



# **Interim Separate Management Report**

of "Sirma Group Holding" JSC  
for H1 2025

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# 1/ STATEMENT BY THE BOARD OF DIRECTORS OF "SIRMA GROUP HOLDING" JSC

The present interim separate report of the management of "Sirma Group Holding" JSC covers the period, ending on 30 June 2025 and was prepared in accordance with the provisions of Article 39 of the Accountancy Law and Art. 100o, para. 2 and 5 of the Law on the Public Offering of Securities (POSA), including also the established events, occurring after the balance sheet date. The structure of this report is in accordance Article 12 of Ordinance No. 2 of 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 financial statements as at 30 June 2025;
- there is no actual or potential breach of laws and (or) other regulatory provisions that would have a material impact on the individual 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 management report contains estimates and information based on our beliefs and assumptions, using currently available information about them. Any statements contained in this report that 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 Risk Section of the report.

The words "purpose", "predict", "accept", "believe", "in the future", "we could", "rely", "we are confident", "appreciate", "expect", "we intend", "we can", "can", "prospect", "plan", "project", "predict", "would" and other similar expressions are intended to identify these forward-looking statements. Such estimates are, for example, those made in the Business Results section of our quantitative and qualitative disclosures about market risk in accordance with International Financial Reporting Standards (IFRS), namely IFRS 7 and related statements in our Notes to the financial statements, our prospects for development, and other forecast information that appears in other parts of

this report. Unless required by law, we do not commit and we have no obligation to update or revise predictive statements as a result of new information we have received about the conditions that existed at the time of this report, future events, or otherwise unless we are obliged to do so under the law.

This report includes IT industry statistics and global economic trends that 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 data type 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 Individual Management Report, we analyze our business activities for the reporting financial period as well as the current situation of "Sirma Group Holding" JSC. 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 Holding" JSC and the expected development of possible risks.

The financial information presented in the "Sirma Group Holding" JSC report includes our separate 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 annual separate financial statements have been prepared in accordance with IFRSs. Internal control over financial reporting ensures the reliability of the information presented in the separate financial statements. Our Board of Directors has confirmed the effectiveness of our internal financial reporting.

The reporting period is the financial period ending on 30 June 2025. The report includes the activity of "Sirma Group Holding" JSC.



## 2/ ORGANIZATION AND WAY OF PRESENTATION

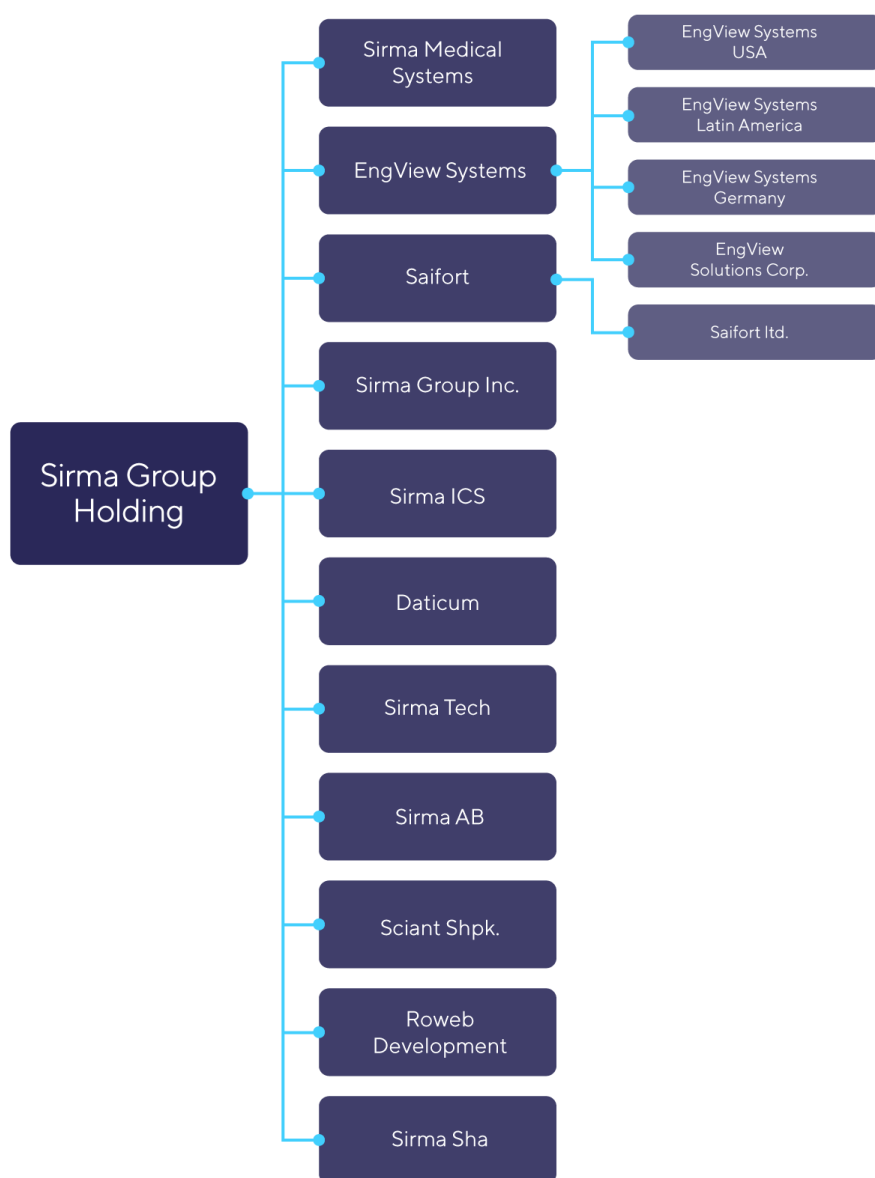
"Sirma Group Holding" JSC is a holding company which invests in technological businesses, manages them strategically and operationally, provides its subsidiaries with management, administrative, marketing and financial services.

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.

### 2.1. Group structure



## HISTORY AND DEVELOPMENT OF THE COMPANY

"Sirma Group Holding" JSC is a holding company is registered on 25.04.2008 with the Registry Agency with UIC 200101236, with Seat and registered office: BULGARIA, Sofia (capital), Sofia municipality, city. Sofia, 1784, Mladost area, bul. Tsarigradsko Shosse, No 135. The name of the company changed on 23.03.2009. from "SGH" JSC to "Sirma Group Holding" JSC.

The object of activity, according to Article 4 of the Company's Articles of Association, is: acquisitions,

management, evaluation and sale of participation in bulgarian and foreign companies, acquisition, evaluation and sale of patents, cession of licenses to use patents in companies which the company holds, finance companies in which the company participates, organize accounting and compiling financial statements under the law of accounting. company may perform other business activities which is not prohibited by law.

### Object of activity

The Company's object of activity is 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 to companies in which the holding company

participates, financing of the companies in which the holding company participates, organization of the accounting and preparation of financial statements as per 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:

- does not have a transfer or pledge to the enterprise;
- does not have claims, which have been filed for the opening of insolvency proceedings of the company;
- does not have pending tenders from third parties to the Company or from the Company to other companies;

## CAPITAL

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

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

Non-monetary contributions - description:

1. Software representing 29 (twenty nine) software modules.

**Value: BGN 61 555 838**

2. 81 960 number of ordinary registered shares of "Sirma Group" JSC, the company registered in the Commercial Register to the Registry Agency with UIC 040529004.

**Value: BGN 11 734 980**

3. Real Estate - Floor 3 of an office building "IT - Center Office Express" in Sofia, bul. "Tsarigradsko Shosse " N 135 with an area 796, 50 square meters, pursuant to Deed of buying and selling real estate N 126, Volume I, reg. N 4551, case N 116 from 23.04.200. and 5 floor of an office building "IT - center office Express" in Sofia bul. " Tsarigradsko Shosse " N 135 with area 281.81 square meters, according to Deed of sale of real estate N 86, Volume 4, Reg. N 10237, Case N 592 of 23.12.2004

**Value: BGN 3 911 660**

**Total Value: BGN 77 202 478**

Non-cash contributions are detailed in Article 7, paragraph 3 of the Articles of Association of the Company.



**"Sirma Group Holding" JSC**

[www.sirma.com](http://www.sirma.com)



## HISTORY OF SHAREHOLDER CAPITAL

- Through an initial public offering, according to a resolution of the GMS dated 04.12.2014, an increase of the capital of "Sirma Group Holding" JSC was registered on 30.10.2015, increasing the capital to BGN 59 360 518 BGN.
- 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 valuers. The shareholding structure of the Company does not change as a result of the separation until the shareholding structures in the transforming and newly established companies are mirrored.
- 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 one each. The Company's capital was reduced on the basis of Art. 200, para. 2, in conjunction with Art. 187f, par. 1, item 2n in Bulgarian commercial law.

- On 15.10.2008 after the adoption of three triple expert appraisals, the share capital is increased from 50 000 BGN to 77 252 478 BGN through non-cash contributions by issuing new 77 202 478 shares as follows:

- 29 software modules worth 61 555 838 BGN;
- 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 Blvd., owned by "Sirma Group" JSC, 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" JSC by decision of the General Meeting of "SGH" JSC from 10.07.2008

- 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.

## 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/ PORTFOLIO OF "SIRMA GROUP HOLDING" JSC

## Subsidiaries of "Sirma Group Holding" JSC

Company	Value of the investment at 30.06.2025 (in BGN'000)	Percentage of capital at 30.06.2025	Value of the investment at 31.12.2024 (in BGN'000)	Percentage of capital at 31.12.2024
„Saifort" EAD	17 865	100%	17 865	100%
Roweb Development	11 210	51,00%	11 210	51,00%
Sirma Group Inc.	6 537	100%	6 537	100%
Sirma Tech"	1 402	100%	1 402	100%
"Daticum" AD	468	59%	468	59%
"Sirma AB"	416	100%	338	100%
"Sirma ICS" AD	279	93,00%	279	93,00%
Sciart Shpk.	256	100%	256	100%
"Sirma Medical Systems" AD	66	66,00%	66	66,00%
"EngView Systems" AD	50	72,90%	50	72,90%
Sirma Sha Shpk.	25	55%	-	-
"Sirma ISG" OOD	4	71%	4	71%

## INFORMATION ON PARTICIPATION

Apart from the above mentioned participations of the Company, there are no other participations which 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.



"Sirma Group Holding" JSC

www.sirma.com

## 4/ STRUCTURE OF SHAREHOLDERS CAPITAL AND MANAGEMENT AUTHORITIES

### 4.1. Distribution of share capital

As of 30.06.2025 the distribution of the share capital of "Sirma Group Holding" JSC is as follows:

	30.06.2025	31.03.2025
Share capital (thousand shares)	59 361	59 361
Number of shares (par value of BGN 1.00)	59 360 518	59 360 518
Total number of registered shareholders	1 260	1 169
Including legal entities	44	42
Individuals	1 216	1 127
Number of shares held by legal entities	6 708 656	6 968 710
% Of participation of entities	11,30%	11,74%
Number of shares held by individuals	52 651 862	52 391 808
% Participation of individuals	88,70%	88,26%

Shareholders	Number of shares at 30.06.2025	Number of shares at 31.03.2025	Nominal value (BGN)	Value (BGN)	% Shareholding	% of voting rights*
Georgi Parvanov Marinov	5 461 898	5 461 898	1	5 461 898	9,20%	9,43%
Tsvetan Borisov Alexiev	5 025 153	5 025 153	1	5 025 153	8,47%	8,67%
Chavdar Velizarov Dimitrov	4 817 386	4 817 386	1	4 817 386	8,12%	8,31%
Veselin Antchev Kirov	4 767 386	4 767 386	1	4 767 386	8,03%	8,23%
Ognyan Plamenov Chernokozhev	3 741 620	3 741 620	1	3 741 620	6,30%	6,46%
Krasimir Nevelinov Bozhkov	2 534 161	2 534 161	1	2 534 161	4,27%	4,37%
Rosen Ivanov Marinov	2 307 900	1 907 900	1	2 307 900	3,89%	3,98%
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%	3,72%
Emiliana Ilieva Ilieva	1 996 209	1 996 209	1	1 996 209	3,36%	3,45%
Deyan Nikolov Nenov	1 814 748	1 814 748	1	1 814 748	3,06%	3,13%
Atanas Kostadinov Kiryakov	1 555 287	1 555 287	1	1 555 287	2,62%	2,68%
Purchased own shares	1 421 694	1 689 236	1	1 421 694	2,40%	-
Yavor Liudmilov Djonev	1 066 046	1 066 046	1	1 066 046	1,80%	1,84%
Mandjukov Ltd.	860 000	860 000	1	860 000	1,45%	1,48%
Peter Nikolaev Konyarov	771 600	803 538	1	771 600	1,30%	1,33%
UPF DSK Rodina	747 036	747 036	1	747 036	1,26%	1,29%
DF Advance Invest	743 822	738 822	1	743 822	1,25%	1,28%
UPF Doverie JSC	702 126	702 126	1	702 126	1,18%	1,21%
Asen Krumov Nelchinov	650 449	650 449	1	650 449	1,10%	1,12%
Momchil Nikolov Zarev	618 153	618 153	1	618 153	1,04%	1,07%
Others	13 423 574	13 529 094	1	13 423 574	22,61%	23,17%
<b>Total</b>	<b>59 360 518</b>	<b>59 360 518</b>		<b>59 360 518</b>	<b>100%</b>	<b>100%</b>

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

As of 30.06.2025 „Sirma Group Holding“ JSC holds 1 421 694 (31.03.2025 - 1 689 236) repurchased own shares at the total amount of BGN 1 421 694 (2,40% of share capital).





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

Shareholders	Number of shares at 31.03.2025	% Shareholding	% of voting rights
Georgi Parvanov Marinov	5 461 898	9,20%	9,43%
Tsvetan Borisov Alexiev	5 025 153	8,47%	8,67%
Chavdar Velizarov Dimitrov	4 817 386	8,12%	8,31%
Veselin Antchev Kirov	4 767 386	8,03%	8,23%
Ognyan Plamenov Chernokozhev	3 741 620	6,30%	6,46%

Shareholders	Number of shares at 31.03.2025	% Shareholding	% of voting rights
Georgi Parvanov Marinov	5 461 898	9,20%	9,47%
Tsvetan Borisov Alexiev	5 025 153	8,47%	8,71%
Chavdar Velizarov Dimitrov	4 817 386	8,12%	8,35%
Veselin Antchev Kirov	4 767 386	8,03%	8,27%
Ognyan Plamenov Chernokozhev	3 741 620	6,30%	6,49%

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.

## 4.2. Management authorities

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

The Board of Directors as of 30.06.2025 includes the following members:

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

Determination of the mandate of the Board of Directors: 2 years from the date of entry.

The current mandate of the Board of Directors: 05.07.2026

The company is represented by the Executive Director of "Sirma Group Holding" JSC Tsvetan Borisov Alexiev.



## 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 its shares.

## Rights of the members of the Board of Directors to acquire shares and bonds of the company

The rights of the members of the Board of Directors of the company to acquire shares from the company are regulated in the applicable legal framework. The company has no bonds issued.

## 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:

1. **The Investment, Risk and Sustainability Committee, composed of:**

*Yordan Nedev – chairman  
Stanislav Tanushev – member  
Georgi Marinov – member*

2. **Remuneration Committee, composed of:**

*Georgi Marinov – chairman  
Martin Paev – member  
Yordan Nedev – member*

3. **Information Disclosure Committee, composed of:**

*Tsvetan Alexiev – chairman  
Stanislav Tanushev – member  
Chavdar Dimitrov – member  
Atanas Kiryakov - member*

4. **Audit Committee, composed of:**

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

## Adopted internal documents

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:



System of Corporate Governance	Description	Adoption	Latest review	Application
Dividend Policy	Policy for the distribution of dividends of the public company	29.09.2022		SGH
Rules for the operation of the Board of Directors	Instructions and clarifications on the duties and responsibilities of the members of the Board of Directors	2015		All subsidiaries
Remuneration Policy	Remuneration policy for the members of the Board of Directors	2015	03.08.2021	SGH
Instruction for the obligations and responsibilities of insiders	Instructions and clarifications on duties and responsibilities when accessing and working with inside information.	2015	2021	All subsidiaries
Program for good corporate governance	A system of rules that protects the interests of shareholders and other stakeholders	2015	2021	All subsidiaries
Accounting Policy	Policy which governs the accounting and control in the companies	2015	30.06.2023	All subsidiaries
Code of conduct for the financial and accounting positions	A code that guarantees the transparent and reliable preparation of financial accounting documents	2015		All subsidiaries
Anti-corruption Policy	Policy against all corruption practices and related phenomena	2015		All subsidiaries
Rules for the protection of whistleblowers	Internal Rules for Submitting Signals and Protection of Persons Submitting Signals or Publicly Disclosing Information for Violations – "Whistleblowers"	04.05.2023		All subsidiaries
Ethical code of conduct for employees	The Code establishes the norms for ethical behavior of employees at Sirma Group Holding	2020		All subsidiaries
Data protection Policy	Privacy and data protection policy for the clients of Sirma	2021		All subsidiaries
Sustainability Policy	Policy for the sustainable function and development of the companies in Sirma	2021	30.09.2023	All subsidiaries
Human rights policy	Policy, which determines attitude to human rights in Sirma	2023	25.03.2024	All subsidiaries
CSR in procurement policy	A policy that integrates CSR into Sirma's procurement practice	2023	25.03.2024	All subsidiaries

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 30.06.2025	Number of shares at 31.03.2025	Nominal VALUE (BGN)	Value (BGN)	% Shareholding	% of voting rights
Georgi Parvanov Marinov	5 461 898	5 461 898	1	5 461 898	9,20%	9,43%
Tsvetan Borisov Alexiev	5 025 153	5 025 153	1	5 025 153	8,47%	8,67%
Chavdar Velizarov Dimitrov	4 817 386	4 817 386	1	4 817 386	8,12%	8,31%
Veselin Anchev Kirov	4 767 386	4 767 386	1	4 767 386	8,03%	8,23%
Atanas Kostadinov Kiryakov	1 555 287	1 555 287	1	1 555 287	2,62%	2,68%
Yavor Ludmilov Djonev	1 066 046	1 066 046	1	1 066 046	1,80%	1,84%
Martin Veselinov Paev	126 920	126 920	1	126 920	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%
<b>Total</b>	<b>22 823 609</b>	<b>22 823 609</b>		<b>22 823 609</b>	<b>38,45%</b>	<b>39,39%</b>

During the period, there was no change in the participation of the members of the BD in the capital of the company.



## Remuneration of the members of the Board of Directors of "Sirma Group Holding" JSC

Pursuant to Article 25, paragraph 5 of the Articles of Association of the Company, each member of the Board of Directors has received a permanent gross remuneration under management contracts in the amount of 314 thousand BGN (30.06.2024 – 175 thousand BGN).

## INFORMATION ON THE CONTRACTS OF THE MEMBERS OF THE ADMINISTRATIVE, MANAGEMENT OR SUPERVISORY BODIES WITH THE COMPANY PROVIDING BENEFITS FOR THE DISCONTINUATION OF EMPLOYMENT

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, INCLUDING THE NAME OF THE MEMBERS OF THE COMMITTEE AND A MANDATE SUMMARY ON 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

"Sirma Group Holding" JSC is obliged to comply its financial statements with the requirements within the program for the application of internationally recognized standards for good corporate governance and maintains its accounting policy in accordance with International Accounting Standards.

# 5/ "SIRMA GROUP HOLDING" JSC IN H1 2025

### Summary

The global economy is entering a period of slower growth and elevated risks, shaped by trade policy uncertainties, financial tightening, and geopolitical volatility. While moderate growth is expected, especially in emerging markets like India, advanced economies face weak expansion and structural headwinds. Careful policy coordination will be vital to navigate these challenges and foster a more sustainable global economic trajectory beyond 2025. The ICT sector again proves resilient to global downturns however, a slowdown of growth is present even here, and this moderate growth is only powered by the generative AI expansion.

### Forecast for the economy of Bulgaria in 2025 and for the future years

Bulgaria's economic growth in 2025 is projected to be moderate, with forecasts generally ranging between 2.0% and 3.0% GDP growth depending on the source. The OECD ([OECD, Economic Outlook, 3 June 2025](#)) predicts a 2.6% increase in GDP for 2025, followed by 2.3% in 2026, driven mainly by household consumption supported by high income and credit growth, as well as increased government investment through EU funds rollout. The European Commission (EC) and World Bank offer slightly more conservative forecasts, with the EC projecting 2.0% growth in



2025 and 2.1% in 2026, citing pressures from higher indirect taxes, energy prices, and international tariffs that weigh on consumption and investment. The World Bank lowered its forecast to 2.0% for 2025 and 2.2% for 2026, down from earlier expectations.

The Bulgarian Ministry of Finance presents a somewhat more optimistic scenario, forecasting 3.0% growth in 2025 supported by public spending and EU fund absorption, with growth slowing to 2.5% in 2026 due to reduced public investment.

The key economic drivers of this anticipated growth are:

**Household Consumption:** Expected to grow but at a slower pace than in 2024, constrained by inflation and precautionary savings.

**Investment:** Public investment is set to increase in 2025, driven by EU funds and military equipment acquisition, though private investment may contract due to uncertainty.

**Exports:** Growth in exports is expected to be slow or slightly positive, affected by weaker external demand and sector-specific challenges (maintenance in steel and oil refining).

**Inflation and Wages:** Inflation remains elevated, projected to rise slightly to 3.6% in 2025 before easing to about 1.8% in 2026 when Bulgaria joins the eurozone. Wage growth is strong but risks sustaining inflation pressures.

The OECD highlights the need for macroprudential measures to manage household credit growth and recommends improving the business environment and tackling informality to boost investment and labour force utilization.

The **risks** to the development of the Bulgarian economy in 2025 are:

- Escalation of the war in Ukraine: low probability / strong impact;
- Postponing the implementation of investment projects and keeping the insignificant investments in the economy from the last 3 years: strong probability / strong impact;
- Continued political instability: strong probability / strong impact;
- Inflation and rising interest rates on loans: low probability / average impact;
- Recession in some of the major trading partners (Germany) and reduction of Bulgaria's exports to them: medium probability / strong impact;
- Increase in the prices of energy carriers: low probability / strong impact;
- Slow rate of utilization of funds under European program: medium probability / strong impact;
- Delayed implementation of the National Recovery Plan: medium probability / strong impact;

### Forecast for development of global economy in 2025 and for the future years

Global economic growth is expected to slow significantly in 2025, with forecasts ranging from about 2.3% to 2.9%, marking the weakest pace since the 2008 financial crisis outside of recessions. The World Bank ([WB, Global Economic Prospects, 10 June 2025](#)) projects growth at 2.3% in 2025, a downward revision reflecting heightened trade tensions, policy uncertainty, and weaker investment and trade growth globally.

Similarly, Morgan Stanley ([MS, Midyear Economic Outlook, 28 May 2025](#)) forecasts 2.9% growth in 2025, down from 3.3% in 2024, citing structural shocks from new U.S. trade policies and tariff-related uncertainty. The OECD ([OECD, Economic Outlook, 3 June 2025](#)) similarly expects global growth of 2.9% in 2025 and 2026, down from 3.3% in 2024, with notable slowdowns in the U.S., Canada, Mexico, and China. The United Nations ([UN, World Economic Situation and Prospects as of mid-2025, May 2025](#)) forecast an even greater slowdown. The UN projects a global growth of 2.4% in 2025 from 2.9% in 2024.

**United States:** Growth is expected to decline from 2.8% in 2024 to around 1.5-1.6% in 2025-26, impacted by trade tensions and tighter financial conditions.

**Euro Area:** Modest growth recovery is projected, with GDP expanding from 0.8% in 2024 to about 1.0-1.3% in 2025 and 1.2-1.5% in 2026.

**China:** Growth is moderating, forecasted to slow from 5.0% in 2024 to 4.3-4.7% in 2025-26, reflecting structural challenges and global trade impacts.

**Developing Economies:** Outside Asia, growth is weakening significantly, with developing economies' growth falling below 4% in the 2020s, down from 6% in the 2000s.

**Inflation** pressures are easing globally but remain uneven. The G20 inflation is expected to moderate from 6.2% in 2024 to around 3.6% in 2025 and 3.2% in 2026, helped by weaker commodity prices despite higher trade costs due to tariffs. Central banks may begin easing interest rates as inflation slows, except in the U.S., where rates are expected to remain steady until early 2026.

**Key risks** include escalating trade restrictions, policy uncertainty, and tighter financial conditions that could further depress growth or trigger recessions. The IMF and World Bank emphasize the need for international cooperation to stabilize trade, address structural imbalances, and promote inclusive growth through labor force participation and productivity improvements. Risks to the world's economic development are high. These risks are:

- risk of a greater than expected effect from monetary restrictions: low probability / medium impact
- escalation of Russia's war in Ukraine: low probability / high impact;



- potential sustainability of inflation and the related need to maintain high interest rates for a longer period: high probability / high impact ;
- production, trade and supply chain disruptions: high probability / high impact;
- stronger-than-expected contraction of the Chinese economy, deepening deflation and contraction of domestic consumption, sales problems in the Chinese property market that generate liquidity and/or risk of debt defaults mixed with export challenges: high probability / high impact ;
- deepening of the geopolitical fragmentation that began in 2022: high probability / high impact ;
- escalation of the war between Israel and Hamas to a regional conflict and/or limitation of traffic of fuel and foods through the Middle East: average probability / high impact ;
- extreme climatic events: high probability / average impact.

### The Industry of Sirma

Sirma Group companies specialize in the information technology (IT) industry, focusing predominantly on business-to-business (B2B) customers. The broader industry is commonly referred to as Information and Communication Technologies (ICT), reflecting the strong interdependence between IT and communications sectors.

Sirma Group's core activities concentrate on two main ICT segments:

- IT Services: Including system integration, infrastructure as a service (IaaS), software as a service (SaaS), software support, consulting, and managed services.
- Business Software: Covering diverse software products and services tailored to various business verticals, along with custom software development.

According to Gartner's historically, these two segments have been the fastest-growing and most resilient within ICT, often regarded as "immune to crises" amid global economic uncertainty. The ongoing mass digitization depends heavily on innovative software and IT services, driving sustained growth even through turbulent times. The "turbulent times" of 2025 again see strong IT spending, this time geared towards generative AI and its business applications.

Geographically, Sirma targets the world's leading ICT markets—the USA, UK, and Europe—which together account for over 92% of its revenues (for 2024). Europe remains the largest market, generating approximately 80.5% of sales, followed by North America at 11.6%.

This robust financial and market performance positions Sirma Group as a leading regional IT player with a growing global footprint, well positioned to capitalize on continued ICT demand in 2025 and beyond.



### The global ICT market in 2025 and future forecast

In spite of better-than-expected 2024 results, Gartner has revised its forecasts for the development of the ICT market in 2025 ([Gartner, June, 2025](#)). This forecast already prices in the effects of the "April Tariffs". The revisions are on the downside, with "IT Services" being hit the most. At first glance the growth expectations remain strong in the face of the global economic turmoil. 2025 is expected to bring an impressive growth of 7.9% at current prices or 8.7% at constant prices. The ICT market is expected to reach USD 5.4 trillion in 2025. However, this growth is focused on generative AI with most of the remaining segments having stronger reduced forecasts for growth.

A small revision of the forecast by Gartner occurred even between the months of June (graph above) and July (chart below). All ICT segments are expected to grow in 2025. Nevertheless, the different growth rates remain: explosive growth of 42.4% is anticipated for "Data center systems", while communication services see an only 2.1% growth. "IT Services" remain the leading segment in the ICT sector in 2025 volume wise, responsible for USD 1.7 trillion in spending.

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

	2024 Spending	2024 Growth (%)	2025 Spending	2025 Growth (%)
Data Center Systems	333,372	40.3	474,883	42.4
Devices	720,681	4.6	759,615	5.4
Software	1,114,604	11.9	1,232,145	10.5
IT Services	1,614,756	4.8	1,686,321	4.4
Communications Services	1,256,287	2.2	1,282,592	2.1
<b>Overall IT</b>	<b>5,039,699</b>	<b>7.4</b>	<b>5,435,555</b>	<b>7.9</b>

Source: Gartner (July 2025)

"While there is a business pause on net-new spending due to a spike in **global uncertainty**, the effect is subsumed by ongoing AI and generative AI (GenAI) digitization initiatives. For instance, both "Software" and "IT Services" spending growth in 2025 **is expected to slow down** due to this 'uncertainty pause,' but spending in AI-related infrastructure, such as "Data Center Systems", continues to surge ([July 2025, John-David Lovelock, VP Analyst at Gartner](#)).

The bulk of this significant growth in the sector, especially in the "Data Center Systems", is due to large ICT provider giants, and not so much to medium and small ICT companies. From the Gartner ranking of the top 100 IT companies for 2024 it becomes evident that the biggest 10 vendors contribute half of the revenue and the top 9 are responsible for half of the growth within this group. The leading IT companies both in terms of growth and volume of sales are strongly geared to AI powered services.

### Leading Segments

All segments are expected to grow in 2025, accelerating (around 10%) from the previous year's estimate of around



6%). For the first time, the Servers sub-segment is outperforming the standard growth expectations, posting an impressive 73% growth in 2025 and a 32% CAGR through 2029. Spending of around USD 100 billion is expected for servers tailored to meet the needs of generative AI providers and not so much for standard business enterprises. This investment is only expected to accelerate, reaching USD 200 billion by 2029. AI readiness is also driving other sub-segments like "Devices", including consumer devices such as mobile phones and PCs.

The "Software" and "IT services" segments do grow, although this growth has been revised down even from the beginning of 2025. The growth rates of the two segments suffer from what Gartner coins as "The Uncertainty Pause". The expected average growth for 2025 is 10.5% for "Software" and 4.4% for "IT Services", with the CAGR 2023-2029 being approximately the same. However there is a distortion generated by AI spending in these forecasts.

The massive spending geared to generative AI **tends to distort** the overall picture within the ICT sector. The non-generative AI segments are still growing, but with a much slower pace.

This is also true on the segment level. Both **"IT Services"** and **"Software"** have one generative-AI-sub-segment each pulling the whole group up. For "IT Services" this is "IaaS" with the healthy growth of 23% for 2025 and CAGR until 2025 again of 23%. For "Software" this is "Vertical Specific Software" which finds applications of generative AI in specific industry verticals. The growth expected there is about 12% for 2025 and again 12% CAGR, driven by strong spending demand. These winning sub-sectors strongly **distort** the forecast growth in both segments, which will be much more modest without them.

#### Effects of April 2025 Tariffs on ICT Spending

Gartner named the temporary deferral of IT initiatives caused by the global uncertainty "The Uncertainty Pause". Q2 2025 was marked by this pause. IT budgets are not cut, but some of them are on hold. ICT spending proves to be recession-proof, with growth expected through 2029 irrespective of the uncertainty and risks. However, some segments are more influenced than others by the global uncertainty and subsequent "Uncertainty Pause".

One such segment is the "IT Services". Although Gartner forecasts a 4.4% growth of the segment in 2025, it allows for two alternative scenarios:

- the positive one with a short and shallow effect of the global trade disruptions and fast return to the globalized system of trade and

- the negative one with a long and deep disruption of global trade lasting at least until 2029

The average 4.4% growth figure for the segment is strongly influenced by the now traditionally dramatic growth of IaaS (21.7%). The rest of the IT services have a rather lackluster growth of about 3% in 2025. The short-shallow scenario may boost growth to a slightly better average of 4%. However, the long-deep scenario could lead to an overall **contraction** of the segment, with "IT Consulting" taking the biggest hit.

The IDC also published a downside scenario in which global IT spending would grow by 5%, rather than the 10% growth projected in the beginning of 2025. IDC currently ([post April 2025](#)), expect their baseline forecast to move towards the lower end of that 5-10% range over the next months.

The wave of new tariffs introduced by the US administration will drive up technology prices, disrupt supply chains, and weaken global IT spending in 2025. Not only will these tariffs have a direct inflationary effect on technology prices in the US, but growing concerns about a broader economic slowdown will lead to weaker investment by businesses and consumers around the world, even prior to any slowdowns appearing in earnings or economic data. This impact will unfold quickly in 2025, despite the strong countervailing force of growing demand for AI and related technologies.

Price sensitivity is rising, however, which history shows is a major cause of competitive disruption. The IT market will continue to be more resilient than during previous economic cycles and more resilient than many other sectors of the economy. Service providers will try to maintain their aggressive investment in deployments of AI infrastructure, and they have the ability to optimize asset use to much greater extent than even the largest of their enterprise customers. For businesses, IT has largely transitioned from a CAPEX to an OPEX model in which a larger share of technology spending is essential to business operations and is increasingly tied to business conditions.

Despite all of this, the reality of a slowing economy and rising unemployment will have a direct impact on IT spending. Consumer spending is likely to be hit hard. Businesses will first look to cut spending on devices and on-premise infrastructure, seeking rapid cost benefits to protect the bottom line. Any job cuts will have a direct impact on some types of IT spending.

IT services spending is vulnerable to a slowdown in new contract signoffs, which will be driven by a broader economic slowdown in the next 6-12 months. Combined with other economic headwinds, including government spending cuts in the US, this adds up to a much weaker outlook for short-term investment in new technology projects.

## PARTICIPATION IN MANAGEMENT AND IMPLEMENTATION OF CONTROL ON THE SUBSIDIARY COMPANIES

In H1 2025, as in previous periods, Sirma Group Holding's senior management was actively involved in the management of its subsidiaries. The high expertise and accumulated experience of Sirma Group Holding's managers helped companies to formulate their development goals and strategies as well as their business and financial plans. As a

result, the company achieved outstanding successes over the past period. At the same time, taking part in the management of the Group's companies, they monitored the Group's overall objectives, strategies for its development and financial discipline.



## MARKETING

In operational terms, the annual marketing strategy and budget of the "Sirma Group Holding" JSC for 2025 ensured the planning, development and successful implementation of the following activities:

1. Creating, developing and maintaining a general knowledge of the Sirma brand through a range of activities that help for successful branding and corporate communications - public relations, investor relations, public institutions, company employees, general public. They included internet marketing, online meetings, helping managers and managers with marketing materials for their investment tours, press interviews, TV, radio, participation in specialized and high profile business events.

2. Building a strong employer brand and affirming the company as an attractive place to work, career development and realization of own innovative ideas for creating new software products and solutions, working with the most advanced technologies, entering new market niches. A favorable environment has been created and the innovation process in companies is regularly promoted. Social media is actively used for informal communication with employees, engaging in important causes, informing about upcoming

events, company and product news. The team building conducted at the end of the year was traditionally one of the most anticipated events that enabled people from different companies, cities and offices to communicate in an informal environment.

3. Increased presence of the brand in social media and communication management through digital channels. As part of marketing through social channels, a content marketing program has been developed. It aims at:

- enhanced performance across the global network through digital tools - a substantial increase in traffic to "Sirma Group Holding" JSC sites and subsidiaries; improved detection in the most popular search engines - SEO & SEM activities;
- raising awareness of external and internal audiences about corporate initiatives and key business events;
- informing the audience about new products and services created by our companies, the development of existing products and services, company achievements;

## FINANCIAL ACTIVITY -

### ASPECTS AND MANAGEMENT OF FINANCIAL RESOURCES OF HOLDING AND GROUP

Over the past period the management of the financial activities of "Sirma Group Holding" JSC was carried out in the following:

#### I. Goals

As a **strategic goal** of financial management, "Sirma Group Holding" JSC has accepted the increase in the wealth of the owners, which can only be achieved by maximizing the market value of the company based on the share price.

As a **tactical objective** of the financial management, "Sirma Group Holding" JSC opted the maximization of revenues and profit.

As an **operational objective** of financial management, "Sirma Group Holding" JSC has determined the maintenance of the solvency of the company and the Group companies as an opportunity to service all emerging uncontested payments.

#### II. Execution of functions

1. Executed functions of Sirma Group Holding's management::

- a) Financial planning - plans of "Sirma Group Holding" JSC and of all companies of the Group for a one-year and mid-term period were prepared.
- b) Co-ordination of the financial activity - "Sirma Group Holding" JSC coordinated the activities of all the companies in the Group for the fulfillment of the general objectives of the financial activity management and for the implementation of unified policies in this activity;

c) Control - The financial team of the "Sirma Group Holding" JSC throughout the year carried out regular and periodical control over the financial activity of the companies in the group.

2. As regards the financial activities of "Sirma Group Holding" JSC and the subsidiaries, the Holding had the following functions:

a) financing - related to the provision of financial resources and the structuring of capital needed for the proper functioning of the enterprise.

This function is related to the company Balance liability. There are the sources of capital available to the enterprise for the conduct of its business.

b) investment - covers the insured capital in different assets in order to realize the strategic objective of the company. This feature is related to the Balance asset.

#### III. Completed tasks

1. Ensure sufficient financial resources in accordance with the strategy and tasks for the development of "Sirma Group Holding" JSC and the subsidiaries during the respective period.

2. Ensuring the most efficient allocation and utilization of the volume of financial resources formed in the main directions of the Group's activity.

3. Optimization of the monetary turnover - synchronization by size and time of the receipts and



payments for the normal service of the undisputed payments.  
4. Ensure maximum profit at a given level of risk.

5. Ensure the financial equilibrium of "Sirma Group Holding" JSC and the subsidiaries in the process of their development.

In fulfilling the task of financial equilibrium, we have complied with the golden balance rule, which requires long-term assets

#### - ACCOUNTING SERVICES

In H1 2025 "Sirma Group Holding" JSC performed the accounting services of its subsidiaries. In addition to regular accounting services, management is presented with various BI reports built as know-how of the Group. The FAD of "Sirma Group Holding" JSC achieved monthly reporting of results at individual and group level. The department also

#### - LEGAL SERVICES

The legal department of "Sirma Group Holding" JSC carries out legal services to the companies of the Group, which includes the preparation of corporate documents; assistance with the preparation and implementation of the GMS; preparation of any commercial documents and contracts; settlement of commercial disputes; conducting court cases.

#### - MANAGEMENT OF RISKS

The management of the risks of "Sirma Group Holding" JSC is the responsibility of the Board of Directors. In his activities, he is assisted by the Investment and Risk Committee. The holding also supports its subsidiaries for risk management.

Risk management is, inherently, the ability to anticipate threats to the company's activities, individual projects and minimize their adverse effects. The process is iterative. It starts with identifying the possible risks, goes through risk analysis and planning their management, then begins a process of monitoring and a regular return to the analysis process.

In "Sirma Group Holding" JSC a sophisticated risk management system has been set up.

**Risk management in the "Sirma Group Holding" includes:**

- Risk identification - This is a lengthy process that detects potential threats. In order to identify the expected and predictable risks, different methods are used: questionnaires (interview questionnaires), interviews, brainstorming, document analysis, a list of expected and predictable risks (checklist analysis), based on a previous experience
  - Qualitative and quantitative risk analysis - Once the potential risks have been identified, a qualitative and quantitative analysis of each of them is required. The likelihood of occurrence and impact through predefined scales is estimated, for example Probability: very small, small, medium, large or very large; Impact: catastrophic, critical, permissible, insignificant.
- A risk table is prepared with the data. Risks are grouped into categories, their likelihood of occurrence and their impact, as well as case scenarios that are implemented in case the risk occurs. The resulting list is sorted by impact and probability. A threshold is set, the risks over which it will be managed.

to be funded by long-term capital sources, and short-term assets from short-term sources of capital.

6. Providing opportunities for quick capital reinvestment when changing the external and internal conditions for carrying out the business activity.

managed to manage the companies' relationships with the fiscal and social security systems. The timely introduction of taxes, timely information submission and the preparation of information under the Law for Public Offering of Securities to the Financial Supervision Commission and the BSE have been performed in the period.

The risk table is reviewed and reassessed on a regular basis, as there is a chance that risks may be dropped, new ones added or ratings changed.

- Planning actions to overcome the risk
- The next step in risk management is planning. This is the process of documenting the measures that will be applied to managing each of the identified key risks. 3 management strategies are used:
- a) risk avoidance - a strategy that reduces the likelihood of risk occurring;
  - b) minimizing the risk-taking effect - a strategy that reduces the consequences of the risk;
  - c) Emergency action plans - a strategy where the organization accepts the risk and is ready to deal with it if it comes to fruition;
- As a result of the risk planning, a Risk Mitigation Monitoring and Management Plan is established. It may be a separate document or a set of information cards for each individual risk to be stored and managed in a database.

- Risk monitoring and control - This is the latest activity in risk management. This process has several main tasks:
  - confirm the occurrence of a risk
  - ensure that activities to prevent or deal with risks are implemented
- Identify what risk has caused the relevant problems
- document information to be used in a subsequent risk analysis;
- Risk Monitoring and Control – This is the final activity in risk management. This process has several main tasks:
  - to confirm the occurrence of a risk
  - to ensure that activities to prevent or address risks are implemented



- to determine which risk has caused the relevant problems
- to document information to be used in subsequent risk analysis

## **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" JSC is not dependent on patents or licenses, industrial, commercial or financial contracts, as well as new production processes.

For all employees of the Company, 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 Company'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 Company's accounts detailed in Section 6 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 COMPANY**

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.



## EVENTS AND BUSINESS NEWS IN H1 2025

The following events and business news took place in H1 2025:

**27.06.2025**

Disclosure of a share buy-back by Sirma Group Holding JSC

**27.06.2025**

In the latest episode of Zone4Tech's podcast "TECHnically Speaking", Alexander Stanev, VP Financial Services at Sirma, shares his perspective on the role of AI in the banking sector: the hype, the reality, and the future.

**23.06.2025**

Publication of the Conditions for dividend payment

**18.06.2025**

At this year's #TechofTomorrow conference, organised by Investor Media Pro, Momchill Zarev, Chief Growth Officer at Sirma, spoke in Panel 2, discussing the impact of AI on the financial industry.

**11.06.2025**

The Financial Supervision Commission and the National Committee on Corporate Governance hosted a joint conference at the Hyatt Regency Hotel - "OECD Corporate Principles - Best Practices for Sustainable Growth." Stanislav Tanushev, Director of Investor Relations and Sustainability at Sirma, participated in a panel on implementing the Corporate Sustainability Reporting Directive. Sirma was highlighted as one of the first companies to disclose #ESG information voluntarily through its sustainability report.

**10.06.2025**

Disclosure of a share buy-back by Sirma Group Holding JSC

**09.06.2025**

Merdihan Ismailov, Vice President of Fintech Applications and Solutions, was featured in "The Manager" magazine for his article "Financial Autonomy for Europe: A Strategic Necessity."

**05.06.2025**

Sirma has been recognized as a Technological Visionary by Clico

**04.06.2025**

Publication of the Minutes from the regular annual meeting of shareholders of Sirma Group Holding JSC and Dividend notification

**03.06.2025**

Convening of the regular annual meeting of shareholders of Sirma Group Holding JSC

**02.06.2025**

Disclosure of a share buy-back by Sirma Group Holding JSC

**30.05.2025**

Disclosure of a share buy-back by Sirma Group Holding JSC

**28.05.2025**

Publication of the recording of the webinar for presentation of the Q1 consolidated results of Sirma Group Holding JSC

**27.05.2025**

Webinar for presentation of the Q1 consolidated results of Sirma Group Holding JSC

**27.05.2025**

Disclosure of the interim consolidated financial reports of Sirma Group Holding JSC for the period ending on 31.03.2025

**23.05.2025**

Publication of an invitation for a webinar for presenting the results of Q1 2025

**22.05.2025**

Our colleague Ivelin Parvanov took the stage at GITEX Global Europe, joining a thought-provoking session moderated by Teodor Antonio Georgiev on the topic: "From AI to ROI: AI writes code, but who keeps your business running at scale?"

**16.05.2025**

Disclosure of the addition of a point in the agenda of the scheduled GSM of Sirma Group Holding JSC on 03.06.2025



**07.05.2025**

Disclosure of a decision of the BD of Sirma Group Holding for a double listing on the Frankfurt Stock Exchange

**02.05.2025**

Publication of the materials for the GSM of Sirma Group Holding JSC on 03.06.2025

**30.04.2025**

Disclosure of the interim individual financial statements of Sirma Group Holding JSC for the period ending on 31.03.2025

**29.04.2025**

Sirma takes part in the Investor Day organized by the BSE

**29.04.2025**

Disclosure of the audited consolidated financial statements for 2024 of Sirma Group Holding JSC

**23.04.2025**

Celebration of the 33 anniversary from the registration of Sirma

**16.04.2025**

Publication of an Invitation for a general meeting of shareholders of Sirma Group Holding JSC

**09.04.2025**

Disclosure of sale of 400,000 own shares by Sirma Group Holding JSC

**08.04.2025**

Convention of an extraordinary meeting of shareholders of Sirma Group Holding JSC and publication of its Minutes.

**27.03.2025**

Disclosure of the audited individual financial reports of Sirma Group Holding JSC for 2024.

**27.03.2025**

Sirma Group Holding JSC becomes an authorized reseller of Apple for business clients.

**01.03.2025**

Disclosure of the interim consolidated financial reports of Sirma Group Holding JSC for the period ending on 31.03.2024.

**28.02.2025**

Publication of an Invitation for an extraordinary General meeting of shareholders of Sirma Group Holding JSC on 08.04.2025

**24.02.2025**

Sirma Group Holding JSC becomes innovative partner of IMB for Watsonx implementations.

**17.02.2025**

Interview with VP Bogomil Iliev for the development of the one-stop-shop using AI.

**12.02.2025**

Sirma and Borika launch partnership for digitalization of employment records.

**07.02.2025**

CGO Momchil Zarev gave an interview for Bloomberg with a recap of the 2024 activity.

**30.01.2025**

Disclosure of interim individual financial reports of Sirma Group Holding JSC for the period ending on 31.12.2024

**16.01.2025**

Disclosure of the acquisition of a separate part of the commercial enterprise Duo Soft EOOD.

**10.01.2025**

Publishing of the Protocol of extraordinary General meeting of shareholders of Sirma Group Holding JSC.

**10.01.2025**

Extraordinary General meeting of shareholders of Sirma Group Holding JSC.

**03.01.2025**

Disclosure of sale 10,400 shares by Yavor Djonev – member of the Board of directors of Sirma Group Holding JSC.





## MAIN LEGAL INFORMATION IN H1 2025

### Transactions with shares for the period 01.01.2025 - 30.06.2025:

#### - **Buyback of shares by the company**

At the Extraordinary General Meeting of Shareholders of "Sirma Group Holding" JSC held on 08.04.2025, a decision was adopted for the company to repurchase its own shares.

The Board of Directors must carry out the repurchase under the following conditions:

- The maximum number of shares subject to repurchase is 5 300 000.
- Minimum price 0.85 BGN per share and maximum price 4 BGN per share. Maximum total price for repurchase of shares - no more than 21 200 000 (twenty-one million and two hundred thousand) BGN. In the event of a change in the official currency in the Republic of Bulgaria, the price of a share will be calculated in the new official currency determined in accordance with the applicable legislation, applying the legally prescribed exchange rate.
- The redemption period is until 31.12.2028.
- Method of repurchase - through an investment intermediary.

The General Meeting of Shareholders authorizes the Board of Directors to take all necessary legal and factual actions to implement the buyback.

On 29.05.2025 "Sirma Group Holding" JSC bought back 9 500 of its shares at an average price of BGN 1.4168 per share for a total value of BGN 13 460. The shares represent 0.016% of the company's capital. The purchase was made on the Bulgarian Stock Exchange - Sofia AD.

On 30.05.2025 "Sirma Group Holding" JSC bought back 72 500 of its shares at an average price of BGN 1.4456 per share for a total value of BGN 104 809,94. The shares represent 0.12% of the company's capital. The purchase was made on the Bulgarian Stock Exchange - Sofia AD.

On 09.06.2025 "Sirma Group Holding" JSC bought back 40 000 of its shares at an average price of BGN 1.4916 per share for a total value of BGN 59 665. The shares represent 0.07% of the company's capital. The purchase was made on the Bulgarian Stock Exchange - Sofia AD.

On 24.06.2025 "Sirma Group Holding" JSC bought back 19 958 of its shares at an average price of BGN 1.405 per share for a total value of BGN 28 040,78. The shares represent 0.03% of the company's capital. The purchase was made on the Bulgarian Stock Exchange - Sofia AD.

#### - **Sale of own shares by the company**

On 09.04.2025, in implementation of its bonus policy, "Sirma Group Holding" JSC sold 400 000 of its shares at an average price of BGN 1.00 per share for a total value of BGN 400 000. The shares represent 0,67% of the company's capital. The sale was made on an unregulated over-the-counter market (Bulgaria).

#### - **Purchase of a majority stake in the capital of "Sirma Sha" Albania**

On 13.06.2025, "Sirma Group Holding" JSC concluded an agreement for the purchase of shares in the capital of "Sirma Sha" Albania with its subsidiary "Sirma Group Inc." USA. The total number of shares is 550, and the total selling price of the shares is 15 000 US dollars. As a result of the transaction, "Sirma Group Holding" JSC became the majority owner of "Sirma Sha" Albania with 55% of the capital.

### Litigation for the period 01.01.2025 - 30.06.2025:

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

### Other legal information for the period 01.01.2025 - 30.06.2025:

#### - **Acquisition of a separate part of the enterprise "Duo Soft" EOOD**

On 15 January 2025, a contract was signed by "Sirma Group Holding" JSC for the acquisition of a separate part of the commercial enterprise with the company "Duo Soft" EOOD, UIC 130235197, entitled "Software developments in the field of academic recognition" as an independent set of rights, obligations and factual relationships created during the implementation of its previous



commercial activity according to the accounting balance sheet at the time of the transfer of the separate part, for a price of BGN 287 000 (two hundred eighty-seven thousand).

**- Distribution of Cash Dividend of Sirma Group Holding JSC for 2024**

According to the decision of the General Shareholders' Meeting of Sirma Group Holding JSC dated 3 June 2025, the company proceeds with the distribution of a cash dividend in the gross amount of BGN 0.02 for 2024.

**ISIN:** BG1100032140

**Total amount of the dividend incl. dividend tax : BGN 1 159 175.64.**

**Right to receive dividend:** According to the decision of the General Meeting of Shareholders, all shareholders of "Sirma Group Holding" JSC as at June 17, 2025 have the right to receive a dividend (14 days after holding the meeting, according to Art. 115c, Para. 3 of the POSA), as they are entered in the Book of Shareholders at the Central Depository AD.

**Shares with a right to dividend:** 57 958 782 (deducted 1 401 736 bought back shares).

**Dividend amount for one share:** gross BGN 0.02 and net for individual shareholders BGN 0.019.

**The bank through which the dividend will be paid is** Unicredit Bulbank AD.

**Start date for dividend payment:** 11 August 2025.

**End date for dividend payment:** 11 February 2026 (six months after the start date).

**Taxes:** taxes payable for dividends to individual persons will be withheld and remitted by Sirma Group Holding JSC in advance;

**Bank commissions:** Sirma Group Holding JSC will cover all bank fees for the payment of dividends;

**Payment method:**

- Shareholders who have open accounts with investment intermediaries will receive their dividend through them, complying with their requirements.
- Shareholders who are not served by an investment intermediary and whose shares are stored in personal accounts in "Register A" at the Central Depository AD, will receive their dividends through the branch network of the commercial bank Unicredit Bulbank AD.

**Cash dividends over BGN 5 000:** upon receiving a cash dividend, the amount of which **exceeds BGN 5,000**, the bank requires a one-day notice. This is not necessary when transferring the dividend to a bank account.

## 6/ RESULTS BY SEGMENTS

Management determines the operating segments based on the main products and services offered by the Company.

The operating segments of the Company are as follows: System Integration, Hospitality, IT Services, Financial Industry and Others.

The summarized financial information for them for the reporting period is as follows:

	System Integration	Hospitality	IT Services	Financial Industry	Strategic development	Total
	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
<b>30.06.2025</b>						
Revenue from:						
- external customers	21 032	5 101	7 077	5 917	7 057	46 184
<b>Segment revenues</b>	<b>21 032</b>	<b>5 101</b>	<b>7 077</b>	<b>5 917</b>	<b>7 057</b>	<b>46 184</b>
Cost of materials and cost of goods sold	(17 418)	(2)	(1)	(1)	(303)	(17 725)
Hired services expenses	(1 483)	(1 745)	(1 137)	(955)	(1 260)	(6 580)
Employee benefits expense	(614)	(3 293)	(5 080)	(3 897)	(5 260)	(18 144)
Depreciation and amortisation of non-financial assets	(24)	(255)	(329)	(254)	(461)	(1 323)
Other expenses	(1)	(10)	(14)	(30)	(738)	(793)
<b>Segment operating profit</b>	<b>1 492</b>	<b>(204)</b>	<b>516</b>	<b>780</b>	<b>(965)</b>	<b>1 619</b>



**Segment „System Integration“** offers its clients system integration, cloud services and cybersecurity services. The target market is mainly Bulgarian financial institutions, insurance companies, healthcare organizations, multinational companies with operations in Bulgaria and state and municipal administrations.

During the first half of 2025, "Sirma Group Holding" JSC was successfully certified under all necessary ISO standards. These certificates are important for the majority of clients of the segment.

"System Integration" is part of the "IT Services" sector. The tariffs announced by the US in April 2025 and the retaliatory tariffs from the affected countries will slow the forecasted growth, increase the risks facing the industry and increase uncertainty during the year.

An additional risk that the segment is facing in 2025 is the disruption of hardware supply chains caused by the escalating trade war. This could lead to delays in deliveries and project implementation.

Revenues from the segment in the first half of the year reached BGN 21 million. The segment remains the leading one for the Group with almost half (45,5%) of the revenues for the quarter on an separate basis for the Holding. The profit achieved from the segment for the quarter amounted to almost BGN 1,5 million with a margin of 7,1%.

In the first half of 2025, significant deals were concluded, while the implementation of projects started at the end of 2024 continued in parallel. Here are the more significant deals from the first half of 2025:

- a project for the sale and integration of network equipment for one of the major telecom companies in Bulgaria;
- a project for the integration of cybersecurity equipment in data centers in 4 countries of a major fintech company;
- 2 major projects for the sale and integration of cybersecurity equipment in the state administration in Bulgaria;
- delivery of desktop computers for a major Bulgarian bank;
- a contract for the official representation of Apple for their business clients in Bulgaria was concluded.

The Bulgarian market remains dominant for the "System Integration" vertical with a share of 91%.

The goals set for the System Integration vertical for the first half of 2025 were exceeded, revenue by 8% and EBITDA by 20%.

In the following quarters of 2025, the vertical will face serious challenges related to the escalating trade war. Nevertheless, the team is prepared and confident in the implementation of the annual business plan.

Segment financial results:

	<b>System Integration</b>
	<b>30.06.2025</b>
	<b>BGN'000</b>
<b>Segment revenues</b>	<b>21 032</b>
Cost of materials and cost of goods sold	(17 418)
Hired services expenses	(1 483)
Employee benefits expense	(614)
Depreciation and amortisation of non-financial assets	(24)
Other expenses	(1)
<b>Segment operating profit</b>	<b>1 492</b>

**Segment „Hospitality“** offers IT solutions, consulting, system integration and data analysis to its clients in the hospitality industry. The segment's target clients are hotel groups, tour operators, travel agencies and technology providers for the hospitality industry.

In the first half of 2025, the segment continues to fulfill its strategic objectives:

- The main focus remains on developing a robust and sustainable sales model for software development and integration support services for the hospitality industry.
- The growth strategy is aimed at companies operating in the online reservation system sector, aiming to create new systems or develop existing ones for various providers of such services.
- Strategically, our efforts are focused on Western Europe, while exploring new sales opportunities in North America, with a plan to enter the Middle East market.
- The current economic conditions led to the suspension of some projects in the first quarter, which adversely affected the expected revenues and gross profit. However, there is a belief that the situation will improve in the second quarter, leading to a positive momentum by the end of the year.
- The development of Managed Integration Services (MIS), designed to support integrations within the hospitality industry, continues. This service operates on a subscription model, with reported monthly revenue growth averaging 3%, and the number of hotels served to clients reaching over 2 000 by the end of H1 2025.



- Last quarter, the segment presented our services at the ITB conference in Berlin, where we had a dedicated booth. After eight years in the sector, the practice continues to maintain very good relationships with its clients and successfully present Sirma's vision for the future and development of the industry, which in turn leads to the expectation of new business opportunities and partnerships in the field.

- The number of employed people remained unchanged at the end of H1. However, in H1 it may experience some talent outflow due to market changes. Our focus has always been on retaining existing talent and developing new people internally in the teams, as finding suitable new employees is a challenge.

Outlook and forecasts for 2025:

- In response to the economic slowdown and budget constraints, the company intends to adopt a more cautious approach to hiring new staff, prioritizing maintaining the existing team and encouraging organic growth on projects to respond to industry trends

- The segment foresees sustainable growth, with a primary focus on positioning the company in the United States, which would lead to new partnerships and sales.

- Participation in the following events related to the segment for 2025 is planned:

- o ITB, Berlin (the company will have a stand at the specific event)

- o HITEC, USA (the company will have a stand at the specific event)

- o WTM, London

Segment financial results:

	<b>Hospitality</b>
	<b>30.06.2025</b>
	<b>BGN'000</b>
<b>Segment revenues</b>	<b>5 101</b>
Cost of materials	(2)
Hired services expenses	(1 745)
Employee benefits expense	(3 293)
Depreciation and amortisation of non-financial assets	(255)
Other expenses	(10)
<b>Segment operating profit</b>	<b>(204)</b>

**Segment "IT Services"** is focused on cross-industry services, cross-selling and services for the public sector.

"IT Services" remains the leading segment in the ICT industry globally. The segment is expected to grow by 5% in the global IT market in 2025 and accelerate its development to 7% in 2026 ([Gartner, June, 2025](#)). The tariffs announced by the USA in April 2025 and the retaliatory tariffs from the affected countries have reduced expectations for growth to the above levels, and increased the risks facing the industry, which in turn increases uncertainty during the year.

This volatility was particularly highlighted in the US, where the President took a number of contradictory economic measures. It is expected to continue in the next quarter, thus increasing the risk of recession. This uncertainty has spilled over from the US to Europe, further exacerbated by the war in Ukraine. The result has been a deteriorating economic climate, heightened risks and project delays.

In addition to economic uncertainty, the IT Services segment is also vulnerable to currency risk, which stems from the dramatic decline in the US dollar exchange rate in the first half of 2025 (10%) against the euro and the relatively high sales levels of the segment in the US (19% in the first half of the year).

The segment's revenue in the first half of 2025 reached BGN 5.9 million. The segment remains the fourth largest in terms of revenue in the Group, with nearly 13% of the Holding's revenue on an separate basis in the first half of the year. Although with revenues that are the smallest of Sirma's leading specialization segments, IT Services provides the second highest profit margin (13,2%), contributing BGN 779 thousand to the Holding's profit on an individual basis for the first half of 2025.

In the first half of 2025, no contracts were concluded with new clients in the IT Services vertical. In early 2025, IT service contracts were re-signed with all old clients, and work on their projects continues accordingly. The most significant projects being worked on are:



IT Services in Europe:

- Support and improvement of a payment system for gift cards in the Scandinavian countries
- Support and improvement of a payment system for a large English operator
- Support and improvement of a large airline reservation system

IT Services in the retail segment:

- Support and improvement of a loyalty platform in several large malls in the Balkans
- Support and improvement of an intelligent bot for a large e-commerce client

IT Services for the public sector

- Adaptation, upgrade and modification of the existing information system of the National Center for the Development of the Bulgarian Economy and Trade to bring it into line with the requirements and the plan for the introduction of the euro in Bulgaria
- Modernization of the information system of the Bulgarian Patent Office, after-warranty support and ensuring continuity of the workflow and cybersecurity
- After-warranty maintenance of the Air Traffic License Manager
- Upgrading of the Unified Information System for Academic Recognition and development of publicly accessible database (within the international ENIC-NARIC network) for higher education degrees and doctoral degrees obtained in third countries for the National Center for Information and Documentation

IT Services in the USA:

- we serve old clients of Sirma

In parallel with the work on projects that have started in the past years, the IT Services team is participating in four public tenders in Bulgaria. The results of the rankings in these tenders are expected in the second half of 2025.

Geographically, sales in the first half of 2025 were focused on Europe and the USA with strong sales in the Balkans.

The financial results of the segment's operations in the first half of 2025 are within the revenue plan for the year, with a minimal (about 5%) lag in terms of profit.

The target geographic markets for the vertical during the year remain: Great Britain, DACH, Belgium, the Scandinavian countries and Romania.

Segment financial results:

	<b>IT Services</b>
	<b>30.06.2025</b>
	<b>BGN'000</b>
<b>Segment revenues</b>	<b>5 917</b>
Cost of materials	(1)
Hired services expenses	(955)
Employee benefits expense	(3 897)
Depreciation and amortisation of non-financial assets	(254)
Other expenses	(30)
<b>Segment operating profit</b>	<b>780</b>

**Segment "Financial Industry"** offers support to financial institutions on their path to digitalization and implementation of artificial intelligence in their operations. The vertical's target customers are small and medium-sized banks and fintech companies. The activity of the Financial Industry segment is divided into 5 subsegments – Financial Services, Financial Consulting, Oracle, Temenos and IT Solutions.

The segment continues to face serious challenges:

- Adjustment in the prices of the offered services and products.
- Finding and retaining highly qualified personnel within the Bulgarian market.
- Adaptation of the business model and approaches in implementation and creation of solutions with licenses paid for per month and per user.
- Adaptation of existing solutions in the company's portfolio to meet new regulatory requirements and trends towards 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 time for the implementation of new projects.



Sirma Group Holding will continue to be focused on providing IT and consulting services and products, in addition to active actions to stabilize several current projects, it will emphasize offering the latest versions of the FlexCube banking system and opening all systems to solutions that enable the implementation of "Open banking" API-based services. Projects in the direction of "Open Digital Business", management and storage of business data and regulatory reporting will be the main focus for the company until the end of 2025.

At the beginning of 2025, the segment successfully signed numerous small orders for the adaptation of reporting systems in view of changes in the legal framework. Assignments for changes and adaptation of systems related to the transition to the euro are still relevant, although the delay in the global implementation deadlines is being postponed with each subsequent government.

The implementation of several projects for the implementation of payment and other satellite solutions continues, which cover: "RepXpress", "ceGate" and "UBX Suite", DIGI Bank.

The company has a clear plan and estimate for the development and increase in the value of the products in 2025, as well as actively advertises and distributes the new versions of:

- Open banking API hub, which implements the BISTRA standard for all services within the scope of PSD2 and open banking.
- RepXpress - a regulatory reporting system and its own DHW.
- ceGate - a system for collecting customer data and assessing customers.

The company positions a package of consulting services for analysis and documentation regarding the selection and choice of digital solutions. The methodology used is based on Assist Knowledge Development and the British Association for Business Analysis.

Realized revenues for the first half of 2025 are better than in the first half of 2024 and the segment reports an excess over planned revenues. Although 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 the assignment and winning of new projects for the segment.

Regarding the prospects and goals for the segment for 2025, despite some positive signals of improving the economic climate and easing strict trade and social restrictive measures, the stagnation and inertia of financial players does not suggest a quick recovery and revival of the market. By the end of the year, new (unplanned) revenues are expected related to the government's clear intentions to enter the Eurozone and replace the lev as the national currency.

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

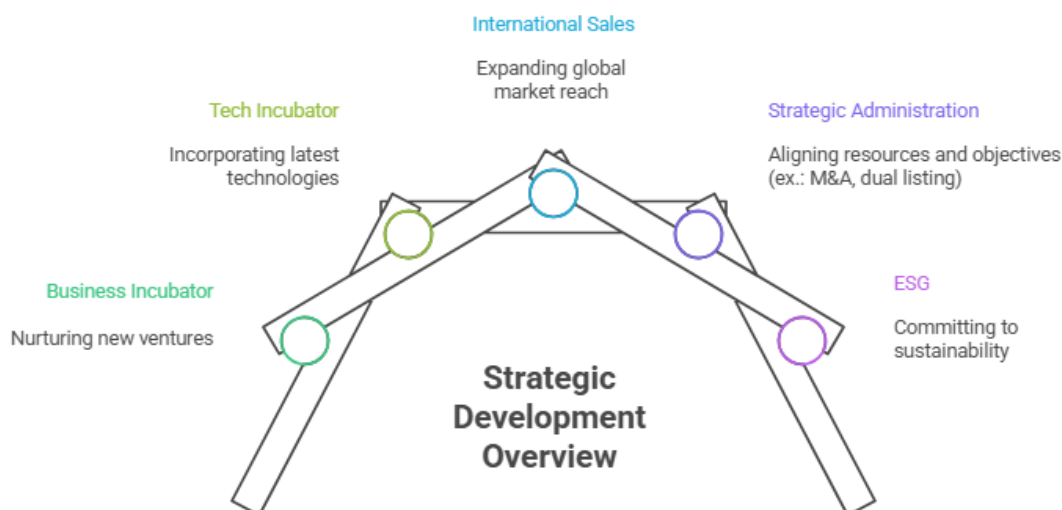
Segment financial results:

	<b>Financial Industry</b>
	<b>30.06.2025</b>
	<b>BGN'000</b>
<b>Segment revenues</b>	<b>7 077</b>
Cost of materials	(1)
Hired services expenses	(1 137)
Employee benefits expense	(5 080)
Depreciation and amortisation of non-financial assets	(329)
Other expenses	(14)
<b>Segment operating profit</b>	<b>516</b>

**Segment "Strategic development"** includes various primarily cost units that can't be directly related to any of the other segments, but are important to the operations of all of them. Such as:







#### Business Incubator

Sirma discloses information about the leading specialization segments that contribute over 10% of revenues for the respective period. This methodology assumes that segments with more modest sales are grouped into the "Strategic Development" segment. Sirma invests in these sub-segments and develops their potential, with confidence in their successful business prospects. Some of them are already successfully self-sustaining and are no longer cost units (e.g.: "IT Services for Transport and Logistics"), others are still at an earlier stage of development and do not generate profit (e.g.: "IT Services for HR").

#### Technology Incubator

We have witnessed the rapid development of information technologies and their application in business. Maintaining Sirma's competitiveness is a direct function of the absorption of each new technology and its understanding and application to the Group's verticals of specialization. The "Strategic Development" segment also includes the "Incubator and Labs". This is the organizational unit responsible for R&D activities in Sirma.

#### International Penetration

Sirma sells its products and services globally. In a number of important markets for the Group, Sirma has established local representative offices (Great Britain, USA, etc.). At the same time, an "International Sales Unit" has been established in Sirma for the purpose of entering new markets for the Group. Its maintenance costs, as well as any income from sales, are also included in the "Strategic Development" segment.

#### Strategic Administration

Operational administrative expenses are allocated to the respective segment they serve. However, strategic administrative expenses related to the development of the Group are included in the "Strategic Development" segment. For example, in 2025, administrative expenses related to Sirma's secondary listing on the Frankfurt Stock Exchange will be allocated here.

#### ESG

Sirma's economic sustainability is a direct function of its sustainability in environmental, social and governance terms. As a company specializing in IT services, the leading theme of its sustainability is social – development, additional qualifications and motivation of employees. The costs for the various ESG initiatives in Sirma are also included in the "Strategic Development" segment. For example, the costs for the Sirma Academy, which is responsible for the additional qualifications of employees, as well as for attracting and training new ones, are included here.

In the first half of 2025, the "Strategic Development" segment generated 15% of total revenues at the individual level for Sirma, and realized a BGN 965 thousand loss, due to its specificity as described above.

Despite the fact that the nature of most of the elements included in the "Strategic Development" segment is of cost centers, some of the sub-segments generate revenues. In the first half of 2025, the "Strategic Development" segment includes sales in the following sub-segments of the "Business Incubator":



- Software and IT services for insurance companies
- Software and IT services for transport and logistics companies
- Software and IT services for health services
- Software and IT services for HR

In the first half of 2025 The leading sales sub-segment is "IT Services for Transport and Logistics" (46% of "Strategic Development" sales). The sub-segment is already self-sustaining, generates profit and has the closest prospect of growing to the level of an independent segment.

The geographical focus of the "Strategic Development" segment's sales is diverse – from an almost complete focus on Bulgaria (insurance companies), through the USA (healthcare) to global penetration of IT services for transport and logistics.

The goals set for the teams of the various components included in the "Strategic Development" are diverse, depending on the nature of their activities.

In the "Business Incubator", the goals for each of the sub-segments are as follows:

1. Development of services
2. Increase in sales
3. Achieving self-sufficiency of the sub-segment
4. Generating profit from the activity
5. Increase in sales to over 10% of the total for the Group and transition to the level of an independent segment

In the first half of 2025, the "Transport and Logistics" sub-segment successfully achieved the first four goals and is focusing its efforts on increasing sales to the level necessary for its transformation into an independent segment. The "Healthcare" and "Insurance Companies" sub-segments have achieved the first three goals and are already self-sufficient. In the second half of 2025, they will make efforts to successfully generate profit. The HR Services sub-segment is still in its initial phase of development, with current legislative changes in Bulgaria for the digitalization of employment records giving reason for optimism for the development of this sub-segment.

The activities of the **Incubator and Labs** until the end of 2025 will be focused on the construction and implementation of Sirma's "Enterprise AI Core". The main task of Sirma's "**Strategic Administration**" will be to carry out all necessary activities for the successful dual listing on the Frankfurt Stock Exchange. The **International Sales Unit** is exploring sales opportunities in the Middle East. **ESG** expenses will be mainly aimed at improving the qualifications of employees in AI-related technologies and improving communication with Sirma's investors.

Segment financial results:

	<b>Strategic development</b>
	<b>30.06.2025</b>
	<b>BGN'000</b>
<b>Segment revenues</b>	<b>7 057</b>
Cost of materials	(303)
Hired services expenses	(1 260)
Employee benefits expense	(5 260)
Depreciation and amortisation of non-financial assets	(461)
Other expenses	(738)
<b>Segment operating profit</b>	<b>(965)</b>

## 7/ INDIVIDUAL FINANCIAL RESULTS

### 7.1. REVENUES

	<b>30.06.2025</b>	<b>30.06.2024</b>	<b>Change</b>	<b>Change</b>
	<b>BGN '000</b>	<b>BGN '000</b>	<b>(BGN '000)</b>	<b>(%)</b>
Revenues from sales	44 322	1 692	42 630	2 519,50%
Dividend income	598	1 390	(792)	(56,98%)
Rental income from investment properties	155	336	(181)	(53,87%)
Interest income	1	5	(4)	(80%)
Gain on sale of non-current assets	6	-	6	n/a
Financing income	16	-	16	n/a
Other revenues	1 086	-	1 086	n/a
<b>Total</b>	<b>46 184</b>	<b>3 423</b>	<b>42 761</b>	<b>1 249,23%</b>



In H1 2025 the revenues of "Sirma Group Holding" JSC increased by BGN 42 761 thousand or by 1 249,23% compared to H1 2024.

Revenues during the comparative period didn't include revenues from the activities of the companies that, as of 8 October 2024, incorporated into "Sirma Group Holding" JSC.

Revenues in the period include interest and sale of investments, since the business of acquiring businesses and parts of them, as well as the provision of loans and the receipt of deposits is the main activity of the holding company.

*Revenues by product line includes:*

	30.06.2025 BGN '000	30.06.2024 BGN '000	Change (BGN '000)	Change (%)
Software services	19 655	-	19 655	n/a
Sale of IT equipment	19 572	-	19 572	n/a
Subscriptions	3 895	-	3 895	n/a
Support	873	-	873	n/a
Administrative and accounting services	174	1 635	(1 461)	(89,36%)
Hosting	114	-	114	n/a
Cloud services	9	-	9	n/a
Others	30	57	(27)	(47,37%)
<b>Total</b>	<b>44 322</b>	<b>1 692</b>	<b>42 630</b>	<b>2 519,50%</b>

### 7.1.1. Recurring revenue

Recurring revenues are stable, predictable and constant over time.

For the first half of 2025, the Company reports recurring revenues as follows:

	Amount (BGN '000)	Percentage of revenue
Support and Service	3 251	7%
IT Systems Development and Management	5 510	12%
Subscriptions and Licenses	313	1%
Long-Term Contract Services	4 406	10%
<b>Total Recurring Revenue</b>	<b>13 480</b>	<b>30%</b>
Other Revenue	32 704	70%
<b>Total Revenue</b>	<b>46 184</b>	<b>100%</b>

### Maintenance and service

Maintenance and service cover activities related to ensuring the normal and continuous operation of software and hardware systems by eliminating problems that arise, applying updates, technical assistance and general operational support. Normally, these are long-term or indefinite contractual relationships with well-valued commitments for both parties.

### Building and managing IT systems / Managed services

Managed services are a long-term assignment model, in which the company takes on the overall responsibility for managing, monitoring and optimizing IT services or systems, in order to increase efficiency, security and operational reliability. Due to the nature of insight into the client's problems, these commitments are long-term and easily predictable in terms of value over time.

### Subscriptions and licenses

Subscriptions are a form of commercial relationship in which the client pays a predetermined periodic amount (monthly, quarterly, annually, etc.) for access to products or services for the relevant period. Although formally customers have the option to cancel a product or service, statistically this happens in less than 10% of cases, on an annual basis.

### Services under long-term contracts

These are services provided on the basis of contractual relationships, which include a clause for automatic continuation of the contract after the initial term, unless one of the parties expresses a desire to terminate. In general, these are contracts for expert development of key software systems at the client's premises, where the replacement of the supplier is an atypical and last resort and is practiced only in exceptional circumstances. This model provides a stable revenue stream and predictability in the reporting periods.



## 7.2. EXPENSES

	30.06.2025 BGN '000	30.06.2024 BGN '000	Change (BGN '000, %)
Cost of materials	(171)	(53)	(118)
Change in %			222,64%
Hired services expenses	(6 580)	(464)	(6 116)
Change in %			1318,10%
Employee benefits expense	(18 144)	(1 145)	(16 999)
Change in %			1484,63%
Depreciation and amortisation of non-financial assets	(1 323)	(329)	(994)
Change in %			302,13%
Cost of goods sold and other current assets	(17 554)	-	(17 554)
Change in %			n/a
Other expenses	(793)	(113)	(680)
Change in %			601,77%
<b>Total expenses</b>	<b>(44 565)</b>	<b>(2 104)</b>	<b>(42 461)</b>
<b>Change in %</b>			<b>2 018,11%</b>

In H1 2025 the expenses of "Sirma Group Holding" JSC increased by BGN 42 461 thousand or by 2 018,11% as compared to H1 2024. Expenses during the comparative period didn't include expenses from the activities of the companies that, as of 8 October 2024, incorporated into "Sirma Group Holding" JSC.

## 7.3. FINANCIAL COSTS

	30.06.2025 BGN '000	30.06.2024 BGN '000	Change (BGN '000)	Change (%)
Financial costs	(749)	(22)	(727)	3 304,55%

## 7.4. ASSETS

The total assets of „Sirma Group Holding“ JSC at the end of the H1 2025 were with BGN 3 617 thousand (3,34%) less than their value at the end of 2024.

	30.06.2025 BGN '000	31.12.2024 BGN '000	Change (BGN '000)	Change %
Property, plant and equipment	9 345	8 447	898	10,63%
Intangible assets	10 944	10 710	234	2,18%
Goodwill	24 763	24 464	299	1,22%
Investments in subsidiaries	32 896	33 042	(146)	(0,44%)
Investment property	4 170	4 193	(23)	(0,55%)
Long-term related party receivables	354	354	-	-
Deferred tax assets	1 046	1 046	-	-
<b>Total non-current assets</b>	<b>83 518</b>	<b>82 256</b>	<b>1 262</b>	<b>1,53%</b>
	30.06.2025 BGN '000	31.12.2024 BGN '000	Change (BGN '000)	Change (%)
Inventory	1 060	1 563	-	(32,18%)
Trade receivables	11 040	9 941	1 099	11,06%
Prepayments and other assets	630	834	(204)	(24,46%)
Related party receivables	4 389	3 603	786	21,82%
Cash	3 896	9 953	(6 057)	(60,86%)
<b>Total current assets</b>	<b>21 015</b>	<b>25 894</b>	<b>(4 879)</b>	<b>(18,84%)</b>

## 7.5. EQUITY

	30.06.2025 BGN '000	31.12.2024 BGN '000	Change (BGN '000)	Change %
Share Capital	59 361	59 361	-	-
Purchased own shares	(1 422)	(1 689)	267	(15,81%)
Share premium reserve	5 957	6 016	(59)	(0,98%)
Other reserves	1 934	1 609	325	20,20%
Retained earnings	8 604	6 831	1 773	25,96%
Current financial result	870	3 257	(2 387)	(73,29%)
<b>Total equity</b>	<b>75 304</b>	<b>75 385</b>	<b>(81)</b>	<b>(0,11%)</b>

In H1 2025, Equity decreased by BGN 81 thousand compared to the end of 2024.



## 7.6. LIABILITIES

The amount of the liabilities of "Sirma Group Holding" JSC at the end of H1 2025 were with BGN 3 536810 thousand (10,79%) more than their value at the end of 2024.

	30.06.2025 BGN '000	31.12.2024 BGN '000	Change (BGN '000)	Change %
Pension employee obligations	1 145	627	518	82,62%
Long-term borrowings	5 338	6 009	(671)	(11,17%)
Long-term lease liabilities	750	515	235	45,63%
Long-term related party payables	3 949	3 699	250	6,76%
<b>Total Non-current liabilities</b>	<b>11 182</b>	<b>10 850</b>	<b>332</b>	<b>3,06%</b>

	30.06.2025 BGN '000	31.12.2024 BGN '000	Change (BGN '000)	Change %
Provisions	77	77	-	-
Employee obligations	3 317	4 415	(1 098)	(24,87%)
Short-term borrowings	899	239	660	276,15%
Short-term lease liabilities	784	322	462	143,48%
Trade and other payables	9 063	14 178	(5 115)	(36,08%)
Contract liabilities	2 352	2 240	112	5,00%
Short-term related party payables	1 555	444	1 111	250,23%
<b>Total Current liabilities</b>	<b>18 047</b>	<b>21 915</b>	<b>(3 868)</b>	<b>(17,65%)</b>



## Long-term and short-term bank loans

Recipient of credit	In Bank	Type of loan	Currency	Total amount of credit (BGN)	Outstanding obligation to 30.06.2025 (BGN)	Date of contract	Interest rate	Maturity date	Pledges
<b>Loans for which the Issuer is a debtor</b>									
Sirma Group Holding JSC	Unicredit BulBank AD	Overdraft	BGN	6 000 000	-	12.12.2024	The applicable variable interest rate index and additional interest rate for regular debt for the relevant interest period.	12.12.2027	Pledge of receivables
Sirma Group Holding JSC	United Bulgarian Bank AD	Bank credit	BGN	9 400 000	6 233 333,87	09.10.2024	Variable interest rate in the amount of UBB's short-term interest rate /SIP/ for the contract period plus an annual premium.	09.10.2032	Pledge of receivables, pledge of commercial enterprises, pledge of property
Sirma Group Holding JSC	United Bulgarian Bank AD	Overdraft	BGN	8 000 000	-	10.10.2024	Variable interest rate in the amount of UBB's short-term interest rate /SIP/ for the contract period plus an annual premium.	10.10.2026	Pledge of receivables
<b>Loans for which the Issuer is a guarantor</b>									
EngView Systems JSC	Unicredit BulBank AD	Overdraft	BGN	1 000 000	-	15.12.2020	The applicable variable interest rate for the relevant interest period +2 points, but not less than 2.08%	15.12.2026	Pledge of receivables





**Other loans and deposits provided by “Sirma Group Holding” JSC and its subsidiaries:**

Lender	Recipient	United identification code	Relationship	Type	Currency	Liability as of 30.06.2025 (BGN '000)	Date of contract/ last annex	Interest rate %	Term of contract	Pledges
Saifort	Sirma Medical Systems	204054855	Company under common control	Loan	BGN	1 932	20.12.2022	2.80	31.12.2026	No pledges
Saifort	Sirma Group Holding	200101236	Parent company	Deposit	BGN	3 699	18.07.2023	0.1	31.12.2026	No pledges
Saifort	Saifort Israel		Company under common control	Loan	ILS	26	21.02.2024	2.5	31.12.2026	No pledges
Sirma Group Holding	Pirina Technologies	175149906	Company under common control	Loan	BGN	295	10.01.2022	2	31.12.2026	No pledges
Sirma Group Holding	*Individual S.S.		Non related party	Loan	BGN	150	27.06.2017, 20.09.2017	3	31.12.2025	No pledges
Sirma Group Holding	*Individual S.S.		Non related party	Loan	BGN	133	31.05.2022	2	31.12.2025	No pledges
EngView Systems	EngView Systems GmbH		Subsidiary	Loan	EUR	104	05.12.2022	3	31.12.2025	No pledges
Sirma Group Holding	Sciart Shpk.		Subsidiary	Loan	EUR	84	25.7.2023	3	01.09.2025	No pledges
Sirma ICS	Sirma Group Holding	200101236	Parent company	Deposit	BGN	250	04.2.2025	0.10	04.02.2027	No pledges

**Other loans and deposits received from „Sirma Group Holding“ JSC and its subsidiaries:**

Recipient	Lender	United identification code	Relationship	Type	Currency	Liability as of 30.06.2025 (BGN '000)	Date of contract/ last annex	Interest rate %	Term of contract	Pledges
Sirma Medical Systems	Saifort	200356710	Company under common control	Loan	BGN	1 932	20.12.2022	2.80	31.12.2025	No pledges
Sirma Group Inc	Worklogic Canada		Non related company	Loan	USD	79	31.07.2017	0,01	31.12.2024	No pledges
Sirma Group Holding	Saifort	200356710	Subsidiary	Deposit	BGN	3 699	18.07.2023	0.1	31.12.2025	No pledges
Sciart Shpk.	Sirma Group Holding	200356710	Company under common control	Loan	BGN	84	25.07.2023	3	01.09.2025	No pledges
Sirma Group Holding	Sirma ICS	203940550	Subsidiary	Deposit	BGN	250	04.2.2025	0.10	04.02.2027	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).



## 7.7. CASH FLOW

	30.06.2025 BGN '000	30.06.2024 BGN '000	Change (BGN '000)	Change %
Net cash flow from operating activities	(4 125)	(261)	(3 864)	1 480,46%
Net cash flow from investing activities	(1 814)	(141)	(1 673)	1 186,52%
Net cash flow from financing activities	65	(208)	273	n/a
Net change in cash	(5 874)	(610)	(5 264)	862,95%
Exchange gains/(losses) on cash	(183)	-	(183)	n/a
Cash at the beginning of the year	9 953	1 131	8 822	780,02%
Cash at the end of the year	3 896	521	3 375	647,79%

The Company has no liquidity problems and operates with the available resources.

## 7.8. INDICATORS AND COEFFICIENTS

Over the past financial period, the company has realized the following financial results:

(The indices and the coefficients have been calculated according to the instructions of BSE)

Indicators BGN '000	30.06.2025	30.06.2024/ 31.12.2024	Change	
			(Abs.)	(%)
Revenue from operating activities	46 184	3 423	42 761	1 249,23%
Total operating costs	(44 565)	(2 104)	(42 461)	2 018,11%
Operating profit	1 619	1 319	300	22,74%
Financial costs	( 749)	( 22)	( 727)	3 304,55%
Profit before tax expense	870	1 297	( 427)	(32,92%)
Net profit	870	1 297	( 427)	(32,92%)
Dividend	(1 159)	(1 154)	( 5)	0,43%
Cash	3 896	9 953	(6 057)	(60,86%)
Short-term assets	21 015	25 894	(4 879)	(18,84%)
Total amount of assets	104 533	108 150	(3 617)	(3,34%)
Average arithmetic total asset value for 5 quarters	100 074	94 220	5 854	6,21%
Current liabilities	18 565	21 915	(3 350)	(15,29%)
Debt	7 771	7 085	686	9,68%
Liabilities (borrowed funds)	29 229	32 765	(3 536)	(10,79%)
Equity	75 304	75 385	( 81)	(0,11%)
Equity averaged for 5 quarters	74 536	73 667	869	1,18%
Turnover capital	2 450	3 979	(1 529)	(38,43%)
Number of shares at the end of the period (in thousands)	59 361	59 361	-	-
Interest expenses	( 93)	( 12)	( 81)	675,00%
Weighted average share price of last trading session	1,44	1,01	0,43	42,57%
Last share price of last trading session	1,44	1	0,44	44,00%



Indicators	30.06.2025	30.06.2024/ 31.12.2024	Change	
			(Abs.)	(%)
EBITDA	2 286	1 638	648	39,56%
DEPRECIATION	(1 323)	( 329)	( 994)	302,13%
EBIT	963	1 309	( 346)	(26,43%)
FIN/INVEST NET	( 749)	( 22)	( 727)	3 304,55%
EBT	870	1 297	( 427)	(32,92%)
ROA	0,0083	0,0120	(0,00367)	(30,60%)
ROA(BSE)	0,0087	0,0138	(0,00507)	(36,85%)
Debt/EBITDA Ratio	3,3994	4,3254	(0,92601)	(21,41%)
Quick Ratio	1,1320	1,1816	(0,0496)	(4,20%)
ROE (BSE)	0,0117	0,0176	(0,0059)	(33,70%)
ROE	0,0117	0,0176	(0,0059)	(33,70%)
EBITDA	0,3881	0,4346	(0,0465)	(10,70%)
<b>Profitability ratios</b>				
Operating profit margin	0,0351	0,3853	(0,3503)	(90,90%)
Net profit margin	0,0188	0,3789	(0,3601)	(95,03%)
<b>Coefficients for assets and liquidity</b>				
Assets turnover ratio	0,4615	0,0363	0,4252	1 170,30%
Assets turnover ratio (BSE)	0,4615	0,0363	0,4252	1 170,30%
Operating cycle	18,8506	0,8603	17,9903	2 091,25%
Current ratio	1,1320	1,1816	(0,0496)	(4,20%)
Quick ratio	1,1320	1,1816	(0,0496)	(4,20%)
Cash ratio	0,2099	0,4542	(0,2443)	(53,79%)
<b>Odds per share</b>				
P/S ratio	1,8509	17,5152	(15,6644)	(89,43%)
P/E ratio	98,2527	46,2256	52,0271	112,55%
P/B ratio	1,1351	0,7953	0,3398	42,73%
Revenue per share	0,7780	0,0577	0,7204	1 249,23%
Earnings per share	0,0147	0,0218	(0,0072)	(32,92%)
Book value of equity per share	1,2556	1,2410	0,0146	1,18%
<b>Development Ratios</b>				
Revenue growth	12,4923	(0,0422)	12,5345	n/a
Assets growth	(0,0334)	0,2006	(0,2341)	n/a
<b>Leverage Ratios</b>				
Debt/total assets	0,0777	0,0752	0,0025	3,27%
Debt/capital	0,0944	0,0877	0,0067	7,61%
Debt/equity	0,1043	0,0962	0,0081	8,40%
Total assets/equity	1,3426	1,2790	0,0636	4,98%
Market value of the company	85 480	59 361	26 119	44,00%



## 7.9 RELATED PARTY TRANSACTIONS

The Company's related parties include its owners, subsidiaries and associates, key management personnel and others described below.

Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received.

### Transactions with subsidiaries

	30.06.2025	30.06.2024
	BGN'000	BGN'000
Purchases of goods and services		
Purchases of services:		
- Software services	(1 699)	(40)
- Internet	(27)	(10)
- Consulting services	(8)	(20)
- Subscriptions	(43)	(15)
- Hosting	(41)	-
- Intermediary services	(52)	-
- Software license rental	(13)	-
Purchases of LTFA	-	(3)
Sales of goods and services		
Sales of services		
- Administrative, accounting services	187	1 633
- Rent	78	264
- Consulting services	-	6
- Software services	1 798	-
- Technical Support	-	4
- Subscriptions	11	-
Sales of goods:		
- Consumables	6	44
- Computer components	193	-
Dividends received	598	1 390
- Received deposits	250	750
- Refunded deposits received	-	(590)
- Loans given	-	(300)
- Refunded loans given	-	473
- Interest on received loans	-	(8)
- Interest on loans given	1	5

### Transactions with other related parties

	30.06.2025	30.06.2024
	BGN'000	BGN'000
Sale of services		
- Administrative, accounting services	-	2
- Rent	8	4
Sale of goods		
- Consumables	10	-
- Computer components	5	-

### 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:

	30.06.2025	30.06.2024
	BGN'000	BGN'000
Short-term employee benefits:		
Salaries including bonuses	(314)	(175)
Social security costs	(4)	(3)
Total remunerations	<u>(318)</u>	<u>(178)</u>



## 8/ PERSONNEL AND ECOLOGY

### 8.1 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 separate collection of waste, minimization, recovery and recycling of municipal waste. In 2017, the use of plastic cups stopped, and they were replaced with porcelain and glass cups.

### 8.2 PERSONNEL

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.

The structure of the personnel of Sirma Group Holding has the following dynamics:

"Sirma Group Holding" JSC	30.06.2025	30.06.2025
	Number of employees	Number of employees
Labour contract	417	21
Contract for management and control	9	9
<b>Total</b>	<b>426</b>	<b>30</b>

### DESCRIPTION OF ALL AGREEMENTS FOR THE PARTICIPATION OF THE EMPLOYEES IN THE CAPITAL OF THE COMPANY.

There are no arrangements for the participation of employees in the capital of the Company.

## 9/ RISK FACTORS

### Risk management objectives and policies

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

The Company's risk management is coordinated at its headquarters, in close co-operation with the board of directors and focuses on actively securing the Company's short to medium-term cash flows by minimizing the exposure to financial markets.

The Company 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 Company is exposed are described below.

#### 9.1 Market risk analysis

The Company 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 in Ukraine unfolded, strong inflationary pressures arose and annual inflation for the period June 2025 compared to June 2024, as measured by National Statistical Institute with the Harmonized Index of Consumer Prices (HICP) is 3,1%.



#### **9.1.1 Foreign currency risk**

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

To mitigate the Company's exposure to foreign currency risk, non-BGN cash flows are monitored. Generally, Company'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, as is usually the case in the Company.

#### **9.1.2 Interest rate risk**

The Company's policy is to minimize interest rate cash flow risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates.

At 30 June 2025, the Company is not exposed to a significant risk of changes in market interest rates on the company's investment loan since the interest rate has no change during the year. All other financial assets and liabilities of the Company have fixed interest rates

### **9.2 Credit risk**

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

The Company 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 Company's policy is to deal only with creditworthy counterparties. The Company'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.

The Company has not provided its financial assets as collateral for transactions other than collateral for received bank loans.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to a single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a small number of customers in single industry and geographical area. 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.

The carrying amounts disclosed above are the Company's maximum possible credit risk exposure in relation to these instruments.

### **9.3 Liquidity risk**

Liquidity risk is the risk arising from the Company not being able to meet its obligations. The Company 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 Company's objective is to maintain cash to meet its liquidity requirements for 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities.

#### **Financial assets used for managing liquidity risk**

The Company considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. The Company'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.





## 10/ INFORMATION ABOUT EVENTS AND INDICATORS WITH INCREASED NATURE OF THE COMPANY, HAVING A SIGNIFICANT EFFECT ON THEIR ACTIVITY AND THEIR 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 company that have a significant impact on its operations and its realized revenues and expenses; assessing their impact on results during the current period.

## 11/ INFORMATION ABOUT OUT OF THE BALANCE SHEET TRANSACTIONS - NATURE 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 COMPANY.

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

## 12/ 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 COMPANY 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.



## 13/ 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.

## 14/ INFORMATION ABOUT OCCURRING CHANGES IN THE REPORTING PERIOD IN THE MAIN PRINCIPLES FOR THE MANAGEMENT OF THE COMPANY AND ITS ECONOMIC GROUP.

There were no changes during the reporting period in the company's main management principles and its economic group.

## 15/ INFORMATION ABOUT THE MAIN CHARACTERISTICS OF THE FINANCIAL REPORTING PROCESSING INTERNAL CONTROL SYSTEM AND RISK MANAGEMENT SYSTEM IN THE COMPANY.

Under Bulgarian law, the management should prepare an interim 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 separate financial statements have been prepared in accordance with the going concern principle, taking into account the possible effects of the emerging geopolitical situation and other risks accompanying the company's activity.

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



## 16/ INFORMATION ON CHANGES IN MANAGEMENT AND SUPERVISORY AUTHORITIES DURING THE PERIOD.

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No changes during the period considered.

## 17/ INFORMATION ABOUT THE USE OF THE FUNDS FROM A NEW ISSUED SHARES AND SECURITIES IN THE REPORTING PERIOD.

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No funds from a new issued shares and securities were used during the reporting period.

## 18/ DETAILS OF THE DIRECTOR FOR CONNECTIONS WITH THE INVESTOR, INCLUDING A TELEPHONE AND ADDRESS FOR CORRESPONDENCE.

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Stanislav Tanushev

Bul. 135 Tsarigradsko shose, fl. 3

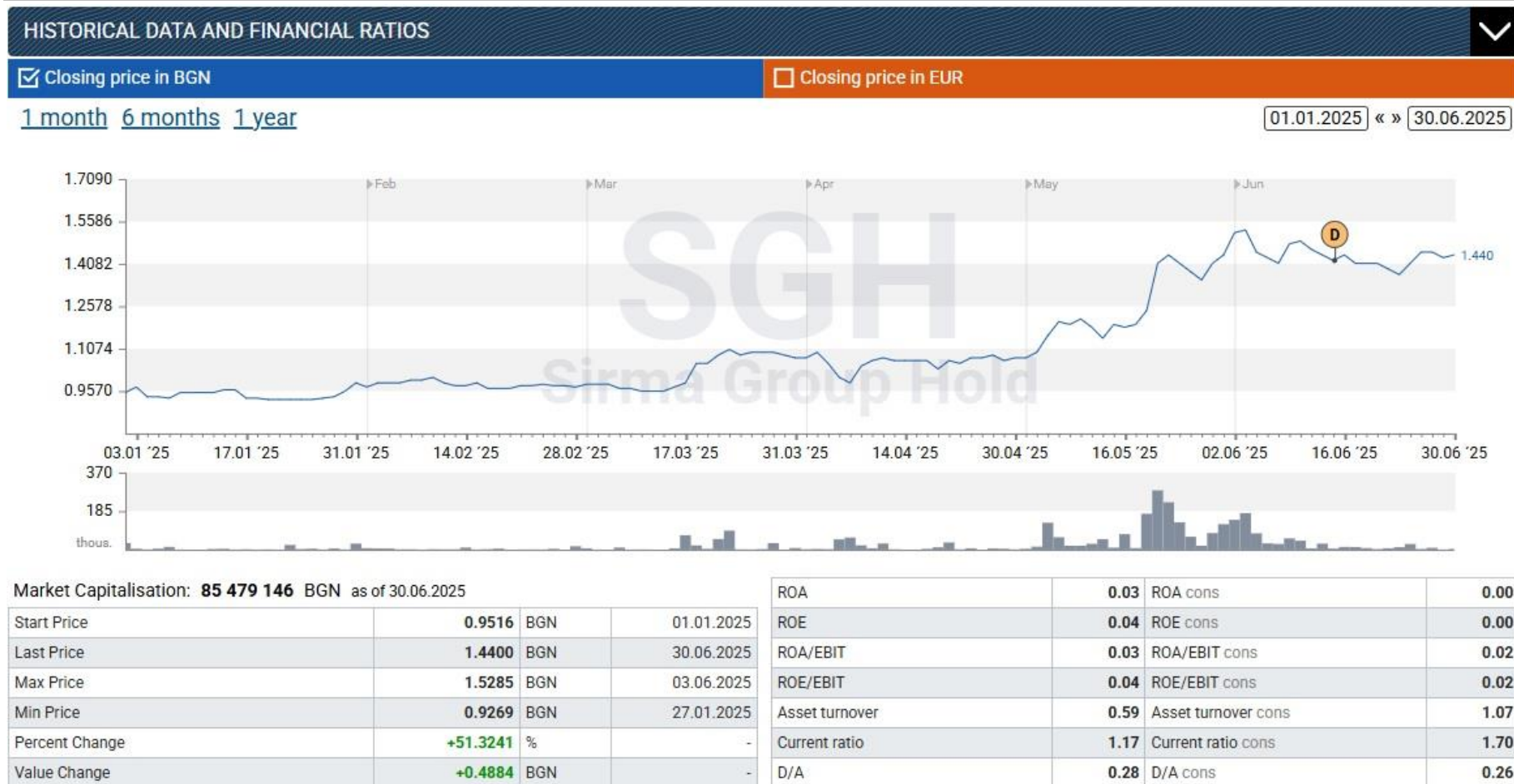
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# 19/ CHANGES IN THE PRICE OF THE SHARES OF THE COMPANY



## 20/ EVENTS AFTER THE END OF THE REPORTING PERIOD

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No adjusting or significant non-adjusting events have occurred between the reporting date and the date of authorization.

Sofia  
28.07.2025

CEO:



**Tsvetan Alexiev**

