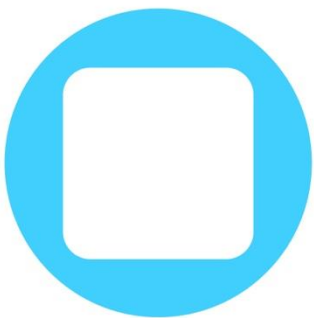




INTERIM CONSOLIDATED MANAGEMENT REPORT OF “SIRMA GROUP HOLDING” JSC FOR H1 2025



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Key financial indicators

Revenue

57 710 BGN'000
26.98% 

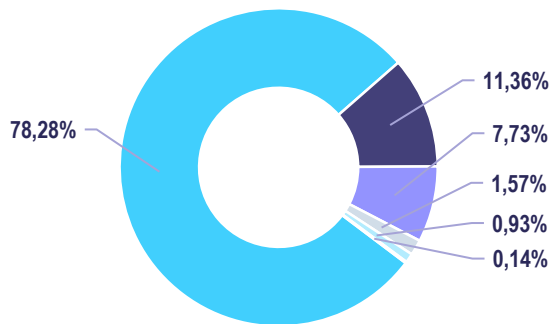
EBITDA

3 380 BGN'000
46.57% 

Net Profit

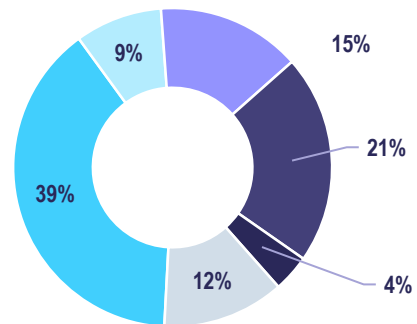
1 010 BGN'000
395.10% 

Revenue by region



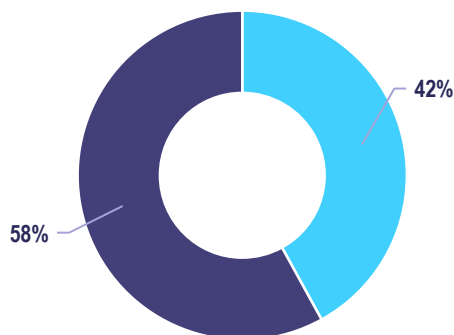
- Europe - 45 174 BGN'000
- North America - 6 553 BGN'000
- United Kingdom - 4 460 BGN'000
- Asia - 907 BGN'000
- South America - 534 BGN'000
- Australia - 82 BGN'000

Revenue by segment



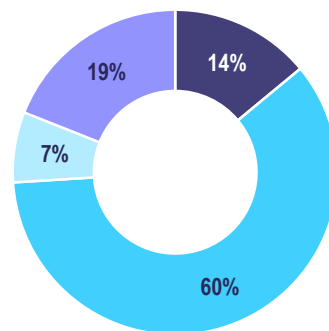
- System Integration - 22 596 BGN'000
- Hospitality - 5 101 BGN'000
- Financial Industry - 8 444 BGN'000
- IT Services - 12 256 BGN'000
- Production - 2 168 BGN'000
- Strategic Development - 7 145 BGN'000

Recurring revenue



- Total Recurring Revenue - 24 238 BGN'000
- Other Revenue - 33 472 BGN'000

Recurring revenue by type



- Support and Service - 3 463 BGN'000
- IT Systems Development and Management - 14 428 BGN'000
- Subscriptions and Licenses - 1 731 BGN'000
- Long-Term Contract Services - 4 617 BGN'000



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

The present interim consolidated management of “Sirma Group Holding” JSC covers the period, ending on 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 the Public Offering of Securities Act (POSA), including also the established events, occurring after the balance sheet date. The structure of this report is in accordance with Article 12 of Ordinance No. 2 of the Financial Supervision Commission (FSC).

The board of directors of the holding confirms that:

- there were no irregularities in which managers or employees were involved, which may be material to the consolidated financial statements;
- all material transactions are duly accounted for and reflected in the interim consolidated financial statements as at 30 June 2025;
- there is no actual or potential breach of laws and (or) other regulatory provisions which would have a material impact on the consolidated financial statements or could serve as a basis for reporting contingent loss;
- there are no legal or other restrictions on the flow of funds;
- there are no known trends, requests, commitments, events or occasional circumstances for which there is reason to expect that they may affect the company as a whole.

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

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

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

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

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

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

The reporting period is the financial year ending on 30.06.2025. The report includes Sirma Group Holding JSC and all subsidiary companies of the Group without EngView Systems Latin America and Sirma ISG, which are excluded from consolidation due to lack of relevance.

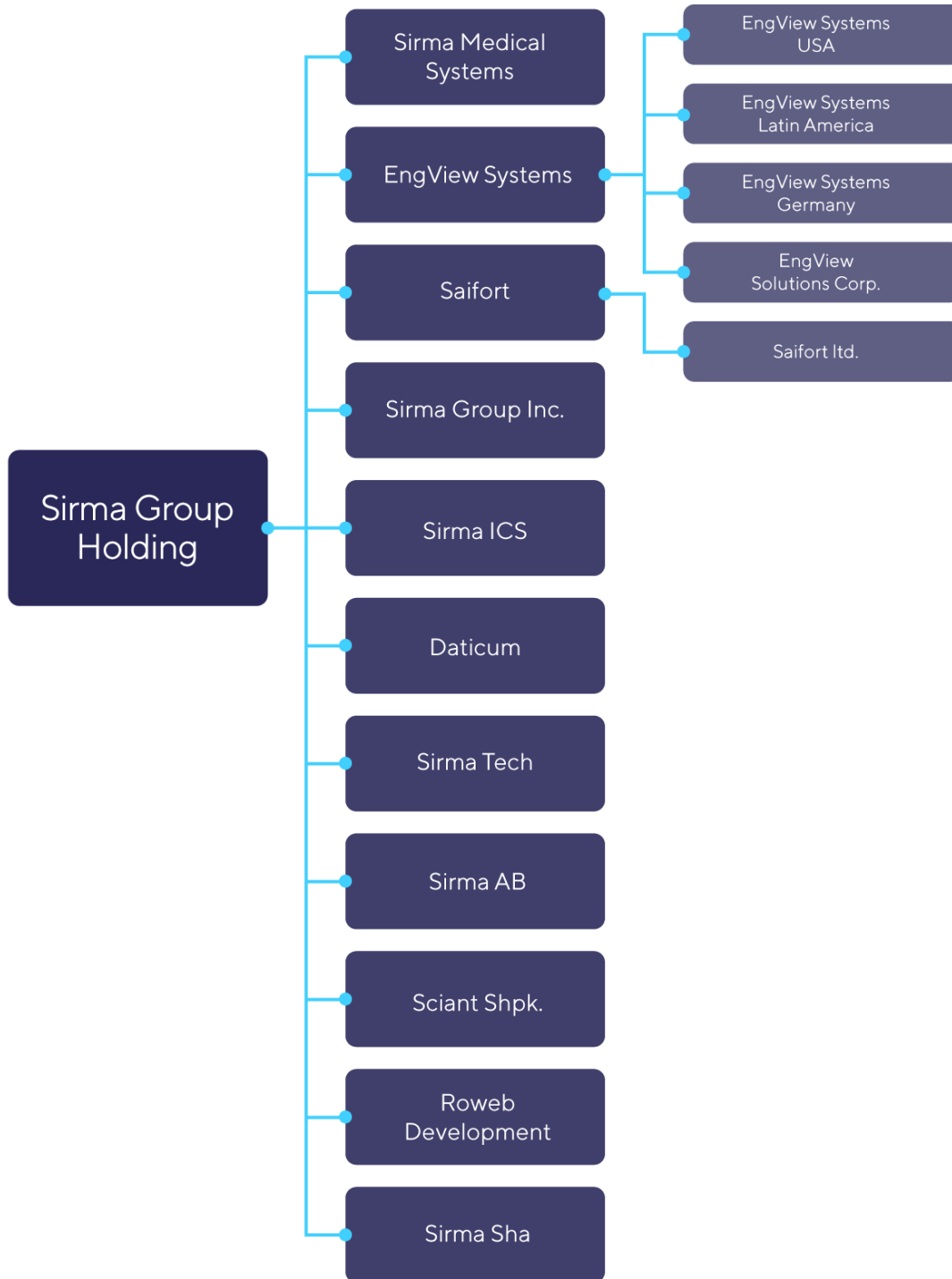


2 ORGANIZATION AND WAY OF PRESENTATION

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

Over the years, Sirma has created over 20 companies, investing in them a tremendous financial and human capital.

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



History and development of the company

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

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

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

Changes in the statement of activity

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

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

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

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

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

CAPITAL

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

History of Share Capital

History of changes in share capital

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

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

- 1) 29 software modules worth 61 555 838 BGN;
- 2) Non-monetary contribution representing real estate amounting to 3 911 660 BGN:

□ Office building - offices, floor 3 and floor 5 of an office building located in the city of Sofia, 135 "Tsarigradsko shose" blvd., owned by "Sirma Group" JSC, a company registered in the Commercial Register at the UIC Registration Agency 040529004, with registered office and management address in the city of Sofia, "Mladost" district, "Tsarigradsko shose" boulevard No. 135, accepted as a shareholder in "SGH" AD by decision of the General Assembly of "SGH" AD from 10.07.2008

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

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

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" AD from BGN 77,252,478 to BGN 73,340,818 was entered by canceling 3,911,660 shares with a nominal value of one lev each. The Company's capital is reduced on the basis of Art. 200, para. 2, in connection with Art. 187e, para. 1, item 2pt CL.

When the conversion was carried out, entered in the Commercial Register on 23.10.2014. the Company's capital is reduced to BGN 49,837,156 by canceling 23,503,662 shares. This reduction is the result of the calculated fair value of the shares of "Sirma Group Holding" AD by two independent appraisers. The shareholding structure of the Company does not change as a result of the spin-off to the extent that the shareholding structures in the transforming company and in the newly established company are mirrored.

On 30.10.2015, after a successful initial public offering, the capital was increased to BGN 59,360,518 by issuing 9,523,362 shares. new shares with a nominal value of one share of BGN 1 and an issue value of BGN 1.20.

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

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



3 STRUCTURE OF SHARE CAPITAL AND MANAGEMENT AUTHORITIES

3.1. Capital structure

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

	30.06.2025 (BGN '000,%)	31.03.2025 (BGN '000,%)
Share capital	59 361	59 361
Number of shares (par value of 1 BGN)	59 360 518	59 360 518
Total number of registered shareholders	1 260	1 169
Including legal entities	44	42
Including Individuals	1 216	1 127
Number of shares held by legal entities	6 708 656	6 968 710
% of capital of legal entities	11,30%	11,74%
Number of shares held by individuals	52 651 862	52 391 808
% of capital held by 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	1 422 244	1 689 786	1	1 422 244	2,40%	-
Yavor Liudmilov Djonev	1 066 046	1 068 046	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	13 423 024	13 526 544	1	13 423 024	22,61%	23,17%
Total	59 360 518	59 360 518		59 360 518	100%	100%

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



As of 30.06.2025 the total amount of repurchased own shares by "Sirma Group Holding" JSC is 1 421 694 shares with nominal value amount of BGN 1 421 694 (2,40 % of share capital). The other companies of the Group that own shares of "Sirma Group Holding" JSC are:

- "Saifort" EAD owns 550 shares of the parent company "Sirma Group Holding" JSC. The company has no newly acquired shares during the reporting period.

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

Shareholders	Number of shares at 30.06.2025	% 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.

3.2 Management authorities

Sirma Group Holding 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
Veselin Anchev Kirov
Yordan Stoyanov Nedev
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 CEO 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 shares of the Company.

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

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

Committees in The Company

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

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

Accepted internal normative 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%
Total	22 823 609	22 823 609		22 823 609	38,45%	39,39%

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



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

	30.06.2025 BGN'000	30.06.2024 BGN'000
Short-term employee benefits:		
Salaries including bonuses	383	301
Social security costs	8	7
Total remunerations	391	308

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

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

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

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

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

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

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

4 FUNCTIONING OF THE GROUP

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

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



Subsidiaries of "Sirma Group Holding" JSC

Name of the subsidiary	Country of incorporation and principal place of business	Main activities	Segment	30.06.2025	31.12.2024
				share	share
Saifort EAD	Bulgaria	Software services	System Integration	100%	100%
Saifort Ltd.	Israel	Software services	System Integration	70%	70%
Roweb Development	Romania	Software services	IT Services	51%	51%
Sirma Group Inc.	USA	Software services	IT Services, Others	100%	100%
Sirma Sha	Albania	Software services	IT Services	55%	55%
Sirma Tech	UK	Software services	Financial Industry	100%	100%
Daticum AD	Bulgaria	Software services	System Integration	59%	59%
"Sirma AB"	Sweden	Software services	IT Services	100%	100%
"Sirma ICS" AD	Bulgaria	Software services	Others	93%	93%
Sciant Shpk	Albania	Software services	Hospitality, Others	100%	100%
"Sirma Medical Systems" AD	Bulgaria	Software services	Others	66%	66%
"EngView Systems" AD	Bulgaria	Software package development	Production	72,90%	72,90%
EngView Systems GmbH	Germany	Software package development	Production	72,90%	72,90%
EngView USA	USA	Software package development	Production	72,90%	72,90%
EngView Systems Latin America	Brazil	Software package development	Production	69,26%	69,26%
Engview Solutions Corp.	Canada	Software package development	Production	69,26%	69,26%
"Sirma ISG" OOD	Bulgaria	Software services	Others	71%	71%

Information about participations

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

The Company has no branches.

5 SIRMA GROUP IN H1 2025**5.1 The business**

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

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

Sirma is a globally recognized company in areas such as financial technology, transportation and logistics, hospitality, healthcare technology and some classes of industrial technology. One of Sirma's products - EngView Package Designer Suite CAD is part of the packaging design and production solutions of world leaders in the printing industry. The Group is among the regional leaders of the IT market, with 60% of operators in the financial sector as clients. The Group's clients are among the world's largest logistics companies, the largest hotel chains, international banking and European institutions. One of the Group's products in the field of health care - Diabetes:M is in the Top3 global products for the fight against diabetes. Sirma has a strong presence in the US market, executing a huge number of IT consulting projects. One of the companies in the group - Daticum is a first-class regional provider of cloud services with a Class 4 Data Center, licensed for data storage by the BNB and other organizations requiring increased data security. Through one of its companies, the Group is a leader in the delivery of SaaS for



insurance intermediaries. Our philosophy for our strategic technologies and solutions is that we embed a sense of human thought – perception, interpretation, prediction and decision making. AI-based technologies have been in Sirma's DNA since its inception. In 2022, Sirma sold a majority stake in one of its subsidiaries, Sirma AI, and in early 2023, its remaining stake in it. Sirma AI (now Ontotext AD) is a company founded by Sirma and working in the field of semantic technologies. The flagship product of Sirma AI is GraphDB – one of the best graph databases in the world. An undeniably successful company, Sirma AI has reached the level where in order to continue to develop successfully and compete with its strong American competitors (companies such as Neo4J, Microsoft, Amazon, Oracle, IBM) it needs very large investments, such as Sirma can not afford. The company was valued at nearly 30M euros, which is an excellent reference for Sirma's abilities to create and develop successful businesses. In the last 2 years, Sirma's strategy has changed dramatically. The realities of business are such that it is almost impossible to develop a product business without significant investments. That's why Sirma started positioning itself as a service company with deep expertise in several strategic verticals and powerful solutions, often supported by AI technologies. The main revenue, focus, marketing and growth are concentrated in the service-related activity - software development, IT consulting, system integration, cloud services, etc. This activity generates over 90% of the group's business. Sirma also retains an investment part - its product companies such as EngView and Sirma Medical Systems. R&D and product development is done in these companies. The companies and businesses in the investment part of the Group can be subject to investments - internal and external, they can be sold to a strategic buyer, as we have already proven that we can

successfully do (the sale of Sirma AI). Growth in the main - service part of the company takes place organically and through acquisitions. Here, the model is clear, understandable for investors, with a fairly clearly established dependence "investment size - growth". The investment part is more risky, but the chances of a "breakout" or a "very successful deal" are also much greater.

Sirma's mid-term goal is to reach 100+ million euro in revenue and list on a major global exchange Sirma's positioning at the time of listing will be:

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

5.2 Economic trends

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.

The economy of Bulgaria in 2025 and forecast 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;

Development of global economy in 2025 and forecast 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 forecast for the future years

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
Overall IT	5,039,699	7.4	5,435,555	7.9

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.

5.3. Additional information for H1 2025

Impact of exclusive factors

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

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

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

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

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

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



Significant changes in net sales or revenues disclosed in the accounts

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

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

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

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

5.4. Major news in 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 30.06.2024.

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.

5.5. 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.

5.6 Information for contracted large transactions in H1 2025

In H1 2025, the Group made several large contracts with customer and subcontracts, in connection with the new strategy of the Group:

Purchases:

- Deal 1 for BGN 3 274 thousand
- Deal 2 for BGN 2 754 thousand
- Deal 3 for BGN 2 704 thousand

Sales:

- Deal 1 for BGN 3 773 thousand
- Deal 2 for BGN 2 892 thousand
- Deal 3 for BGN 2 845 thousand

5.7 Information of the used financial instruments in H1 2025

In H1 2025 the company has not used any financial instruments.



5.8 R&D activity of the company in H1 2025

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

5.9 Possible future development of the company

The forecasts for the development of the Information and Communication Technologies sector in 2025 and the following years are a function of the effects caused by the ongoing military actions in Ukraine and the Middle East, the actions of the new US administration, and the state of major European economies.

Although a direct impact of the war in Ukraine and Middle East on the ICT sector is not expected, it will strengthen other risks for the global economy – inflation, volatility of exchange rates, difficult supply chains, geopolitical uncertainty. As for President Trump's new policy, it is still too early to draw solid conclusions about how it will reflect on the global economy and, in particular, on the sectors in which Sirma operates. In addition, the BNB expects the postponement of the implementation of investment projects, the slow rate of absorption of funds under European programs and the delayed implementation of the National Recovery Plan to be associated risks in 2025. There is also serious uncertainty regarding the stability of Bulgaria's new regular government and its capacity to deal with the economic challenges and Bulgaria's entry into the Eurozone. The annual budget presented by the Ministry of Finance appears to be quite ambitious to implement, especially on its revenue side, at the expense of significantly increased expenditures, although the stated goal is to maintain stable financial indicators, relatively low inflation and indebtedness.

In 2024, the integration of six subsidiaries of the Group into Sirma Group Holding JSC was completed. In 2025, we expect this to lead to better competitiveness and market positioning of the Group, which will contribute to the creation of new business opportunities, providing clients with a wider and more diverse range of services, professional growth and development of our employees, optimization of administrative processes, respectively, better productivity, communication and cooperation between employees and units in the Group.

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

5.10 Contracts under Art.240b of the Commerical Code in H1 2025

During H1 2025 the Group has not been notified for contracted transactions with the members of the Board of Directors or parties related to them, which fall outside the line of activity of the company or the terms of which differ substantially from the current market.



6 RESULTS BY COMPANY

DATICUM

- <https://www.daticum.com/>
- **Datium JSC is a subsidiary of Sirma Group Holding JSC**
- **Capital:** BGN 793 810 divided into 79 381 shares with a nominal value of BGN 10. Sirma Group Holding JSC holds 46 834 shares or 59% of the capital.

Main markets:

Bulgaria, North and South America, Europe

Main clients:

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

Main competitors:

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

Business model of the company

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

Resources of the company

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

New products, new business or business models for the period

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

HR policy

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

Daticum in H1 2025

Business Development Conditions in 2025

In the first half of 2025, Bulgaria strengthened its position as a leading technology and artificial intelligence hub in Central and Eastern Europe. The country is establishing itself as a preferred destination for the development of high-tech

solutions, thanks to the stable economic environment, targeted state policy and the availability of qualified specialists in the field of information technology. Among the key achievements for the period, the development of the first Bulgarian language model with local data processing stands out, which eliminates the need for exchange with external servers. In addition, Bulgaria was selected to build one of the six new AI infrastructures within the framework of the European initiative for the development of artificial intelligence. The project has provided nearly 90 million euros for the creation of a supercomputer and innovation center in Sofia Tech Park. These strategic initiatives create an extremely favorable environment for the development of innovative companies such as Daticum and accelerate the demand for highly reliable cloud and infrastructure solutions necessary for the digital transformation of business in the region.

Regional and international factors affecting the company's business

The military conflicts in Ukraine and the Middle East continue to have a significant impact on the economic environment in Europe and Bulgaria. The uncertainty generated by these events affects consumer behavior and slows down investment activity, especially in sensitive sectors such as IT infrastructure and data management.

In the first half of 2025, the high price level of electricity and hardware remains, which increases the pressure on IT costs and requires more precise budgeting by companies. However, thanks to stabilizing policies and market adaptability, there is a restoration of confidence and increased interest in cloud technologies and sustainable digital solutions.

Additionally, the upcoming introduction of the euro is causing public tension - nearly half of citizens expect inflation and price increases. Businesses also express concerns about possible adaptation costs, especially among small and medium-sized enterprises.

Business development in H1 2025 and realization of the investment plan

In the first half of 2025, Daticum reported growth despite increased costs for implementing new hardware. The platform continues to develop actively, integrating more and more tools to support customers and effectively manage their virtual resources.

During the period, we successfully launched Instant Recovery Backup – a new backup and recovery service based on NVMe flash technologies. The solution provides almost instant data recovery, ransomware resistance and an isolated environment for protecting critical systems.

Important events

- A new functionality was introduced in the virtual resource orchestration and management platform, which allows



customers to independently activate the desired resources in backup mode when needed.

- During this period, we successfully implemented and launched the new Instant Recovery Backup service - a high-performance backup and recovery service based on NVMe flash technologies. The solution offers almost instant data recovery, immunity against ransomware attacks and isolated recovery zones, ensuring full business continuity.

- A new client portal has been launched, providing greater transparency and control over the services and resources used.

- An internal innovation program has been launched, aimed at developing AI-based services.

- A memorandum of cooperation has been signed with a Bulgarian university in the field of research and training.

New contracts:

New contracts were signed with clients, expanding the client base, and partnerships were renewed and expanded with key corporate clients from the telecommunications sector. In addition, new partnerships were established with consulting firms and IT companies, with the aim of expanding the market presence and offering joint solutions.

Implementation of the business plan in H1 2025

The company's revenues in the first half of 2025 exceeded those in the first half of 2024 by 5,23%, with cloud services growth amounting to 4,19%.

Perspectives and forecasts for 2025

In the second half of 2025, public cloud AI services are expected to continue to grow, while private cloud solutions for security and sovereignty are also gaining momentum, due to geopolitical and regulatory factors.

The company's core revenue is expected to grow by over 10% for the full year of 2025.

The company will continue to invest in security, automation and AI services.

A partial recovery in demand for traditional services is expected in the second half of the year.

FINANCIAL RESULTS

	30.06.2025	30.06.2024/ 31.12.2024	Change BGN '000	Change %
Revenues	1 811	1 721	90	5,23%
EBITDA	778	783	(5)	(0,64%)
Depreciation	(295)	(308)	13	(4,22%)
Net Result	481	473	8	1,69%
EBITDA margin	42,96%	45,50%	(2,54%)	(5,58%)
Net Profit margin	26,56%	27,48%	(0,92%)	(3,36%)
Sales per share	0,7867	0,7476	0,04	5,23%
EPS	0,2089	0,2055	0,003	1,69%
ROE	0,2098	0,2609	(0,051)	(19,60%)
Total Assets	3 626	3 321	305	9,18%
Intangibles	1 000	1 140	(140)	(12,28%)
Book value	1 293	673	620	92,12%
Equity	2 293	1 813	480	26,48%
Total Liabilities	1 333	1 508	(175)	(11,60%)
Interest bearing	254	290	(36)	(12,41%)
D/E	0,5813	0,8318	(0,25)	(30,11%)
ROA	0,1327	0,1424	(0,010)	(6,86%)



ENGVIEW SYSTEMS

- **EngView Systems JSC is subsidiary company of Sirma Group Holding JSC**
- **Capital : BGN 68 587**

Shares: 68 587 ordinary named voting shares, with right to dividend and liquidation share, proportional to the participation in the capital. Sirma Group Holding owns 50 000 shares or 72,9 % of the company capital.

EngView Systems in H1 2025

Conditions for business development in H1 2025

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

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

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

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

demonstrations, multimedia, participation in panels, membership in associations, etc.

The company continues to develop its core product for the packaging industry, the Packaging Suite. In the first month of the year, the main version 2025 of the CAD product was released, continuing the policy of Continuous Delivery. The company focuses its efforts on continuously improving functionalities, allowing customers to become more efficient, faster, and more easily offer their products.

The purchase of services on a subscription basis is a very important trend in the global market in the last few years. This is due to the advent of cloud technology and the ability to sell even very complex software products as services rather than licenses. This makes them more affordable both in terms of price and in terms of time to master and start in real business. Like many other software companies, EngView has successfully promoted its subscription model. The first half of 2025 saw a doubling of subscription revenue compared to 2024.

In the first half of this year, a new page was launched on the main website to promote cloud and desktop-based specialized services and innovative technologies. On their basis, client websites can be developed, as well as integrations with other industry products to complement workflows or increase productivity. The company is seriously investing in improvements to its web-based technologies, which are already successfully used in web-to-pack solution sites and integrations with other solutions to expand customers' businesses.

In the first half of 2025, EngView was presented at several exhibitions in the various industries in which it is positioned. For 2025, there is an aggressive marketing plan and participations in the USA, Canada, China, Germany, India, Poland, Greece, Saudi Arabia, Brazil, Chile, Italy at specialized exhibitions, as well as visits to such, are planned.

EngView Systems USA participates together with the Japanese manufacturer Mimaki at various events and exhibitions, thereby promoting its partnership. The visit to ISA in Las Vegas was successful, where various meetings were held with current and potential partners. For another year, our US company is preparing its participation in Printing United, Orlando, which will be held in the last quarter of 2025. In the meantime, participations took place in the Open House of some partners in the USA, which popularizes EngView's positioning in the industry.



New mechanisms, partnerships and representations around the world are also being sought to increase brand recognition, increase sales and search for new niche markets.

The German company EngView Systems GmbH continues to grow sales revenue and search for new large partnerships and customers. The study of the CAD system was successfully introduced as a subject at two universities in Germany.

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

New versions of all metrology products were released this quarter.

Online demonstrations of ScanFit&Measure are being held as well as visits to factories that need measuring systems for quality control. ScanFit&Measure has participated in several prestigious exhibitions in the USA, China, Germany and is preparing for the next ones in India, Turkey and the largest one in Düsseldorf, Germany. Sales of this product are increasing, campaigns continue worldwide.

Regional and international factors influencing the business of the company

2025 starts well in terms of revenue. Expenses and investments in marketing and sales also affect the overall financial statement.

The company develops all of its products in Bulgaria, but has a network of distributors worldwide, as well as its own offices in the USA, Germany and Brazil. The factors influencing the business are mainly related to the saturation of the market with competitive products or the degree of development of the given market. The main share of sales of software for the packaging industry is still generated in Europe, but the market is expanding in the USA through marketing efforts.

EngView, as one of the leading names in the packaging industry, works with strategic partners from Germany Heidelberg, for which new versions of their products for the printing industry are developed every year, and from the USA - QVI for their video measurement machines. EngView has been working with both companies for years, strengthening its positions by providing quality and modern software to their customers.

Business development in the first half of 2025 and implementation of investment intentions

In the first half of 2025, the company continues to develop its products and prepare for more online services and developments. Intensive preparations are underway for several events at which products and partnerships will be presented and consolidated. The company is gradually increasing its capacity and resources for innovative developments in the two areas in which it operates.

In the USA, the company is very actively working on brand recognition, winning new partnerships and customers, and imposing the subscription model, which will bring stability and sales growth in the coming years.

The German company EngView Systems GmbH is doing well and this year has seen sales growth.

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

Perspectives and forecast for 2025

An increase in customers is expected in 2025, which will also increase sales volume and revenue. Campaigns are being developed, new distributors are being sought, and the presence in both niche markets is being strengthened.

FINANCIAL RESULTS

	30.06.2025	30.06.2024/ 31.12.2024	Change BGN '000	Change %
Revenues	1 765	1 634	131	8,02%
EBITDA	476	375	101	26,93%
Depreciation	(449)	(437)	(12)	2,75%
Net Result	6	(78)	84	n/a
EBITDA margin	26,97%	22,95%	4,02%	17,51%
Net Profit margin	0,34%	(4,77%)	5,11%	n/a
Sales per share	25,5797	23,6812	1,90	8,02%
EPS	0,0870	(1,1304)	1,22	n/a
ROE	0,0011	(0,0149)	0,016	n/a
Total Assets	6 246	6 082	164	2,70%
Intangibles	4 654	4 535	119	2,62%
Book value	606	717	(111)	(15,48%)
Equity	5 260	5 252	8	0,15%
Total Liabilities	986	830	156	18,80%
Interest bearing	246	168	78	46,43%
D/E	0,0468	0,0320	0,015	46,21%
ROA	0,0010	(0,0128)	0,014	n/a



SIRMA GROUP INC.**Business development in H1 2025**

Sirma USA continued to develop our business in Healthcare and Automotive retail sales. We have made tremendous progress in applying artificial intelligence and generative large language models technology to practical applications in Medical Information Systems. In an industry first, we developed the ability to describe workflows using plain-

spoken language and automatically generate and configure ready-to-execute mini-apps inside Healthcare applications built on top of our BoCore platform. The systems powered by our real-time Analytics engine also continued to gain ground with automotive dealers, and we were highly recognized by leaders in the field.

FINANCIAL RESULTS

	30.06.2025	30.06.2024/ 31.12.2024	Change BGN '000	Change %
Revenues	2 556	1 763	793	44,98%
EBITDA	135	(794)	933	n/a
Depreciation	(3)	(3)	-	-
Net Result	132	(797)	929	n/a
EBITDA margin	5,28%	(45,04%)	50,32%	n/a
Net Profit margin	5,16%	(45,21%)	50,37%	n/a
Sales per share	0,1185	0,0817	0,04	44,98%
EPS	0,0061	(0,0369)	0,04	n/a
ROE	0,0177	(0,0944)	0,11	n/a
Total Assets	10 584	10 475	109	1,04%
Intangibles	1 948	1 675	273	16,30%
Book value	5 522	6 766	(1 244)	(18,39%)
Equity	7 470	8 441	(971)	(11,50%)
Total Liabilities	3 114	2 034	1 080	53,10%
Interest bearing	20	36	(16)	(44,44%)
D/E	0,0027	0,0043	(0,0016)	(37,22%)
ROA	0,0125	(0,0761)	0,089	n/a

Sirma ICS

- <http://sirmaics.com/>
- **Capital:** BGN 300 000. "Sirma Group Holding" owns 279 000 number of shares or 93% of the capital.

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

Conditions for Business Development in H1 2025

The company operates in the Insurance sector with target customers insurance brokers and insurance companies. Both segments recorded minimal revenue growth due to an increased number of insured persons as well as an increase in insurance premiums.

The company offers a product covering all of the processes in the structure of an insurance broker - Sirma Insurance Enterprise Platform. There is also a developed opportunity for clients to integrate through the Sirma Insurance Enterprise

MTPL API and to integrate the policy issuing a policy payment in any system and application.

Regarding the main platform for brokers, new clients have been attracted with the potential to continue expanding their network. The business continues to be maintained in terms of portals and applications for insurance companies, and in both cases these are "tailor made" products according to the client's requirements.

Regarding the online presence of brokers, we offer Sirma Insurance Enterprise Web Calculator. Through this product, end website visitors can calculate their price and place an order.

The company also creates individual solutions and developments on assignment such as websites, web portals



for end customers, administrative portals and mobile applications.

In general, the online market in Bulgaria remains underdeveloped due to the sticker restrictions and the mandatory "Civil Liability" license plate.

The company also offers services to other companies, part of Sirma Group, mainly "body rent" of programmers.

Business Development in H1 2025 and investment plan

In H1 2025 Sirma ICS continued with the execution of its strategic objectives:

- Improvements in mobile applications and to adapt the system for introducing the Euro in Bulgaria;

- Increasing the product range of the software for insurance brokers and optimizing the product and its functionalities;
- The company continues to rely on a stable and sustainable model of selling products with a monthly license fee, instead of relying on large one-off transactions which are more difficult to predict.

Perspectives and forecasts for 2025

We anticipate retaining the monthly fee revenue of Sirma Insurance Enterprise Platform mainly from large new clients that are being negotiated, but individual small brokers may terminate contracts due to cessation of activity. We are striving to attract large brokers to the broker platform.

Revenues are also expected from the adaptation of the euro introduction system in Bulgaria.

FINANCIAL RESULTS

	30.06.2025	30.06.2024/ 31.12.2024	Change BGN '000	Change %
Revenues	584	510	74	14,51%
EBITDA	102	104	(2)	(1,92%)
Depreciation	(40)	(41)	1	(2,44%)
Net Result	62	61	1	1,64%
EBITDA margin	17,47%	20,39%	(2,93%)	(14,35%)
Net Profit margin	10,62%	11,96%	(1,34%)	(11,24%)
Sales per share	1,9467	1,7000	0,25	14,51%
EPS	0,2067	0,2033	0,003	1,64%
ROE	0,0577	0,0624	(0,005)	(7,54%)
Total Assets	1 271	1 220	51	4,18%
Intangibles	793	866	(73)	(8,43%)
Book value	281	111	170	153,15%
Equity	1 074	977	97	9,93%
Total Liabilities	197	243	(46)	(18,93%)
Interest bearing	38	83	(45)	(54,22%)
D/E	0,0354	0,0850	(0,050)	(58,35%)
ROA	0,0488	0,0500	(0,001)	(2,44%)

SIRMA TECH

Sirma Tech operates in the United Kingdom. The company provides technology services in the areas of software integration, data integration and mobile technologies for the financial service sector.

Sirma Tech has accumulated tremendous expertise on the banking industry and the development of technology solutions

for some of the world's largest banks. This enables the company to better understand the challenges faced by customers, identify the areas in which it can provide innovative solutions and integrate seamlessly into its specific solutions within a broader delivery program.

Sirma Tech specializes in providing IT consulting services, software products and services to the software ecosystem of one of the most popular banking systems - the Temenos T24.



FINANCIAL RESULTS

	30.06.2025	30.06.2024/ 31.12.2024	Change BGN '000	Change %
Revenues	1 464	1 136	328	28,87%
EBITDA	(20)	(7)	(13)	185,71%
Net Result	(20)	(7)	(13)	185,71%
EBITDA margin	(1,37%)	(0,62%)	(0,75%)	121,70%
Net Profit margin	(1,37%)	(0,62%)	(0,75%)	121,70%
ROE	(0,0602)	(0,0192)	(0,041)	214,11%
Total Assets	663	655	8	1,22%
Equity	332	365	(33)	(9,04%)
Total Liabilities	331	290	41	14,14%
ROA	(0,0302)	(0,0107)	(0,019)	182,27%

SIRMA MEDICAL SYSTEMS

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

Conditions for business development in 2025

In the first half of 2025, the global digital health market demonstrated significant growth, characterized by increased investments, active mergers and acquisitions, and increased integration of artificial intelligence (AI) in healthcare technologies.

The highest levels of mergers and acquisitions in the last three years were also observed, highlighting the growing consolidation of the sector and the drive for integrated healthcare solutions.

Major technology companies such as Amazon, Nvidia, Microsoft, and Google have increased their investments in AI-based healthcare solutions. These initiatives cover a wide range of applications, including diagnostics, electronic health record management, and personalized healthcare services

The European Health Data Space (EHDS) Regulation has entered into force in the European Union, which aims to improve the exchange and access to electronic health data between member states. This development is of particular importance for companies offering solutions in the field of electronic health records and telemedicine.

The growing demand for digital healthcare services, including telemedicine, chronic disease management applications and AI-based diagnostic tools, highlights the need for innovative and integrated solutions in the sector.

The first half of 2025 confirms the sustainable growth and transformation of digital healthcare. With increasing investments, active consolidation and innovative technological solutions, the sector continues to develop dynamically, responding to the growing needs of healthcare systems and patients.

Sirma Medical Systems continues to develop its products in its two main directions – for self-control and remote monitoring of diabetes status and telemedicine.

During this reporting period, work began on updating and modernizing the Diabetes:M platform. The activities include reworking parts of the system core, as well as a complete redesign of the interface and part of the functionalities of the mobile application for users.

Following the set goals, at the beginning of the year, the actual preparation for conducting a clinical study of the Diabetes:M insulin dosing bolus calculator was launched. For this purpose, training materials were prepared for the study participants. All administrative issues that are a prerequisite

for a successful launch were also resolved, following the regulations in the sector.

Given the development of artificial intelligence systems in digital healthcare, a number of tests and studies were launched during this period for deep integration of AI-based functionalities in both platforms. The goal is to facilitate the use of the applications through AI, as well as to add practically oriented solutions to help the business clients of both systems.

The main marketing efforts at the beginning of the year were focused on preparing campaigns in two directions - email and generating potential new customers. These activities are already starting to yield results, with a significant growth in volumes planned in the second half of the year.

Additionally, during this period, a detailed user manual for Medrec:M was created, as well as numerous other supporting materials.



The practice of additional training for clients of the Medrec:M Clinic and Diabetes:M Monitor platforms for doctors continues successfully. Through these trainings, doctors are visually introduced to the innovations in the platform and receive ideas and guidance on how they can integrate the new functionalities into their work processes.

Perspectives and forecasts for 2025

Upon successful completion of clinical trials and FDA approval for Diabetes:M, Sirma Medical Systems expects significant new opportunities for partnerships and distribution in the US and other international markets. The development of MPI-2 as a leading platform for stuttering therapy will establish the company as a provider of high-quality solutions for end users.

In the long term, after stabilizing and strengthening the positions of Diabetes:M and MPI-2, a resumption of more active activities around Medrec:M is possible, supported by a successfully established image and an expanded partner network.

Sirma Medical Systems' strategy for 2025 emphasizes attracting corporate customers and expanding the product ecosystem for Diabetes:M, as well as a massive marketing campaign for MPI-2 aimed at end users. With a clear framework, an optimally allocated budget, and a focus on high-value partnerships and communication channels, the company aims to strengthen its market share, increase the interest of external investors, and expand opportunities for future sustainable growth.

FINANCIAL RESULTS

	30.06.2025	30.06.2024/ 31.12.2024	Change BGN '000	Change %
Revenues	80	102	(22)	(21,57%)
EBITDA	(71)	(125)	53	(42,40%)
Depreciation	(21)	(18)	(3)	16,67%
Net Result	(93)	(144)	51	(35,42%)
EBITDA margin	(90%)	(122,55%)	32,82%	(26,56%)
Net Profit margin	(116,25%)	(141,18%)	24,93%	(17,66%)
Sales per share	0,2667	0,3400	(0,07)	(21,57%)
EPS	(0,3100)	(0,4800)	0,17	(35,42%)
ROE	0,1914	0,7164	(0,53)	(73,29%)
Total Assets	1 584	1 332	252	18,92%
Intangibles	1 469	1 250	219	17,52%
Book value	(1 955)	(1 451)	(504)	34,73%
Equity	(486)	(201)	(285)	141,79%
Total Liabilities	2 070	1 533	537	35,03%
Interest bearing	-	250	(250)	(100%)
D/E	-	(1,24)	1,24	(100%)
ROA	(0,0587)	(0,1081)	0,0494	(45,69%)

SAIFORT

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

The company aims to modernize the cyber-security system of the group of companies owned and/or under the control of "Sirma Group Holding" JSC, as well as to attract external

customers in need of a comprehensive solution in the same area.

Conditions for Business Development in 2025

"Saifort" EAD provides complete "holistic" services in the field of cyber security, company security, auditing according to modern cyber security standards and drafting of policies and procedures in this area.



In 2025, development through the Bulgarian and Israeli subsidiary, business in the field of comprehensive services in the field of cyber security continued:

- Main target markets - Israel, Middle East, Romania, Greece, Bulgaria, Scandinavian countries.
- Participation in leading events, in the field of cyber security, hospitality and logistics.
- Development of a strategy for entering the market in the USA, through the subsidiary companies of "Sirma Group Holding" JSC.
- Improving the processes of using the "Sirma Cyber Security Management Platform", by implementing artificial intelligence (AI).
- Hiring and training of highly qualified sales experts to operate the strategically planned markets.
- Conducting Penetration Tests and simulated attacks in the system of "Sirma Group Holding" JSC;

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

A. "SOC" and "Response" team

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

B. "CISO as a Service"

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

ROWEB

Roweb Development is part of Sirma Group since 21.10.2024, with its head office in Pitesti (Romania) and branches in Craiova and Bucharest. The company provides software services for complex projects and global clients. Dedicated teams of experienced software professionals implement projects for clients in over 30 countries. Web, desktop and mobile applications, scalable websites with a focus on user experience are developed.

Business development conditions in the first half of 2025

The company operates in the following industries:

- **E-commerce:** The global e-commerce market continues its steady growth, supported by the ever-increasing use of mobile devices, the expanded integration of artificial intelligence and the growing expectations for personalized user experiences. Companies are looking for more flexible and adaptable platforms, with Magento e-Commerce remaining the leading choice thanks to its reliability, scalability and customization capabilities. Roweb is

C. "Penetration Testing"

Growing demand for security solutions for software-based web and mobile applications is expected to boost the growth of the global security testing market. Additionally, the growing use of cloud-based cybersecurity services is expected to drive demand for vulnerability and security testing services. Moreover, with the increasing digitization in developing countries, it is expected to boost the trend of IoT-based connected devices. This, in turn, reinforces the need for vulnerability and security testing.

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

The continuing dynamic international environment and economic trends, show the growing need for comprehensive services in the field of cyber security and will allow the company, through the built, modern SOC center, to add new clients to the portfolio of your services.

In 2025, "Saifort" EAD will follow the implementation of its strategic goals, namely:

A. Development and development of main target markets - Israel, Middle East, Romania, Greece, Bulgaria, Scandinavian countries.

B. Hiring and training of qualified sales and marketing specialists who meet the requirements of the activity for the markets described above.

C. Maintaining and constantly updating the cyber security system of the group of companies owned and/or under the control of Sirma Group Holding JSC

D. Preparation of a set of procedures and policies for compliance with the requirements of the NIS 2 directive of the EU, for the companies of the group and external customers.

E. Attracting new, international clients in need of developing and implementing comprehensive solutions in the field of cyber security.

strategically positioned to meet these needs with its comprehensive solutions.

- **Information Technology:** The IT sector is showing steady growth, with an emphasis on cloud architectures, low-code/no-code platforms, AI integrations, and enhanced security. More and more companies are looking for partners to develop customized software with high added value. Our proven track record in building complex, flexible systems makes Roweb a preferred software services provider in a competitive environment.

- **Telecommunications:** The first half of 2025 saw accelerated deployment of 5G solutions and a focus on network process automation. Companies in the sector need software tools for infrastructure management, real-time data analysis and improved customer service. Roweb offers scalable, reliable and high-performance solutions that meet these requirements.

- **Financial Services:** The financial sector is a rapidly evolving segment, with increasingly stringent regulations



around security and privacy. The first half of 2025 saw a surge in demand for secure online portals, mobile payment applications, and automated regulatory compliance (RegTech) systems. With a focus on UX and security, Roweb provides effective solutions tailored to the needs of banks and financial institutions.

- Healthcare: The digitalization of the healthcare sector continues – especially in the direction of telemedicine, electronic health record integration and digital planning of healthcare services. In the first half of 2025, healthcare organizations are looking for partners who can build secure, intuitive and personalized platforms. Roweb meets these requirements with its experience in creating patient-centric applications.

- Education: Technology in education is moving even deeper – with an emphasis on hybrid learning, adaptive learning environments and mobile solutions. In early 2025, there is an increased interest in interactive platforms, integrations with LMS systems and scalable websites. Roweb is ready to support this transition with its experience in developing personalized online educational portals.

By focusing on strategically important industries and combining technological expertise with a business-oriented approach, Roweb Development continues to expand its international presence and create sustainable partnerships in 2025.

Roweb Development is a software services company with extensive experience in delivering complex projects for

global clients. Our dedicated teams of experienced software professionals have delivered projects for clients in over 30 countries. Based on the model of a specialized team, we develop web, desktop and mobile applications, scalable websites with a focus on user experience, personalized online portals and Magento e-Commerce solutions.

Perspectives and forecasts for 2025

Roweb Development expects to continue the positive dynamics from the beginning of the year and to realize revenue growth on current and new projects. Up to 10% increase in revenue from strategic long-term clients is forecasted, as a result of expanding existing contracts and implementing additional services. Synergy is actively sought with the Sirma Group portfolio, with the aim of expanding the offerings in areas such as artificial intelligence, business analytics, cloud services and cybersecurity. The share of revenue from the Romanian market, which represents about 10% of the company's total revenues, is expected to increase, with a tendency for additional growth through localized campaigns and new business opportunities. In addition, the company will focus on expanding project activity in Western Europe and North America, with a priority on sectors such as financial services, healthcare and e-commerce.

These forecasts confirm Roweb's positive development trajectory in 2025, with a focus on sustainable growth, technological enrichment and market expansion.

FINANCIAL RESULTS

01.01.2025 – 30.06.2025

Revenues	6 693
EBITDA	992
Depreciation	(41)
Net Result	807
EBITDA margin	14,82%
Net Profit margin	12,06%
Sales per share	22,3100
EPS	2,6900
ROE	0,2888
Total Assets	5 813
Book value*	10
Equity	2 784
Total Liabilities	2 794
Interest bearing	3 019
ROA	0,1388



SIRMA GROUP HOLDING – separate financial results

	30.06.2025	30.06.2024/ 31.12.2024	Change BGN '000	Change %
Revenues*	46 184	3 423	42 761	1 249,23%
EBITDA	2 286	1 638	648	39,56%
Depreciation	(1 323)	(329)	(994)	302,13%
Net Result	870	1 297	(427)	(32,92%)
EBITDA margin	4,95%	47,85%	(42,90%)	(89,66%)
Net Profit margin	1,88%	37,89%	(36,01%)	(95,03%)
Sales per share	0,7780	0,0577	0,720	1 249,23%
EPS	0,0147	0,0218	(0,01)	(32,92%)
ROE	0,0116	0,0172	(0,01)	(32,85%)
Total Assets	104 533	108 150	(3 617)	(3,34%)
Intangibles	10 944	10 710	234	2,18%
Book value	64 360	64 675	(315)	(0,49%)
Equity	75 304	75 385	(81)	(0,11%)
Total Liabilities	29 229	32 765	(3 536)	(10,79%)
Interest bearing	7 771	7 085	686	9,68%
D/E	0,1032	0,0940	0,009	9,80%
ROA	0,0083	0,0120	(0,004)	(30,60%)

* The revenue and expenses, assets and liabilities also include those of the companies that merged into “Sirma Group Holding” JSC on 08.10.2024. According to the instructions of the Financial Supervision Commission, the income from dividends is included in the income from the main activity of “Sirma Group Holding” JSC.

7 RESULTS BY SEGMENTS

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

In the fourth quarter of 2024, management has defined a new operating segment structure. The comparative information for 2024 has been restated accordingly.

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

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

	System Integration	Hospitality	Financial Industry	IT Services	Production	Strategic development	Total
30.06.2025	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Segment revenues	22 596	5 101	8 444	12 256	2 168	7 145	57 710
Cost of materials and cost of goods sold	(17 457)	(5)	(184)	(39)	(68)	(154)	(17 907)
Hired services expenses	(1 817)	(1 011)	(1 679)	(2 968)	(300)	(875)	(8 650)
Employee benefits expense	(1 124)	(3 875)	(5 599)	(8 114)	(1 064)	(6 365)	(26 141)
Depreciation and amortization of non-financial assets	(329)	(262)	(329)	(306)	(449)	(455)	(2 131)
Other expenses	(28)	(19)	(84)	(131)	(58)	(574)	(894)
Segment operating profit/(loss)	1 840	(71)	569	697	229	(1 278)	1 987



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 over BGN 22 million. The segment remains the leading one for the Group with 39,15% of the revenues for the first half of the year on the consolidated basis for the Holding. The profit achieved from the segment for the first half of the year amounted to BGN 1 840 thousand with a margin of 8,14%.

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 92%.

In the second half of 2025, the segment may 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:

	System Integration	
	30.06.2025	30.06.2024
	BGN'000	BGN'000
Segment revenues	22 596	17 484
Cost of materials and goods sold	(17 457)	(13 972)
Hired services expenses	(1 817)	(688)
Employee benefits expense	(1 124)	(1 232)
Depreciation, amortisation of non-financial assets	(329)	(320)
Other expenses	(28)	(12)
	1 840	1 260

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 half of the year, which adversely affected the expected revenues and gross profit. However, there is a belief that the situation will improve in the second half of the year, 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.
- During the first half of the year, 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 Q2 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:

	Hospitality	
	30.06.2025	30.06.2024
	BGN'000	BGN'000
Segment revenues	5 101	5 1733
Cost of materials	(5)	(28)
Hired services expenses	(1 011)	(600)
Employee benefits expense	(3 875)	(3 761)
Depreciation, amortisation of non-financial assets	(262)	(141)
Other expenses	(19)	(93)
	(71)	510

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 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.

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 vertical is also vulnerable to currency risk, which stems from the dramatic decline in the US dollar against the euro in early 2025 (4%) and the vertical's relatively high sales levels in the US (19% in the first quarter).

Revenue from the segment in the first half of 2025 reached over BGN 12 million. The segment accounting for almost 12% of the Holding's consolidated revenue in the first half of the year. "IT Services" provides the profit margin of 5,69%, contributing BGN 697 thousand to the Holding's profit on consolidated 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 goals set for the IT Services segment for 2025 are to achieve an organic growth of 10% in sales revenue while maintaining the significant margin achieved in 2024. The target geographic markets are: UK, DACH, Belgium, the Scandinavian countries and Romania.

Segment financial results:

	IT Services	
	30.06.2025	30.06.2024
	BGN'000	BGN'000
Segment revenues	12 256	4 518
Cost of materials	(39)	(17)
Hired services expenses	(2 968)	(864)
Employee benefits expense	(8 114)	(3 042)
Depreciation, amortisation of non-financial assets	(306)	(202)
Other expenses	(131)	(23)
	697	370

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 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 Group 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 comparable with the first half of 2024. 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:

	Financial Industry	
	30.06.2025	30.06.2024
	BGN'000	BGN'000
Segment revenues	8 444	9 097
Cost of materials	(184)	(25)
Hired services expenses	(1 679)	(1 130)
Employee benefits expense	(5 599)	(5 412)
Depreciation, amortisation of non-financial assets	(329)	(316)
Other expenses	(84)	(147)
	569	2 067

Segment “Production” operates in two main markets – that of software and hardware solutions in the field of Metrology and Quality Management in the production of metal products, as well as software for video measuring machines in partnership with manufacturers, and comprehensive solutions for automation and management of the production process of the packaging industry. The segment works with manufacturers of packaging and displays worldwide, served by a developed and expanding network of distributors and partners.

The Group's activities in the segment are concentrated in the subsidiary “EngView Systems” AD.

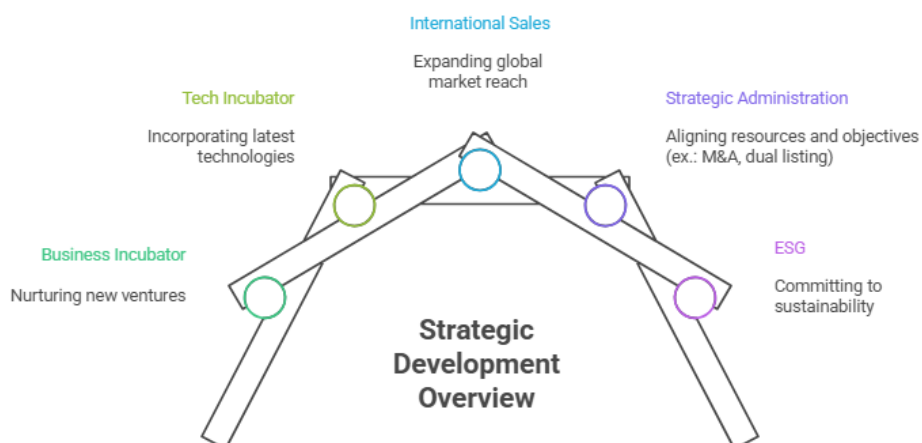
Geographically, sales in 2025 were directed to Europe and the USA.

An increase in customers in the segment is expected in 2025, which will also increase the volume of sales.

Segment financial results:

	Production	
	30.06.2025	30.06.2024
	BGN'000	BGN'000
Segment revenues	2 168	1 755
Cost of materials	(68)	(23)
Hired services expenses	(300)	(258)
Employee benefits expense	(1 064)	(1 040)
Depreciation, amortisation of non-financial assets	(449)	(437)
Other expenses	(58)	(85)
	229	(88)

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 almost 13% of total revenues at the consolidated level for Sirma, and realized a BGN 1 278 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" (42% 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:

	Others	
	30.06.2025	30.06.2024
	BGN'000	BGN'000
Segment revenues	7 145	7 462
Cost of materials	(154)	(263)
Hired services expenses	(875)	(3 199)
Employee benefits expense	(6 365)	(6 720)
Depreciation, amortisation of non-financial assets	(455)	(656)
Other expenses	(574)	(483)
	(1 278)	(3 859)

8 MAIN MARKETS

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

Revenue by regions and countries:

Region	30.06.2025	30.06.2024	Change	Change
	BGN '000	BGN '000	BGN '000	%
Europe	45 174	31 365	13 809	44,03%
North America	6 553	7 286	(733)	(10,06%)
United Kingdom	4 460	5 715	(1 255)	(21,96%)
Asia	907	724	183	25,28%
South America	534	277	257	92,78%
Australia	82	78	4	5,13%
Africa	-	4	(4)	(100%)
Total	57 710	45 449	12 261	26,98%

"Sirma Group Holding" JSC and the companies of the Group realize their production and services without geographical restrictions. However, the Group traditionally generates the highest sales in Europe and North America. Together with the revenue from United Kingdom, they traditionally account for 97,36% of the total amount of consolidated revenues. Nevertheless, due to the extreme diversification of its products and services, which are applied in many completely different sectors and customers, there can be no question of any dependence of the Group on individual customers or on certain services.

In H1 2025, the Group made sales in 55 countries. In the consolidated revenues, the largest share is the revenues from Bulgaria in the amount of BGN 31 090 thousand or 53,87% of total consolidated revenues, followed by the USA with BGN 6 051 thousand or 10,49% and from United Kingdom with BGN 4 460 thousand or 7,73%.



9 CONSOLIDATED FINANCIAL RESULTS

Consolidated revenues

Consolidated revenues includes:

	30.06.2025	30.06.2024	Change	Change
	BGN '000	BGN '000	BGN '000	%
Revenue from contracts with customers	57 288	45 074	12 214	27,10%
Revenue from financing	26	-	26	n/a
Gain on sale of non-current assets	21	2	19	950%
Other income	375	373	2	0,54%
Total	57 710	45 449	12 261	26,98%

Consolidated revenues in H1 2025 increased by 26,98% or BGN 12 261 thousand compared to H1 2024.

Consolidated revenue by product line includes:

	30.06.2025	30.06.2024	Change	Change
	BGN '000	BGN '000	BGN '000	%
Software services	29 249	21 419	7 830	36,56%
Sale of IT equipment	19 676	15 906	3 770	23,70%
Subscriptions	4 299	2 882	1 417	49,17%
Licenses	1 232	1 165	67	5,75%
Cloud services	952	972	(20)	(2,06%)
Support	873	1 232	(359)	(29,14%)
System integration	-	370	(370)	(100%)
Others	1 007	1 128	(121)	(10,73%)
Total	57 288	45 074	12 214	27,10%

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

	Amount	Percentage
	(BGN '000)	of revenue
Support and Service	3 463	6%
IT Systems Development and Management	14 428	25%
Subscriptions and Licenses	1 731	3%
Long-Term Contract Services	4 617	8%
Total Recurring Revenue	24 238	42%
Other Revenue	33 472	58%
Total Revenue	57 710	100%

Recurring revenues are stable, predictable and constant over time.

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.

Consolidated expenses

	30.06.2025	30.06.2024	Change
	BGN '000	BGN '000	(BGN '000,%)
Cost of materials	(447)	(546)	99
<i>Change in %</i>			<i>(18,13%)</i>
Hired services expenses	(8 650)	(6 739)	(1 911)
<i>Change in %</i>			<i>28,36%</i>
Employee benefits expense	(26 141)	(21 207)	(4 934)
<i>Change in %</i>			<i>23,27%</i>
Depreciation and amortisation of non-financial assets	(2 131)	(2 072)	(59)
<i>Change in %</i>			<i>2,85%</i>
Cost of goods sold and other current assets	(17 460)	(13 782)	(3 678)
<i>Change in %</i>			<i>26,69%</i>
Other expenses	(894)	(843)	(51)
<i>Change in %</i>			<i>6,05%</i>
Total expenses	(55 723)	(45 189)	(10 534)
<i>Change in %</i>			<i>23,31%</i>

In H1 2025 consolidated operating expenses increased by BGN 10 534 thousand or by 23,31% compared to H1 2024. The highest share in the consolidated operating expenses is the consolidated employee benefits expense (46,91%), followed by the expenses for hired services expenses (15,52%).

Consolidated financial income / costs (net)

	30.06.2025	30.06.2024	Change	Change
	BGN '000	BGN '000	BGN '000	%
Financial costs	(842)	(198)	(644)	325,25%
Financial income	9	142	(133)	(93,66%)
Financial income / costs (net)	(833)	(56)	(777)	1 387,50%

Consolidated financial income decreased by BGN 133 thousand or by 93,66% in H1 2025, mainly due to the decrease in other financial income. Consolidated financial costs increased by BGN 644 thousand or by 325,25% in H1 2025, mainly due to the increase of expenses on foreign exchange operations.



Consolidated assets

Consolidated assets posted an decrease of BGN 5 455 thousand or 4,60% in H1 2025.

Non-current assets

	30.06.2025	31.12.2024	Change	Change
	BGN '000	BGN '000	BGN '000	%
Goodwill	39 777	39 478	299	0,76%
Property, plant and equipment	15 338	14 456	882	6,10%
Intangible assets	21 898	21 810	88	0,40%
Deferred tax assets	820	820	-	-
Total non-current assets	77 833	76 564	1 269	1,66%

Non-current assets increased by BGN 1 269 thousand or 1,66% in H1 2025.

Current assets

	30.06.2025	31.12.2024	Change	Change
	BGN '000	BGN '000	BGN '000	%
Inventory	1 165	1 667	(502)	(30,11%)
Trade and other receivables	22 861	23 021	(160)	(0,70%)
Prepayments and other assets	1 826	1 269	557	43,89%
Short-term related party receivables	449	473	(24)	(5,07%)
Income tax receivables	20	18	2	11,11%
Financial assets at fair value through profit or loss	314	313	1	0,32%
Cash	8 600	15 198	(6 598)	(43,41%)
Total current assets	35 235	41 959	(6 724)	(16,03%)

Current assets decreased by BGN 6 724 thousand or by 16,03 % in H1 2025.

Equity

	30.06.2025	31.12.2024	Change
	BGN '000	BGN '000	(BGN '000,%)
Share Capital	59 361	59 361	-
<i>Change</i>			-
Purchased own shares	(1 422)	(1 689)	267
<i>Change</i>			(15,81%)
Reserves	9 476	9 595	(119)
<i>Change</i>			(1,24%)
Retained earnings	11 795	13 487	(1 692)
<i>Change</i>			(12,55%)
Equity attributable to the owners of the parent	79 210	80 754	(1 544)
<i>Change</i>			(1,91%)
Non-controlling interest	3 778	3 833	(55)
<i>Change</i>			(1,43%)
Total	82 988	84 587	(1 599)
<i>Change</i>			(1,89%)

Equity in H1 2025 decreased by BGN 1 599 thousand or by 1,89%.



Consolidated liabilities

Consolidated liabilities decreased by 3 856 BGN thousand or 11,36% in H1 2025.

Non-current liabilities

	30.06.2025	31.12.2024	Change	Change
	BGN '000	BGN '000	BGN '000	%
Pension obligations	1 259	741	518	69,91%
Long-term borrowings	5 338	6 009	(671)	(11,17%)
Long-term lease liabilities	898	691	207	29,96%
Long -term related party payables	245	245	-	-
Deferred tax liabilities	496	326	170	52,15%
Financing	326	518	(192)	(37,07%)
Total non-current liabilities	8 562	8 530	32	0,38%

Non-current liabilities increased by BGN 32 thousand or by 0,38% in H1 2025.



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
Loans for which the Issuer is a debtor									
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
Loans for which the Issuer is a guarantor									
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 Technolgies	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

*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).

Other loans and deposits received from Sirma Group Holding 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



Current liabilities

	30.06.2025	31.12.2024	Change	Change
	BGN '000	BGN '000	BGN '000	%
Provisions	77	77	-	-
Employee obligations	4 478	5 498	(1 020)	(18,55%)
Short-term borrowings	929	268	661	246,64%
Short-term lease liabilities	841	379	462	121,90%
Trade and other payables	10 229	15 296	(5 067)	(33,13%)
Contract liabilities	2 456	2 359	97	4,11%
Short-term related party payables	2 409	1 473	936	63,54%
Income tax liabilities	69	26	43	165,38%
Financing	30	30	-	-
Total current liabilities	21 518	25 406	(3 888)	(15,30%)

Current liabilities decreased by BGN 3 888 thousand or 15,30% in H1 2025.

Cash flows

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

Summary of cash flow

	30.06.2025	30.06.2024	Change	Change
	BGN '000	BGN '000	BGN '000	%
Net cash flow from operating activities	(2 959)	1 021	(3 980)	n/a
Net cash flow from investing activities	(2 666)	(4 724)	2 058	(43,56%)
Net cash flow from financing activities	(717)	(982)	265	(26,99%)
Net change in cash	(6 342)	(4 685)	(1 657)	35,37%
Cash at the beginning of the year	15 198	14 694	504	3,43%
Exchange gains/(losses) on cash and cash equivalents	(256)	(38)	(218)	573,68%
Cash at the end of the year	8 600	9 971	(1 371)	(13,75%)



Indicators and ratios

Indicators (in BGN '000)	30.06.2025	30.06.2024/ 31.12.2024	Change (value)	Change %
Revenue from operating activities	57 710	45 449	12 261	26,98%
Total operating costs	(55 723)	(45 189)	(10 534)	23,31%
Operating profit	1 987	260	1 727	664,23%
Financial income	9	142	(133)	(93,66%)
Financial costs	(842)	(198)	(644)	325,25%
Profit / loss before tax expense	1 154	204	950	465,69%
Tax costs	(144)	-	(144)	n/a
Net profit / loss	1 010	204	806	395,10%
Dividend	1 735	1 491	244	16,36%
Cash and cash equivalents	8 600	15 198	(6 598)	(43,41%)
Inventories	1 165	1 667	(502)	(30,11%)
Short-term assets	35 235	41 959	(6 724)	(16,03%)
Total amount of assets	113 068	118 523	(5 455)	(4,60%)
Average arithmetic total asset value for 5 quarters	106 581	97 543	9 037	9,27%
Current liabilities	21 518	25 406	(3 888)	(15,30%)
Debt	8 006	7 347	659	8,97%
Liabilities (borrowed funds)	30 080	33 936	(3 856)	(11,36%)
Equity	82 988	84 587	(1 599)	(1,89%)
Equity averaged 5 quarters	81 337	78 207	3 130	4,00%
Turnover capital	13 717	16 553	(2 836)	(17,13%)
Number of shares at the end of the period (in thousands)	59 361	59 361	-	-
Profit / loss minority interest	585	62	523	843,55%
Interest expenses	(95)	(30)	(65)	216,67%
Weighted average price of last trading session	1,44	1,01	0,43	42,57%
Last price per share of last trading session	1,44	1,00	0,44	44,00%



Indicators	30.06.2025	30.06.2024/ 31.12.2024	Change	Change
			(value)	%
EBITDA	3 380	2 306	1 074	46,57%
DEPRECIATION	(2 131)	(2 072)	(59)	2,85%
EBIT	1 249	234	1 015	433,76%
FIN/INVEST NET	(833)	(56)	(777)	1387,50%
EBT	1 154	204	950	465,69%
ROA	0,0038	0,0012	0,0026	213,74%
Debt/EBITDA Ratio	2,3686	3,1860	(0,8174)	(25,66%)
Quick Ratio	1,5833	1,5859	(0,0026)	(0,16%)
ROE	0,0124	0,0026	0,00981	376,05%
Debt/Equity Ratio	0,3625	0,4012	(0,0387)	(9,65%)
Profitability ratios				
Operating profit margin	0,0344	0,0057	0,0287	501,86%
Net profit margin	0,0175	0,0045	0,0130	289,91%
Return on Assets	0,0095	0,0021	0,0074	353,12%
Return on Equity	0,0124	0,0026	0,0098	376,05%
Coefficients for assets and liquidity				
Assets turnover ratio	0,5415	0,4659	0,0755	16,21%
Operating cycle	4,2072	2,7457	1,4615	53,23%
Current ratio	1,6375	1,6515	(0,0141)	(0,85%)
Quick ratio	1,5833	1,5859	(0,0026)	(0,16%)
Cash ratio	0,3997	0,5982	(0,1985)	(33,19%)
Odds per share				
P/S ratio	1,4812	1,3192	0,1620	12,28%
P/E ratio	84,6335	293,8951	(209,2616)	(71,20%)
Revenue per share	0,9722	0,7656	0,2065	26,98%
Earnings per share	0,0170	0,0034	0,0136	395,10%
Book value of equity per share	1,3702	1,3175	0,0527	4,00%
Dividend Ratios				
Dividend Payout Ratio	1,7178	7,3088	(5,5910)	(76,50%)
Retention Ratio	(0,7178)	(6,3088)	5,5910	(88,62%)
Dividend Per Share	0,0292	0,0251	0,0041	16,36%
Development Ratios				
Revenue growth	0,2698	0,0616	0,2082	337,98%
Assets growth	(0,0460)	0,2408	(0,2868)	n/a
Leverage Ratios				
Debt/total assets	0,0751	0,0753	(0,0002)	(0,27%)
Debt/capital	0,0896	0,0859	0,0037	4,35%
Debt/equity	0,0984	0,0939	0,0045	4,78%
Total assets/equity	1,3104	1,2472	0,0631	5,06%
Market value of the company	85 480	59 361	26 119	44,00%



Related companies transactions

Transactions with other related parties

	30.06.2025	30.06.2024
	BGN'000	BGN'000
Sales of:		
- goods	138	-
- services	47	61

10 EMPLOYEES AND ECOLOGY

Ecology

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

Employees

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

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

Count of employees in the Group:

30.06.2025

Company	LC	CMC	Total
SIRMA GROUP HOLDING	424	9	433
ROWEB, ROMANIA	136	4	140
ENGVIEW SYSTEMS	31	3	34
SCIANT SHPK., ALBANIA	27	1	28
SIRMA SHA, ALBANIA	17	3	20
DATICUM	9	2	11
SIRMA ICS	8	1	9
SIRMA MEDICAL SYSTEMS	4	3	7
SAIFORT	3	3	6
SIRMA GROUP INC., USA	2	1	2
SIRMA AB	1	-	3
ENGVIEW SYSTEMS GERMANY	1	1	2
SIRMA TECH, UK	-	1	1
Total	663	32	695



30.06.2024

Company	LC	CMC	Total
SIRMA SOLUTIONS	166	7	173
SCIANT	134	3	137
SIRMA BUSINESS CONSULTING	75	5	80
SIRMA INSURTECH	37	1	38
ENGVIEW SYSTEMS	34	4	38
SCIANT SHPK., ALBANIA	28	1	29
SIRMA GROUP HOLDING	21	9	30
SIRMA SHA, ALBANIA	15	3	18
SIRMA TECH, UK	11	1	12
SIRMA ICS	8	1	9
DATICUM	7	2	9
SIRMA MEDICAL SYSTEMS	4	3	7
SIRMA CI	2	3	5
SIRMA AB	2	-	2
SIRMA GROUP INC., USA	2	1	3
SAIFORT	1	3	4
ENGVIEW SYSTEMS GERMANY	1	1	2
Total	548	48	596

11 RISK FACTORS

Risk management objectives and policies

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

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

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

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

Market risk analysis

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

As the economic consequences of the war 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) was 3,1%.

Foreign currency risk

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

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



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

Interest rate risk

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

In H1 2025, The Group is not exposed to a significant risk of changes in market interest rates under the investment loan agreement as the interest rate did not change during the year. All other financial assets and liabilities of the Group have fixed interest rates.

Credit risk

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

Financial assets	30.06.2025	31.12.2024
	BGN'000	BGN'000
Financial assets at fair value through profit or loss:		
Current financial assets	314	313
Trade and other receivables	22 861	23 021
Related party receivables	449	473
Cash	8 600	15 198
	32 224	39 005

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

The Group's management has performed an analysis of the settlements with its counterparties, as well as the potential effect on their credit quality, incl. in terms of forming a reasonable amount of expected credit losses, according to the adopted model for determining them in accordance with IFRS 9. Based on the analysis, and taking into account the collection of receivables in the period after the pandemic, until the date of preparation of the pandemic In this consolidated financial statement, the Management Board considers that in the short term there are no indications of deterioration in the credit quality of counterparties, and that there are currently no grounds to change the model for calculating expected credit losses, including due to lack of credit losses. sufficiently reliable data. The long-term perspectives and potential effects on the collection and credit quality of the estimates are subject to constant monitoring and updating by the Management.

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

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

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

Liquidity risk

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

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



As at 30 June 2025, the Group's non-derivative financial liabilities have contractual maturities (including interest payments where applicable) as summarized below:

30 June 2025	Current		Non-current	
	Within 6 months	6 to 12 months	1 to 5 years	Over 5 years
	BGN'000	BGN'000	BGN'000	BGN'000
Borrowings	465	465	5 338	-
Finance lease obligations	421	421	898	-
Trade and other payables	10 229	-	-	-
Related party payables	2 409	-	-	-
Total	13 523	885	6 236	-

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

31 December 2024	Current		Non-current	
	Within 6 months	6 to 12 months	1 to 5 years	Over 5 years
	BGN'000	BGN'000	BGN'000	BGN'000
Borrowings	-	268	5 616	393
Finance lease obligations	197	197	707	-
Trade and other payables	14 140	-	-	-
Related party payables	1 473	-	245	-
Total	15 810	465	6 568	393

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

Financial assets used for managing liquidity risk

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

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

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

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

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

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

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

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



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

No forecasts for financial results have been published.

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

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

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

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

The management implements its investment intentions, fully observing the operational needs and capabilities of the company. At the heart of these decisions is the ability to effectively finance the ventures through equity and debt capital, in accordance with the market situation. The main indicators that the management monitors when making investment decisions are the financial costs and cash flows of the company.

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

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

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

Under Bulgarian law, the management should prepare an annual report on the operations and a financial statement for each quarter to give a true and fair view of the Company's financial position as of the end of the year, financial performance and cash flows in accordance with the applicable accounting framework. Management's responsibility also includes the implementation of an internal control system to prevent, detect and correct mistakes and false statements as a result of the accounting system's actions. In this respect, the management observes the following basic principles in its activities:

- adherence to a particular management and accounting policy disclosed in the financial statements;
- carrying out all operations in compliance with the laws and regulations; coverage of all events and operations in a timely manner, with the exact amount of the amounts in the appropriate accounting articles.
- accounts and the relevant reporting period so as to allow the financial statements to be prepared in accordance with the specific accounting framework;

- observance of the precautionary principle in the valuation of assets, liabilities, income and expenses;
- detection and termination of frauds and errors;
- completeness and regularity of accounting information;
- preparation of reliable financial information;
- adherence to international financial reporting standards and adherence to the going concern principle.

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

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

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

There were no changes during the current period.



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

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

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

Stanislav Tanushev

Bul. 135 Tsarigradsko shose, fl. 3

Sofia 1784

ir@sirma.com

Contact phone: +359 2 976 8310



13 CHANGES IN THE PRICE OF THE SHARES OF THE COMPANY

HISTORICAL DATA AND FINANCIAL RATIOS ▼

Closing price in BGN Closing price in EUR

[1 month](#) [6 months](#) [1 year](#) 01.01.2025 « » 30.06.2025



Market Capitalisation: **85 479 146 BGN** as of 30.06.2025

Start Price	0.9516	BGN	01.01.2025
Last Price	1.4400	BGN	30.06.2025
Max Price	1.5285	BGN	03.06.2025
Min Price	0.9269	BGN	27.01.2025
Percent Change	+51.3241	%	-
Value Change	+0.4884	BGN	-

ROA	0.03	ROA cons	0.00
ROE	0.04	ROE cons	0.00
ROA/EBIT	0.03	ROA/EBIT cons	0.02
ROE/EBIT	0.04	ROE/EBIT cons	0.02
Asset turnover	0.59	Asset turnover cons	1.07
Current ratio	1.17	Current ratio cons	1.70
D/A	0.28	D/A cons	0.26



14 EVENTS AFTER THE END OF THE REPORTING PERIOD

Buyback of shares by the company

On 07.08.2025 "Sirma Group Holding" JSC bought back 19 709 of its shares at an average price of BGN 1.3948 per share for a total value of BGN 27 491.10. The shares represent 0.03% of the company's capital. The purchase was made on the Bulgarian Stock Exchange - Sofia AD.

Sale of subsidiary Sirma AB Sweden

On 08.08.2025 "Sirma Group Holding" JSC sold its shares in the capital of its subsidiary "Sirma AB" Sweden. The total number of shares is 5000, and their total sale value is 59 000 Swedish kronor. As a result of the transaction, the majority owner of 100% of the capital of Sirma AB is the company Citadellet Likvidationer AB Sweden.

Disbursement of a loan from „United Bulgarian Bank“

On 13.08.2025 „Sirma Group Holding“ JSC disbursed the second tranche of the loan from „United Bulgarian Bank“ in the amount of EUR 1 366 542.

The funds were used for the final payment on the acquired majority stake in Roweb in 2024.

Sofia
27.08.2025

Executive Director: 
Tsvetan Alexiev

