carried out in Bulgarian leva (BGN). Exposures to currency exchange rates arise from the Group's overseas sales and purchases, which are primarily denominated in US-Dollars and British Pounds.

To mitigate the Group's exposure to foreign currency risk, non-BGN cash flows are monitored. Generally, Group's risk management procedures distinguish short-term foreign currency cash flows (due within 6 months) from longer-term cash flows. Where the amounts to be paid and received in a specific currency are expected to largely offset one another, no further hedging activity is undertaken.



Despite the small amount of financial instruments in foreign currency, the impact of the general economic situation and the dynamics of the international markets could have an impact that would lead to unexpected changes in the exchange rate of the US dollar and this would affect the financial results of the Group in the future.

Interest rate risk

The Group's policy is to minimize interest rate cash flow risk exposures on long-term financing.

In 2023, the Group is exposed to the risk of changes in market interest rates on its bank loans, which have a variable interest rate. All other financial assets and liabilities of the Group have fixed interest rates.

Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example by granting loans and receivables to customers, etc. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at the reporting date, as summarized below:

Financial assets	31.3.2023	31.12.2022
	BGN'000	BGN'000
Financial assets at fair value through profit or loss:		
Long - term financial assets	336	336
Debt instruments measured at amortized cost		
Trade receivables	15 257	16 405
Related party receivables	601	418
Loand granted	150	150
Cash and cash equivalents	35 748	21 146
	51 756	38 119
	52 092	38 455

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Group's policy is to deal only with creditworthy counterparties. The Group's management considers that all the above financial assets that are not impaired or past due for each of the reporting dates under review are of good credit quality.

None of the Group's financial assets are secured by collateral or other credit enhancements in regard to transactions.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various industries and geographical areas. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Liquidity risk

Liquidity risk is the risk arising from the Group not being able to meet its obligations. The Group manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecast cash inflows and outflows due in day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day lookout period are identified monthly. Net cash requirements are compared to available borrowing facilities in order to determine headroom or any shortfalls. This analysis shows that available borrowing facilities are expected to be sufficient over the lookout period.

The Group's objective is to maintain cash and marketable securities to meet its liquidity requirements for 30-day periods at a minimum. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.



As at 31 March 2023, the Group's non-derivative financial liabilities have contractual maturities (including interest payments where applicable) as summarized below:

31 March 2023	Current		Non-current	
	Within 6 months	6 to 12 months	1 to 5 years	Over 5 years
	BGN'000	BGN'000	BGN'000	BGN'000
Borrowings	868	868	7 352	-
Finance lease obligations	227	227	1 373	205
Trade and other payables	4 949	-	-	-
Related party payables	665	-	-	-
Total	6 709	1 095	8 725	205

This compares to the maturity of the Group's non-derivative financial liabilities in the previous reporting period as follows:

31 December 2022	Current		Non-current	
	Within 6 months	6 to 12 months	1 to 5 years	Over 5 years
	BGN'000	BGN'000	BGN'000	BGN'000
Borrowings	2 626	2 625	7 707	-
Finance lease obligations	306	305	1 123	198
Trade and other payables	2 634	-	-	-
Related party payables	497	-	-	-
Total	6 063	2 930	8 830	198

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the liabilities at the reporting date.

Financial assets used for managing liquidity risk

The Group considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. The Group's existing cash resources and trade receivables do not significantly exceed the current cash outflow requirements. Cash flows from trade and other receivables are all contractually due within six months.

12 OTHER INFORMATION AS PER APPENDIX 11 OF ORDINANCE 2 OF THE FSC

12.1 Information about events and indicators with unusual nature for the Group, having a significant effect on the activity and the income and expenditure; evaluation of their impact on results in the current period

There are no events and indicators with an unusual nature for the Group that have a significant impact on its operations and its realized revenues and expenses.

12.2 Information about out of the balance sheet transactions - type and business purpose, financial impact of the transaction on activity if the risks and benefits of these transactions are essential for the company and the disclosure of this information is essential for assessing the financial position of the group.

There are no deals out of the balance sheet of the Group.



12.3 Information about the use of funds from the new issue of securities, carried out during the reporting period.

The Group did not use funds from a new issue of securities in the reporting period.

12.4. Analysis of the relationship between the financial results achieved, reported in the financial statement for the reporting period and earlier published projections for these results.

The financial results of the Group correspond to the forecasts made in the Development Strategy of Sirma Group Holding, which is published on the company's website.

12.5 Analysis and financial evaluation of the financial resources management policy with the position of opportunities for the service of the obligations, the eventual threats and measures which the group was prevented or provided to take for the purpose of removing them.

The management of financial resources is subject to the requirement of maximizing efficiency while respecting payment deadlines agreed with both suppliers and customers. This means a predominant use of own funds, resulting in lower financial costs and interest costs. On the other hand, there is a significant reserve of undrawn loans that can serve both current and investment costs, which maintain high liquidity of payments.

The entity's ability to service obligations is expressed in terms of liquidity ratios in the description of the liquidity risk in this report. As evidenced by the values of the liquidity indicators, Sirma Group Holding JSC has no problems in meeting its obligations, both in the medium and long term. The company has regular proceeds from sale, while also using bank overdrafts, which allows it to service its obligations by successfully managing its financial resources and to properly and timely service its obligations.

12.6 Assessment of the possibilities for the implementation of investment intentions with the significance of the amount of expenditure and the effectiveness of the possible changes in the structure of financing that activity.

The management estimates that it is possible to realize the investment intentions declared with the prospectus for initial public offering.

12.7 Information about occurring changes for the reporting period in the main principles for the management of the Group.

There were no changes during the reporting period in the Group 's main management principles.

12.8 Information about the main characteristics of the financial reporting processing internal control system and risk management system

Under Bulgarian law, the management should prepare an annual report on the operations and a financial statement for each quarter to give a true and fair view of the Company's financial position as of the end of the year, financial performance and cash flows in accordance with the applicable accounting framework. Management's

responsibility also includes the implementation of an internal control system to prevent, detect and correct mistakes and false statements as a result of the accounting system's actions. In this respect, the management observes the following basic principles in its activities:



- adherence to a particular management and accounting policy disclosed in the financial statements;

- carrying out all operations in compliance with the laws and regulations; coverage of all events and operations in a timely manner, with the exact amount of the amounts in the appropriate accounting articles.

- accounts and the relevant reporting period so as to allow the financial statements to be prepared in accordance with the specific accounting framework;

- observance of the precautionary principle in the valuation of assets, liabilities, income and expenses;

- detection and termination of frauds and errors;

- completeness and regularity of accounting information;

- preparation of reliable financial information;

- adherence to international financial reporting standards and adherence to the going concern principle.

The interim consolidated financial statements have been prepared in accordance with the going concern principle, taking into account the possible effects of the resulting inflationary crisis and other risks accompanying the Group's activity.

During the reporting period, there have been no changes in the basic principles of management of Group.

12.9 information on changes in management and supervisory authorities in the reporting period.

There were no changes during the current period.

12.10 Information about the known to the Group agreements (including also after the closing of the period) as a result of which changes may occur at a future time in the owned percent of shares or bonds by current shareholders or bondholders.

The Group has no information of agreements which may alter the owned percent of shares by current shareholders. The Group has not issued bonds.

12.11 Details of the Director for relations with the investors, including a telephone and address for correspondence.

Stanislav Tanushev

Bul. 135 Tsarigradsko shose, fl. 3

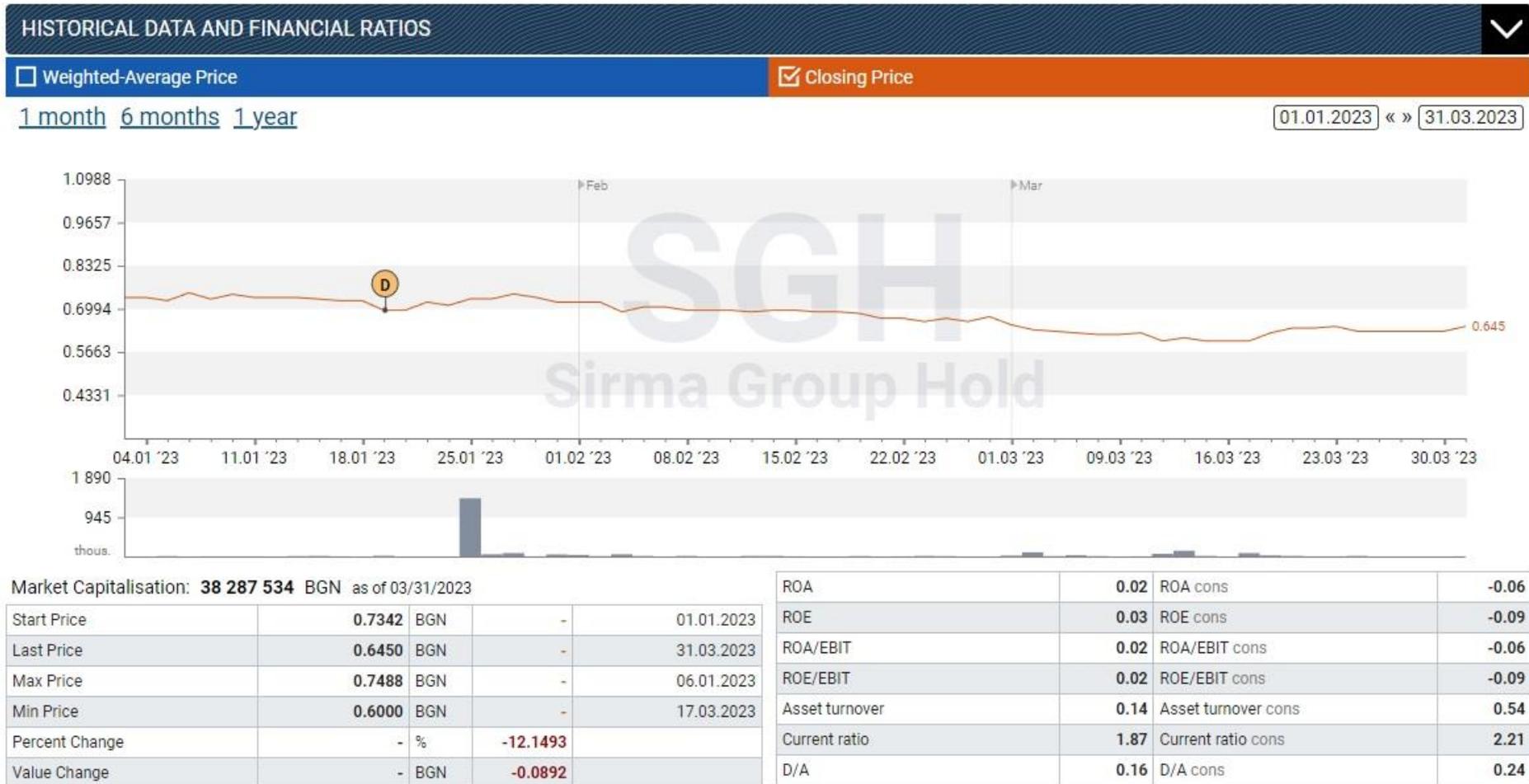
Sofia 1784

ir@sirma.com

Contact phone: +359 2 976 8310



13 CHANGES IN THE PRICE OF THE SHARES OF THE COMPANY



14 EVENTS AFTER THE END OF THE REPORTING PERIOD

Purchase of a company in Canada

On 03.04.2023, the subsidiary of "Sirma Group Holding" JSC - "EngView Systems Sofia" AD purchased 95% of registered in Canada company Engview Solutions Corp.

Complete purchase of the company "Sciant AD" by "Sirma Group Holding" AD

On 03.04.2023 a transaction for the purchase of the remaining shares in the subsidiary of "Sirma Group Holding" JSC - "Sciant" AD was concluded as follows:

- Subsidiary whose shares are subject to redemption: "Sciant" AD;
- Company that buys the shares: "Sirma Group Holding" JSC;
- Size of the minority package object of purchase: 22.20% of the capital of "Sciant" AD distributed in 57 000 shares;
- Sellers of shares: 26 individuals and 1 legal entity.

As a result of the above transaction, "Sirma Group Holding" JSC now owns 100% of the capital of the company "Sciant" AD.

Full repayment of loans

On 12.04.2023 "Sirma Group Holding" JSC made a full early repayment of three of its investment bank loans, including principal amounts of 4 356 154 (four million three hundred and fifty-six thousand one hundred and fifty-four) euros. As a result of the above, the company currently has no credit indebtedness under investment loans.

Registration of a new company in Sweden

On 26.04.2023 "Sirma Solutions" AD received registration of its new subsidiary in Stockholm, Sweden. The name of the new company is "Sirma AB". "Sirma AB" will be commercially focused on the markets in the Scandinavian countries, BENELUX and German-speaking Europe. The company will offer the full range of products and services of companies the Group. The head of the company is a local manager, and initially it is expected to have three associates for business development.

Sofia
30.05.2023

Executive Director: 
Tsvetan Alexiev

