



# Annual Consolidated Management Report

of "Sirma Group Holding" AD  
for 2025

# Key financial indicators for 2025

## Revenue

**130 786 BGN'000**  
30.77% ↑

## EBITDA

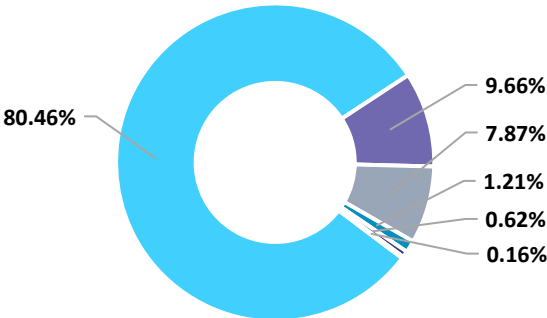
**10 458 BGN'000**  
80.68% ↑

## Net Profit

**4 118 BGN'000**  
269.66% ↑

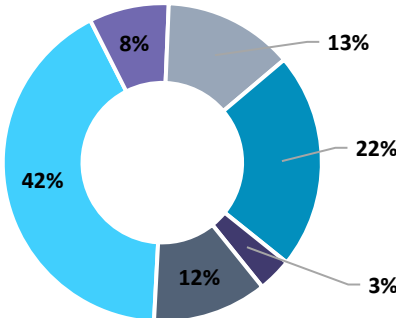
(Percentage changes are calculated relative to 2024)

Revenue by region



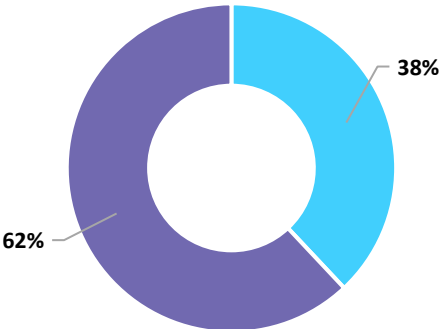
- Europe - 105 231 BGN'000
- North America - 12 638 BGN'000
- United Kingdom - 10 292 BGN'000
- Asia - 1 587 BGN'000
- South America - 814 BGN'000
- Australia - 211 BGN'000
- Africa - 13 BGN'000

Revenue by segment



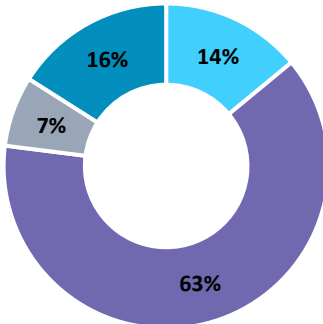
- System Integration - 54 554 BGN'000
- Hospitality - 10 597 BGN'000
- Financial Industry - 17 245 BGN'000
- IT Services - 28 679 BGN'000
- Manufacturing - 4 518 BGN'000
- Strategic Development - 15 193 BGN'000

Recurring revenue

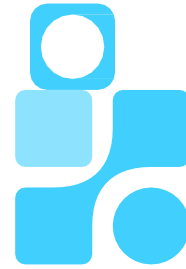


- Total Recurring Revenue - 49 415 BGN'000
- Other Revenue - 81 371 BGN'000

Recurring revenue by type



- Support and Service - 7 048 BGN'000
- IT Systems Development and Management - 31 259 BGN'000
- Subscriptions and Licenses - 3 313 BGN'000



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# Message from the CEO

Dear shareholders, partners and colleagues,

Sirma Group Holding ended 2025, recording strong and sustainable growth. The published consolidated results confirm that our strategic focus on high-value IT services, international diversification and operational discipline are delivering measurable results.

During the year, we achieved consolidated revenues of EUR 66.87 million, representing a growth of 30.77% year-on-year, EBITDA of EUR 5.35 million (+80.68%) and net profit of EUR 2.11 million.

These results are not accidental. They reflect our consistent positioning as an IT service company, in which over 90% of revenues are from software development, IT consulting, system integration and cloud solutions, as well as targeted investments in artificial intelligence and recurring revenues. Europe remains our leading market, and our expanded presence in North America and the United Kingdom contributes to greater business sustainability.

A significant development during the year was the preparation for our dual listing, which puts Sirma in a new league in terms of transparency, liquidity and access to international investors. In parallel, we continued to optimize our cost structure, strengthen cash flows and invest in our most valuable asset – our people and their expertise.

We enter 2026 with confidence, a solid financial foundation and a clear growth plan.

I want to thank the shareholders for their trust, the clients – for their partnership, and the Sirma team – for the professionalism and dedication with which we turn the strategy into real results.

Yours sincerely,



**Tsvetan Aleksiev**

**CEO**  
**Sirma Group Holding AD**

# 1/ Statement by the board of directors

The present annual consolidated management of “Sirma Group Holding” AD covers the period, ending on 31 December 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 accordance to Article 12 of Ordinance No. 2 of of the Financial Supervision Commission (FSC).

The board of directors of the holding confirms that:

- there were no irregularities in which managers or employees were involved, which may be material to the consolidated financial statements;
- all material transactions are duly accounted for and reflected in the annual consolidated financial statements as 31 December 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 annual 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 annual 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 annual consolidated financial statements have been prepared in accordance with IFRSs. Internal control over financial reporting ensures the reliability of the information presented in the consolidated financial statements. Our Board of Directors has confirmed the effectiveness of our internal financial reporting.

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

responsible business units.

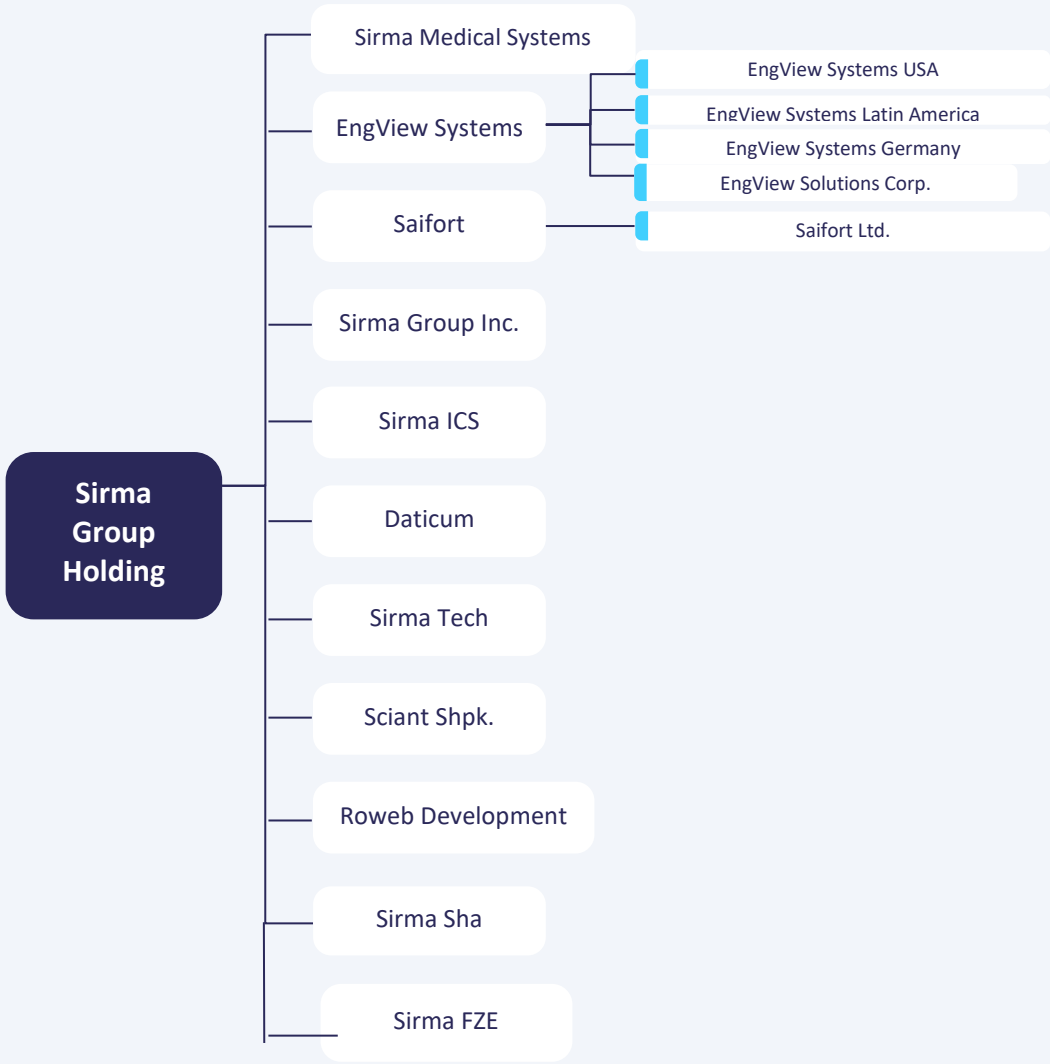
The reporting period is the financial year ending on 31.12.2025. The report includes Sirma Group Holding AD and all subsidiary companies of the Group without EngView Systems Latin America and Sirma ISG, which are excluded from consolidation due to lack of relevance.

## 2/ Organization

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

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

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



## History and development of the company

"Sirma Group Holding" AD is a holding company is registered on 25.04.2008 with the Registry Agency with UIC 200101236, with Seat and registered office: BULGARIA, Sofia (capital), Sofia municipality, city. Sofia 1784, Mladost area, bul. Tsarigradsko Shosse, No 135.

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

The object of activity, according to Article 4 of the Company's Articles of Association, is: acquisitions, management, evaluation and sale of participation in bulgarian and foreign companies, acquisition, evaluation and sale of patents, cession of licenses to use patents in companies which the company holds, finance companies in which the company participates, organize accounting and compiling financial statements under the law of accounting. company may perform other business activities which is not prohibited by law.

## 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" AD:

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

## Share capital

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

## History of shareholder 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" AD, 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" AD, 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" AD does not have information about the terms of any acquisition and / or liabilities for statutory but unissued capital.

## 3/ Structure of shareholders capital and management authorities

### 3.1. Distribution of share capital

As of 31.12.2025 the distribution of the share capital of "Sirma Group Holding" AD is as follows:

	31.12.2025	31.12.2024
Share capital (thousand shares)	59 361	59 361
Number of shares (par value of BGN 1.00)	59 360 518	59 360 518
Total number of registered shareholders	1 452	1 160
Including legal entities	44	43
Individuals	1 408	1 117
Number of shares held by legal entities	5 843 665	7 214 055
% Of participation of entities	9,84%	12,15%
Number of shares held by individuals	53 516 853	52 146 463
% Participation of individuals	90,16%	87,85%

Shareholders	Number of shares at 31.12.2025	Number of shares at 31.12.2024	Nominal value (BGN)	Value (BGN)	% Shareholding	% of voting rights*
Georgi Parvanov Marinov	5 461 898	5 461 898	1	5 461 898	9,20%	9,45%
Tsvetan Borisov Alexiev	5 025 153	5 025 153	1	5 025 153	8,47%	8,70%
Chavdar Velizarov Dimitrov	4 817 386	4 817 386	1	4 817 386	8,12%	8,34%
Veselin Antchev Kirov	4 767 386	4 767 386	1	4 767 386	8,03%	8,25%
Ognyan Plamenov Chernokozhev	3 741 620	3 741 620	1	3 741 620	6,30%	6,47%
Krasimir Nevelinov Bozhkov	2 534 161	2 534 161	1	2 534 161	4,27%	4,39%
Rosen Ivanov Marinov	2 307 900	1 907 900	1	2 307 900	3,89%	3,99%
Vladimir Ivanov Alexiev	2 177 583	2 177 583	1	2 177 583	3,67%	3,77%
Rosen Vasilev Varbanov	2 156 687	2 156 687	1	2 156 687	3,63%	3,73%
Emiliana Ilieva Ilieva	2 000 709	1 996 209	1	2 000 709	3,37%	3,46%
Deyan Nikolov Nenov	1 814 748	1 814 748	1	1 814 748	3,06%	3,14%
Others	22 555 287	22 959 787	1	22 555 287	38,00%	39,31%
<b>Total</b>	<b>59 360 518</b>	<b>59 360 518</b>		<b>59 360 518</b>	<b>100%</b>	<b>100%</b>

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

As of 31.12.2025 „Sirma Group Holding“ AD holds 1 569 069 (31.12.2024 - 1 689 236) repurchased own shares at the total amount of BGN 1 569 069 (2,64% of share capital).

Shares that are freely tradable (free float) represent shares held by shareholders who own less than 5% of the capital and, after deducting the repurchased shares as of 31.12.2025, are 33 978 006 shares, or 57,24% of the capital.

**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” AD 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” AD in the future.

## **3.2. Management authorities**

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

The Board of Directors as of 31.12.2025 includes the following members:

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

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

The current mandate of the Board of Directors: 05.07.2026

The company is represented by the Executive Director of “Sirma Group Holding” AD Tsvetan Borisov Alexiev.

### **Competencies of the management**

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

## Stock options of the company

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

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

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

## Participation of the members of the BD of “Sirma Group Holding” AD in other companies

The members of the BD of “Sirma Group Holding” AD have the following other participations in companies, as per the provisions of Art. 247, Par.2, p.4 of the Commercial Code:

### **Georgi Parvanov Marinov** – Chairman of the BD

#### Data for activities external to the issuer:

1. Does not participate as an unlimited liability partner in companies in 2025.
2. Does not own more than 25% of the capital of other companies in 2025.
3. Procurator/manager/member of a managing/supervisory body in 2025:
  - Executive director and Chairman of the BD of “Engview Systems” JSC;
  - Executive director and Member of the BD of “Pirina Technologies” JSC

### **Chavdar Velizarov Dimitrov** – Deputy Chairman of the BD

#### Data for activities external to the issuer:

1. Does not participate as an unlimited liability partner in companies in 2025.
2. Does not own more than 25% of the capital of other companies in 2025.
3. Procurator/manager/member of a managing/supervisory body in 2025:
  - Member of the BD of „Sirma Medical Systems“ JSC;

### **Tsvetan Borisov Aleksiev** – Executive director and member of the BD

#### Data for activities external to the issuer:

1. Does not participate as an unlimited liability partner in companies in the last 5 years..
2. Does not own more than 25% of the capital of other companies in 2025.
3. Procurator/manager/member of a managing/supervisory body in 2025:
  - Member of the BD of „Daticum“ JSC;
  - Member of the BD of “Engview Systems” JSC;
  - Member of the BD of Sirma Sha., Albania.
  - Member of the BD of Sirma Group Inc.;

### **Atanas Kostadinov Kiryakov** - Member of the BD

#### Data for activities external to the issuer:

1. Does not participate as an unlimited liability partner in companies.
2. Does not own more than 25% of the capital of other companies in 2025.

3. Procurator/manager/member of a managing/supervisory body in 2025:
  - Executive director and Member of the BD of "Ontotext" JSC;
  - Member of the BD of "Engview Systems" JSC;

**Yordan Stoyanov Nedev** – Member of the BD

Data for activities external to the issuer:

1. Does not participate as an unlimited liability partner in companies in 2025.
2. Owns more than 25% of the capital of:
  - "Susana and Vesko – SV" OOD – 75 %.
3. Procurator/manager/member of a managing/supervisory body in 2025:
  - Member of the BD of MAC „Bushido“;
  - Trustee of the foundation „Alexander“;
  - Member of the BD of SC Hanshi Association;

**Veselin Anchev Kirov** – Member of the BD

Data for activities external to the issuer:

1. Does not participate as an unlimited liability partner in companies in the last 5 years.
2. Does not own more than 25% of the capital of other companies in 2025.
3. Does not participate in managing other legal entities in 2025.

**Yavor Ludmilov Djonev** – independent Member of the BD

Data for activities external to the issuer:

1. Does not participate as an unlimited liability partner in companies in the last 5 years.
2. Owns more than 25% of the capital of other company in 2025:
  - "Djonev Consulting" EOOD – 100%.
3. Representing "Educational Transformation Foundation"

**Martin Veselinov Paev** – independent Member of the BD

Data for activities external to the issuer:

1. Does not participate as an unlimited liability partner in companies in the last 5 years.
2. Owns more than 25% of the capital of the following companies:
  - "Sortis Invest" EOOD
  - "Sortis Group" EOOD
  - "Analog 2009" EOOD
  - "Petlite" EOOD
3. Procurator/manager/member of a managing/supervisory body in 2025:
  - SORTIS INVEST EOOD – Manager
  - SORTIS GROUP EOOD – Manager
  - SORTIS VENTURES EOOD – Manager
  - SORTIS REAL ESTATE EOOD – Manager
  - SORTIS.BG EOOD – Manager
  - SORTIS Hospitality OOD – Manager
  - BPH Bulgaria 2 EOOD – Manager
  - BPH Bulgaria 3 EOOD – Manager

**Peyo Vasilev Popov** – independent Member of the BD

Data for activities external to the issuer:

1. Does not participate as an unlimited liability partner in companies in the last 5 years.

2. Does not own more than 25% of the capital of other companies in 2025.
3. Does not participate in managing other legal entities.

## Committees in The Company

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

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

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

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

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

**Information Disclosure Committee**, composed of:

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

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

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

## Adopted internal documents

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

System of Corporate Governance	Description	Adoption	Latest review	Application
Dividend Policy	Policy for the distribution of dividends of the public company	29.09.2022	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	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	2023	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	2015	All subsidiaries
Anti-corruption Policy	Policy against all corruption practices and related phenomena	2015	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	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	2020	All subsidiaries
Data protection Policy	Privacy and data protection policy for the clients of Sirma	2021	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/en/corporate-governance>

The participation of members of the Board of Directors in the capital of the Company is as follows:

Shareholders	Number of shares at 31.12.2025	Number of shares at 31.12.2024	Nominal VALUE (BGN)	Value (BGN)	% Shareholding	% of voting rights
Georgi Parvanov Marinov	5 461 898	5 461 898	1	5 461 898	9,20%	9,45%
Tsvetan Borisov Alexiev	5 025 153	5 025 153	1	5 025 153	8,47%	8,70%
Chavdar Velizarov Dimitrov	4 817 386	4 817 386	1	4 817 386	8,12%	8,34%
Veselin Anchev Kirov	4 767 386	4 767 386	1	4 767 386	8,03%	8,25%
Atanas Kostadinov Kiryakov	1 555 287	1 555 287	1	1 555 287	2,62%	2,69%
Yavor Ludmilov Djonev	1 066 046	1 066 046	1	1 066 046	1,80%	1,84%
Martin Veselinov Paev	126 920	126 920	1	126 920	0,21%	0,22%
Yordan Stoyanov Nedev	3 433	3 433	1	3 433	0,01%	0,01%
Peyo Vasilev Popov	100	100	1	100	0,0002%	0,0002%
<b>Total</b>	<b>22 823 609</b>	<b>22 823 609</b>		<b>22 823 609</b>	<b>38,45%</b>	<b>39,49%</b>

In 2025, the following transactions were made with shares of the Company and the members of the Board of Directors:

- Yavor Lyudmilov Dzhonev sold 2 000 shares.

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

	31.12.2025 BGN '000	31.12.2024 BGN '000
Short-term employee benefits:		
Salaries including bonuses	1 309	1 100
Social security costs	53	48
<b>Total short-term employee benefits</b>	<b>1 362</b>	<b>1 148</b>
Dividends	434	655

#### Information on the contracts of the members of the administrative, management or supervisory bodies with the company providing benefits for the discontinuation of employment

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

#### Information on the company's audit committee, including the name of the members of the committee and a mandate summary on which the committee functions

At the Annual General Meeting of the Shareholders of the Company held on 03.06.2025 was decided the mandate of the Audit Committee to be 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" AD is entered in the register under Art. 30, para. 1, item 3 of FSCA, kept by FSC, the Company has implemented a program prepared in accordance with internationally recognized standards for good corporate governance. In accordance with the provision of Art. 100n, para. 4, item 3 of POSA.

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

## 4/ Functioning of the group

The economic group of “Sirma Group Holding” AD 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" AD

Name of the subsidiary	Country of incorporation and principal place of business	Main activities	Segment	31.12.2025	31.12.2024
				%	%
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, Strategic development	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 ICS" AD	Bulgaria	Software services	Strategic development	93%	93%
Sciant Shpk	Albania	Software services	Hospitality, Strategic development	100%	100%
“Sirma Medical Systems” AD	Bulgaria	Software services	Strategic development	66%	66%
“EngView Systems” JSC	Bulgaria	Software package development	Manufacturing	72,90%	72,90%
EngView Systems GmbH	Germany	Software package development	Manufacturing	72,90%	72,90%
EngView USA	USA	Software package development	Manufacturing	72,90%	72,90%
EngView Systems Latin America	Brazil	Software package development	Manufacturing	69,26%	69,26%
Engview Solutions Corp.	Canada	Software package development	Manufacturing	69,26%	69,26%
“Sirma ISG” OOD	Bulgaria	Software services	Strategic development	71%	71%
“Sirma FZE”	UAE	Software services	Strategic development	100%	-
“Sirma AB”	Sweden	Software services	IT Services	-	100%

### Information on participation

Apart from the above mentioned participations of the parent Company, there are no other participations which are likely to have a significant effect on the valuation of its own assets and liabilities, financial position or profits or losses. The company has no branches.

## 5/ “Sirma Group Holding” AD in 2025

### 5.1. The business of Sirma

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, Dubai, 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 managing 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.

## 5.2 Economic trends

### Summary

Following a dramatic start of 2025 with prospects for slower growth and elevated risks, shaped by trade policy uncertainties, financial tightening, and geopolitical volatility the World is slowly starting to adjust. 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. Global GDP growth levels are still expected to be above 3% in 2025 and coming years, which, however, is far below pre-COVID levels. The ICT sector again proves resilient to global downturns however, a slowdown of growth of the more traditional technologies is present even here, and this moderation of growth is only overshadowed by the generative AI expansion – in hardware, in software, in services. Further disparities of IT revenue may be observed between SME IT companies and the leading global IT giants.

### The economy of Bulgaria in 2025 and forecast for the future years

The forecasts for economic growth in Bulgaria nearing the end of 2025 improved somewhat. The EU Commission ([November 17, 2025](#)) upgraded its expectations for GDP growth of Bulgaria from 2% in early 2025 to 3% in its November forecast.

Economic growth reached 3.4% in 2024, driven by private and public consumption. Investment accelerated in the first half of 2025, boosted by increased absorption of RRF funds. However, consumption and investment are expected to decline in the second half of 2025 due to a lower contribution from the public sector in response to lower-than-planned government revenues. In 2026 and 2027, private consumption growth is expected to moderate in line with slowing growth of wages and social transfers. Private investment is forecast to continue supporting growth as business confidence improves, in the context of the euro adoption. The acceleration of EU funds absorption that started in 2025 is expected to continue into 2027. Exports contracted in early 2025, partly due to maintenance works done by two major exporters, but growth is expected to resume in the second half of the year and continue over the forecast horizon. Imports are also expected to increase, driven by rising domestic demand, and defense spending which is set to drive up imports in late 2025 and in the course of 2027, because of planned major defense equipment. Overall, the contribution of net exports to GDP remains slightly negative until 2027. Real GDP is forecast to grow by 2.7% in 2026 and 2.1% in 2027.

The general government debt-to-GDP ratio is forecast to increase from 23.8% in 2024 to 28.5% in 2025, then to 30.6% in 2026 and 32.6% in 2027. The large increase in 2025 comes from debt refinancing operations and planned capital injections into the Bulgarian Energy Holding and the Bulgarian Development Bank. The potential statistical reclassification of capital injections into deficit increasing measures and the permanent increases in public sector wages and pensions, that remain not fully compensated by higher government revenue, represent important downside risks to the budgetary balance forecast.

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: medium 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

In its [Global Economic Prospectus \(January 2026\)](#) the World bank starts with a good news: despite facing shock upon shock, from the pandemic to the US war with Iran, the global economy remains surprisingly resilient. Last year (2025), stockpiling of traded goods, strong risk appetite, and a surge in artificial intelligence (AI) spending supported activity, while supply chains adapted to rising trade barriers. Yet a grimmer picture emerges if we take stock of the world economy across countries: The faster-than-expected pace of growth capped a five-year global recovery from the 2020 recession unmatched in more than six decades, but this masks a sharp divergence. While advanced economies have recovered robustly, with nearly 90 percent now above pre-pandemic per capita income levels, more than one-quarter of emerging market and developing economies (EMDEs)—particularly low-income countries and those affected by fragility and conflict—still have per capita incomes below 2019 levels.

Despite this divergence, the IMF maintains its GDP growth forecast from October 2025 in their [January 2026 edition of World Economic Outlook](#), projecting that global growth will be at 3.3 percent in 2025, keeping steady at 3.3 percent in 2026 and 3.2 percent in 2027, with advanced economies growing around 1.5 percent and emerging market and developing economies just above 4 percent. In spite of this optimism the projected growth rates remain well below the ones during the Global Pandemic.

Many of the more pessimistic forecasts for global growth made during 2025 seem to have been evaded thanks to resilience pockets around the World:

- 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;
- IMF [Global Economic Prospectus \(January 2026\)](#) forecast 2,7% growth in 2025 and 2026;
- Morgan Stanley ([MS, Midyear Economic Outlook, 28 May 2025](#)) forecasts 2.9% growth in 2025;
- The OECD ([OECD, Economic Outlook, 3 June 2025](#)) similarly expected global growth of 2.9% in 2025.

The growth expectations for 2025 and future years among various countries remain hugely diversified ([OECD Economic Outlook. Dec. 2025](#)).

**United States:** Growth is expected to decline from 2.8% in 2024 to around 2.0% in 2025 and 1.7% in 2026, impacted by trade tensions, tighter financial conditions and AI investment cool-down. Important to note for 2025 is that excluding AI-related investments, which continued to boom during the year, GDP actually contracted by 0.1%.

**Euro Area:** Economic growth exceeded expectations in 2025, with real GDP growth outperforming the annual expansion projected in spring. This better-than-expected performance was initially due to a surge in exports ahead of anticipated tariff increases, but investment in equipment and intangible assets also performed more strongly than expected — most notably in Ireland, but also in other countries. Continued growth in the third quarter is testimony to the resilience of the European economy and its ability to navigate unprecedented shocks.

GDP growth in the Euro Area is projected to pick up gradually from 1.3% in 2025 and 1.2% in 2026 to 1.4% in 2027 as domestic demand strengthens and trade rebounds. Private consumption will be supported by resilient labor markets and increasing real incomes. Private investment will be constrained by uncertainty but will benefit from improved

financing conditions, while public investment will be supported in 2026 by the Recovery and Resilience Facility funds. Wage growth is projected to ease gradually, helping inflation to remain broadly on target.

**China:** Economic growth will remain unchanged from 2024 at 5% in 2025 and weaken to 4.4% in 2026 and 4.3% in 2027. Consumption will be dampened by high precautionary savings and the payback effect of the trade-in program that had led to front-loading of purchases of durable goods to benefit from lower prices. Real estate investment will continue to contract, and prices fall as excess capacity is worked off. The anti-involution campaign, aimed at addressing high competition and excess capacity, is expected to weigh on business investment, but infrastructure investment should pick up with the new Five-Year Plan.

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

**Inflation** pressures are easing globally but remain uneven. Headline inflation remains sticky in some regions but is projected to be back to target by 2027 in almost all major economies. Annual consumer price inflation in the G20 is projected to ease from 3.4% in 2025 to 2.8% in 2026 and 2.5% in 2027. Central banks have begun easing interest rates as inflation slows. Although inflation forecast sounds optimistic, it is still plagued by variety of risks, the most pressing from February 2026 being the escalation of conflicts in the Middle East and rising fuel prices.

**Risks** are tilted to the upside. Prolonged uncertainty, more protectionism, labor supply shocks, and inflation pressure could reduce growth. Fiscal vulnerabilities, potential financial market corrections, and erosion of institutions could threaten stability. This positive outlook for economic growth remains fragile. A further rise in trade barriers, especially around critical inputs, could inflict significant damage on supply chains and global output. High asset valuations based on optimistic expectations of AI-driven corporate earnings pose a risk of potentially abrupt price corrections. Fiscal vulnerabilities may push long-term sovereign yields higher, tightening financial conditions and hampering growth. Finally, the US war with Iran could lead to spikes in prices of oil and hence re-fuel inflation across the Globe.

**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;
- 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/s in the Middle East and limitation of traffic of fuel and foods through the Middle East leading to inflation pressure: high probability / high impact;
- extreme climatic events: high probability / average impact.

## The Industry of Sirma

The companies within Sirma Group Holding AD 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 98% of its revenues (for 2025). Europe remains the largest market, generating 80.7% of sales, followed by North America at 9.7% and the UK with 7.6%.

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 2026 and beyond.

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

Gartner has revised several times its forecasts for the development of the ICT market in 2025 ([Gartner, February, 2026](#)). Overall IT spending for 2025 is now expected to be \$5.555 trillion, up 10 percent compared to 2024, and will grow another 10.8 percent next year to hit \$6.155 trillion. This is the first time that global IT spending is expected to break through \$6 trillion in one year.

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

	<b>2025 Spending</b>	<b>2025 Growth (%)</b>	<b>2026 Spending</b>	<b>2026 Growth (%)</b>
Data Center Systems	496,231	48.9	653,403	31.7
Devices	788,335	9.1	836,417	6.1
Software	1,249,509	11.5	1,433,633	14.7
IT Services	1,717,590	6.4	1,866,856	8.7
Communications Services	1,303,651	3.8	1,365,184	4.7
<b>Overall IT</b>	<b>5,555,316</b>	<b>10.3</b>	<b>6,155,493</b>	<b>10.8</b>

Source: Gartner (February 2026)

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 10%. 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 reduced forecasts for growth. All ICT segments are expected to grow in 2025. Nevertheless, the different growth rates remain: explosive growth of 46.8% is anticipated for “Data center systems”, while communication services see an only 3.8% growth.

“AI infrastructure growth remains rapid despite concerns about an AI bubble, with spending rising across AI-related hardware and software,” said John-David Lovelock, VP Analyst at [Gartner \(Feb, 2026\)](#). “Demand from hyperscale

cloud providers continues to drive investment in servers optimized for AI workloads.” Server spending is projected to accelerate in 2026, growing 36.9% year-over-year. Total data center spending is expected to increase 31.7%, surpassing \$650 billion in 2026, up from nearly \$500 billion the previous year (see Table 1).

The fallen USD in 2025 has led to an almost 2% discrepancy between the market growth in USD and constant currency. This is expected to persist in 2026.

“IT Services” remain the leading segment in the ICT sector in 2025 volume wise, responsible for USD 1.7 trillion in spending. Software spending growth for 2026 has been slightly revised downward to 14.7%, from 15.2% for both application and infrastructure software. “Despite the modest revision, total software spending will remain above \$1.4 trillion,” said Lovelock. “Projections for generative AI (GenAI) model spending in 2026 remain unchanged, with growth expected at 80.8%. GenAI models continue to experience strong growth, and their share of the software market is expected to rise by 1.8% in 2026.”

“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 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 20% growth in 2025 and a 21% 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 11.9% for "Software" and 6.5% for "IT Services", with the CAGR 2023-2029 being approximately the same. However, there is a distortion generated by AI-related 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 25% for 2025 and CAGR until 2029 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 10% for 2025 and again 10% 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.

GenAI associated software, services and hardware is what has been driving the market in 2025 and will continue to do so in 2026. Having said that, it should be noted that expectations from GenAI have been steadily coming down since 2024, and will continue to bottom through to 2026. In spite of this, investment in GenAI has not been wavering over the same period. On the contrary – investments have only been steadily increasing. It is exactly in these years when the base of GenAI has been driving the spending in ICT – data centers, servers, AI enabled hardware, IaaS, and relative software. 2027/28 are the years when Gartner forecasts that the maturity of the market will be reached, with expectations being changed with predictability. It is only then that we may expect some

transformational use cases to emerge.

### 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 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” AD is not dependent on patents or licenses, industrial, commercial or financial contracts, as well as new production processes.

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

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

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

## **Significant changes in net sales or revenues disclosed in the accounts**

Significant changes in net sales or earnings reported in the Company's accounts detailed in Section 6 of this Report are observed during the period considered.

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

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

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

## **5.4 Events and business news in 2025**

The following events and business news took place in 2025:

### **17.12.2025**

Announcement of the buyback of 25,000 shares by Sirma Group Holding AD.

### **27.11.2025**

Tsvetan Alexiev, CEO and Yordan Nedev, CFO were in Frankfurt, attending Eigenkapitalforum 2025, hosted by Deutsche Börse.

### **27.11.2025**

Publication of the interim consolidated reports of Sirma Group Holding AD for the period ending 30.09.2025 and holding of a webinar to present the results.

### **25.11.2025**

Invitation to a webinar to present the interim consolidated reports of Sirma Group Holding AD as of 30.09.2025.

### **21.11.2025**

Sirma Group Holding AD celebrates 10 years of the company going public.

### **18.11.2025**

Announcement of the buyback of 31,606 shares by Sirma Group Holding AD.

**07.11.2025**

Interview with the CEO of Sirma FZE Julian Maslyankov about Sirma's sales plans in the UAE.

**07.11.2025**

Announcement of notification by the FSC to BAFIN and ESMA of the intention of Sirma Group Holding AD for dual listing in Bulgaria and Germany.

**31.10.2025**

Submission and announcement of the Application by Sirma Group Holding AD to move SGH to the Eurobridge segment of the Bulgarian Stock Exchange.

**29.10.2025**

Publication of the interim individual reports of Sirma Group Holding AD for the period ending 30.09.2025.

**22.10.2025**

Announcement of registration of a subsidiary joint-stock company Sirma FZE of Sirma Group Holding AD in Dubai.

**17.10.2025**

Announcement of approval of the Prospectus for the dual listing on the Frankfurt Stock Exchange of Sirma Group Holding AD by the Financial Supervisory Commission.

**14.10.2025**

Announcement of the buyback of 15,000 shares by Sirma Group Holding AD.

**18.09.2025**

In business, it is essential to be proactive and strategically invest in the future of #AI. This was one of the key messages shared by Tsvetan Alexiev, CEO of Sirma, during his interview on Business Start on Bloomberg TV Bulgaria. The discussion focused on Europe's standing in the competition for AI leadership, one year after Mario Draghi's influential report.

**15.09.2025**

Launch of the beta version of Sirma Enterprise AI – a new AI platform uniting cybersecurity with innovation

**12.09.2025**

Disclosure of application for approval of the Prospectus for dual listing by the FSC

**11.09.2025**

Sirma, represented by Julian Masliankov and Merdihan Ismailov participated the Digital Transformation Summit in Dubai.

**10.09.2025**

The Sirma retail team, represented by Bogomil Iliev, Cvetelina Hristova and Evgeni Rushev took part in Retail Connect in Stockholm.

**04.09.2025**

Approval of the Prospectus for dual listing by the BD of SGH

**28.28.2025**

Disclosure of purchases of shares by a related party to a member of the BD of SGH

**27.08.2025**

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

**27.08.2025**

Publication of interim consolidated financial reports of SGH for the period ending on 30.06.2025.

**26.08.2025**

Monika Ilieva is appointed SVP to lead Innovation in Transportation and Logistics Vertical

**26.08.2025**

Publication of invitation for a webinar for presentation of the consolidated results of the first half of the 2025

**08.08.2025**

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

**01.08.2025**

Tsvetan Alexiev, CEO of Sirma Group Holding AD, featured in Digitalk 101 interview, discussed the corporate vision, innovative potential, and the company's strategy for maintaining international growth along with changes in organisational development of Sirma.

**28.07.2025**

Darko Bosancic has been appointed as SVP to lead innovation in Travel and Hospitality vertical

**28.07.2025**

Publication of interim individual financial reports of SGH for the period ending on 30.06.2025.

**27.06.2025**

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

**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 AD

**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 AD and Dividend notification

**03.06.2025**

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

**02.06.2025**

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

**30.05.2025**

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

**28.05.2025**

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

**27.05.2025**

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

**27.05.2025**

Disclosure of the interim consolidated financial reports of Sirma Group Holding AD 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 AD 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 AD on 03.06.2025

**30.04.2025**

Disclosure of the interim individual financial statements of Sirma Group Holding AD 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 AD

**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 AD

**09.04.2025**

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

**08.04.2025**

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

**27.03.2025**

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

**27.03.2025**

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

**01.03.2025**

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

**28.02.2025**

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

**24.02.2025**

Sirma Group Holding AD 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 AD 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 AD.

**10.01.2025**

Extraordinary General meeting of shareholders of Sirma Group Holding AD.

**03.01.2025**

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

## 5.5 Main legal information in 2025

Transactions with shares for the period 01.01.2025 – 31.12.2025:

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

At the Extraordinary General Meeting of Shareholders of “Sirma Group Holding” AD 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” AD 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” AD 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” AD 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” AD 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.

On 07.08.2025 “Sirma Group Holding” AD 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.

On 13.10.2025 “Sirma Group Holding” AD bought back 15 000 of its shares at an average price of BGN 1,38 per share for a total value of BGN 20 700. The shares represent 0,025% of the company's capital. The purchase was made on the Bulgarian Stock Exchange - Sofia AD.

On 17.11.2025 “Sirma Group Holding” AD bought back 31 606 of its shares at an average price of BGN 1,67 per share for a total value of BGN 52 782,02. The shares represent 0,05% of the company's capital. The purchase was made on the Bulgarian Stock Exchange - Sofia AD.

On 16.12.2025 “Sirma Group Holding” AD bought back 25 000 of its shares at an average price of BGN 1,73 per share for a total value of BGN 43 250. The shares represent 0,04% 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” AD 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" AD 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" AD became the majority owner of "Sirma Sha" Albania with 55% of the capital.

**Litigation for the period 01.01.2025 – 31.12.2025:**

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

**Other legal information for the period 01.01.2025 – 31.12.2025:**

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

On 15 January 2025, a contract was signed by "Sirma Group Holding" AD 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 AD for 2024**

According to the decision of the General Shareholders' Meeting of Sirma Group Holding AD 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" AD 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 AD in advance;

**Bank commissions:** Sirma Group Holding AD 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.

- **Sale of subsidiary Sirma AB Sweden**

On 08.08.2025 "Sirma Group Holding" AD 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.

- **Submission and Approval of Prospectus of Sirma Group Holding AD for approval by the FSC**

On 12.09.2025, "Sirma Group Holding" AD submitted for approval to the FSC its Prospectus for admission of the issuer's existing shares to trading on the Regulated Market of the Frankfurt Stock Exchange (Boerse Frankfurt). On 16.10.2025, the FSC approved the prospectus for admission to trading on a regulated market of the Frankfurt Stock Exchange with simultaneous admission to the subsegment of the regulated market with additional obligations after admission (Prime Standard) of the Frankfurt Stock Exchange, as well as to the Xetra market organized by the Frankfurt Stock Exchange and admission to the EuroBridge Market segment of the Bulgarian Stock Exchange of the issue of shares issued by Sirma Group Holding AD in the amount of BGN 59 360 518, distributed into 59 360 518 ordinary, registered, dematerialized, freely transferable shares with voting rights with a nominal value of BGN 1 each, representing the entire registered capital of the company.

- **Establishment of a new subsidiary in Dubai**

On 21.10.2025, Sirma Group Holding AD established a new subsidiary in Dubai – Sirma FZE. The capital of the new company is 100,000 dirhams and is 100% owned by Sirma Group Holding AD. Divided into 100 shares with a nominal value of 1,000 dirhams each. The company has no legal requirement to contribute capital to Sirma FZE and, accordingly, at the end of the reporting period, the capital has not been contributed. For this reason, the value of the investment in Sirma FZE is 0 BGN.

## 5.6 Information for contracted large transactions in 2025

In 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 6 658 thousand
- Deal 2 for BGN 5 709 thousand
- Deal 3 for BGN 5 509 thousand

Sales:

- Deal 1 for BGN 7 469 thousand
- Deal 2 for BGN 6 280 thousand
- Deal 3 for BGN 6 214 thousand

## 5.7 Information of the used financial instruments in 2025

In 2025 the company has not used any financial instruments.

## 5.8 R&D activity of the company in 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 AD.

## 5.9 Possible future development of the company

The forecasts for the development of the Information and Communication Technologies sector in 2026 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 slow rate of absorption of funds under European programs and the delayed implementation of the National Recovery Plan is

expected to be associated risks in 2026. There is also serious uncertainty regarding the stability of Bulgaria's newly elected regular government and its capacity to deal with the economic challenges after Bulgaria's entry into the Eurozone.

In 2024, the integration of six subsidiaries of the Group into Sirma Group Holding AD was completed. In 2026, 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 Commercial Code in 2025

During 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.

## 5.11 Audit remuneration in 2024

„Grant Thornton“ OOD, registered under number 032 in the public register of audit firms with the Institute of Certified Public Accountants in Bulgaria, was selected as the auditor of the separate and consolidated annual financial statements of „Sirma Group Holding“ AD.

The amount of the audit fee for the separate and consolidated annual financial statements of the parent company and the annual financial statements of its subsidiaries for 2025 is BGN 186 thousand. This disclosure is in compliance with the requirements of Art. 30 of the Accountancy Act.

# 6/ Results by company

## 6.1 “Daticum”

- <https://www.daticum.com/>
- **Daticum AD is a subsidiary of Sirma Group Holding AD**
- **Capital:** BGN 793 810 divided into 79 381 shares with a nominal value of BGN 10. Sirma Group Holding AD 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 2025**

### **Business Development Conditions in 2025**

Bulgaria is establishing itself as a regional technology hub, with a rapidly developing ecosystem in areas such as artificial intelligence and deep technologies. The growth of AI solutions leads to increased complexity, risks of unmanaged use of AI (shadow AI), and higher requirements for security and regulatory compliance. In this context, organizations are increasingly looking for managed cloud services with built-in mechanisms for control, security and AI management, instead of standalone virtual infrastructure.

Forecasts for 2025 indicate double-digit global growth of cloud services, with the fastest growing segment of AI-supported managed cloud solutions.

The accelerated penetration of edge computing, IoT and connected devices leads to highly decentralized IT environments with increased complexity and risk. This requires a transition from traditional security models to architectures with "zero trust", automated management and the use of AI for real-time incident detection and response. At the same time, organizations are increasingly looking for platforms that combine high performance, rapid recovery, and central control. In response to these trends, Daticum is developing infrastructure and services with NVMe-based instant recovery, AI-powered cybersecurity, and automated operational processes aimed at reducing risk and operational burden for customers.

### **Regional and international factors affecting the company's business**

Global geopolitical instability and economic uncertainty continue to put pressure on IT markets, leading to more cautious investment planning and higher requirements for sustainability and cost control. At the same time, the increasing complexity of technological environments, the accelerated implementation of AI solutions and the risks of unmanaged use of AI (shadow AI) increase operational and regulatory requirements for organizations. In this context, relatively stable energy costs in Bulgaria remain a competitive advantage, but fluctuations in the prices of hardware, licenses and AI infrastructure require longer-term planning and an orientation towards managed, optimized and automated services.

## **Operational activity in 2025**

In 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. An evaluation of alternative virtualization platforms has begun in order to optimize costs, expand services and increase revenues.

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.

Daticum renewed its ISO 27017 and ISO 27018 certificates. According to the company's experts, almost all breaches in the cloud are the result of preventable errors, so an emphasis was placed on correct configurations and strict access control. Multi-factor authentication, data encryption and automated monitoring with regular vulnerability tests have been implemented.

## **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.
- The platform has the NVMe Instant Recovery Backup module, which allows for near-instant recovery and ransomware-proof zones. Customers can now activate backup resources themselves, which increases flexibility.
- New procedures for notification and incident management in connection with the NIS2 directive are being implemented. Daticum is among the few companies in Bulgaria with both ISO 27017 and ISO 27018 certificates, which strengthens its position.
- There is increased customer interest in comprehensive endpoint protection and integrated cybersecurity, including Endpoint Protection and Endpoint Detection and Response, XDR, solutions.

## **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. An international online payments company selected Daticum to provide cloud infrastructure for the expansion of its operations in Southeastern Europe. 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 2025**

The company reported cloud revenue growth of about 17,28% year-over-year, with total revenue for the quarter higher. Costs are down, but support and depreciation remain significant.

A focus on automation, AI integrations, resilience, and security is attracting new customers, but hardware price fluctuations and long lead times continue to create tension.

## Perspectives and forecasts for 2026

Demand for cloud and hybrid infrastructures will continue to grow, but with a clear shift from pure public clouds to managed, optimized and hybrid models, especially among SMEs and enterprise customers with controlled budgets. Public cloud spending growth remains strong and is expected to exceed \$720 billion, with the main driver no longer being infrastructure scaling, but the consumption of AI services, managed platforms and solutions with built-in security and cost control. Daticum will expand its portfolio of services related to AIOps, edge computing and automated recovery, as well as invest in new AI features and self-service tools.

The company aims to achieve annual revenue growth of more than 10% by expanding its customer base and offering new services. It expects a partial recovery in demand for colocation and hardware rental in the second half of the year.

## FINANCIAL RESULTS

	31.12.2025	31.12.2024	Change BGN '000	Change %
Revenues	3 697	3 473	224	6,45%
EBITDA	1 566	1 494	72	4,82%
Depreciation	(591)	(615)	24	3,90%
Net Result	875	787	88	11,18%
EBITDA margin	42,36%	43,02%	(0,66%)	(1,53%)
Net Profit margin	23,67%	22,66%	1,01%	4,45%
Sales per share	1,6060	1,5087	0,10	6,45%
EPS	0,3801	0,3419	0,038	11,18%
ROE	0,4603	0,4341	0,026	6,03%
Total Assets	3 013	3 321	(308)	(9,27%)
Intangibles	859	1 140	(281)	(24,65%)
Book value	1 042	673	369	54,83%
Equity	1 901	1 813	88	4,85%
Total Liabilities	1 112	1 508	(396)	(26,26%)
Interest bearing	219	290	(71)	(24,48%)
D/E	0,5850	0,8318	(0,25)	(29,67%)
ROA	0,2904	0,2370	0,053	22,55%

## 6.2. „EngView Systems“

- **“EngView Systems” JSC is subsidiary company of “Sirma Group Holding” AD**
- **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 2025

#### Conditions for business development in 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, Brazil and USA.

In the last few years, packaging production has been carried out using traditional offset printing and digital printing presses, which increase the possibilities for personalization and more effective automation of processes. They are now used to print quality packaging, labels or displays and digital printing presses. Based on these productions, niche

markets are also supported, related to personalization, small runs of cardboard and corrugated packaging, products for advertising purposes and better visualization of selected brands (racks) or entire structures, exhibition stands, shows, printed and cut from thick sheet materials (Rigid Board). In almost all markets, there is a trend towards the introduction and production of materials and products from them that are directly related to nature conservation and are environmentally friendly, easily recycled and processed. Sustainability of production is maintained by seeking innovations and solutions for preserving the environment.

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. During 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. In 2025 saw a doubling of subscription revenue compared to 2024.

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 products from the industry to complement workflows or increase productivity. The company is seriously investing in improvements to its web-based technologies, which are already successfully used in websites for web-to-pack solutions and integrations with other solutions to expand customers' businesses.

In 2025, EngView was presented at several exhibitions in the various industries in which it is positioned. Through the joint marketing efforts of the company from Bulgaria and its subsidiaries in the USA, Brazil and Germany, products for the packaging industry were presented at specialized exhibitions in Nuremberg, Orlando, Chicago, Toronto, São Paulo, Warsaw, Riyadh.

EngView Systems USA participated together with the Japanese manufacturer Mimaki at various events and exhibitions, thereby promoting their partnership. ISA's visit to Las Vegas was a success, where various meetings were held with current and potential partners. The company also became a member of the prestigious US Packaging Manufacturers Association.

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 its sales revenue, search for new large partnerships and customers. The study of the CAD system was successfully introduced as a subject at two universities in Germany. Together with its German company EngView, it participated in the prestigious international exhibition FachPack in

Nuremberg with an innovative stand, entirely made using the CAD system and from environmentally friendly materials that are recyclable. Numerous demonstrations were made with the aim of new partnerships in the DACH region, as well as for end customers. Relationships with names in the industry, popular for their innovative solutions and integration potential, were renewed. The company achieved a doubling of its revenue growth for 2025 and continues to implement its plan to increase the team and expand the market.

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. Numerous customer visits were made, their machines were calibrated, and their production process was supported through advanced training.

Online demonstrations of ScanFit&Measure are being held as well as visits to factories that need measuring systems for quality control. ScanFit&Measure took part in several prestigious exhibitions in the USA, China, Germany, India, Turkey and the largest in Düsseldorf, Germany. Sales of this product are increasing, campaigns continue worldwide. In 2025 the company and its measuring products are also being prepared for participation in the USA and the search for a new target group in the Glass Build industry. The USA is proving to be one of the most successful markets for these products and accordingly the marketing and sales efforts are growing through the involvement of the American company, which is actively conducting training for after-sales service at the local level for these customers.

### **Regional and international factors influencing the business of the company**

The company develops all 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, new partnerships and better positioning in the industry. There are already partnerships with leading names such as Mimaki, CutWorks, Colex, Kongsberg, Multicam, which is growing the business there, as well as positioning the brand as one of the most professional and preferred by partners and customers.

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 2025 and implementation of investment intentions**

In 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. An AI assistant is being trained to be part of new versions of the company's software products.

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. A new contract has been signed for the sale of software with machines in Brazil.

### **Perspectives and forecast for 2026**

Revenues are expected to increase in 2026, as well as teams. Integrated work is being done with subsidiaries to

achieve consolidated growth in all markets.

The company has begun the development of a new online product, based on already developed technology and aimed at a completely new market related to the construction of air ducts and their insulation. This is a joint project between EngView Systems and companies from Qatar and England. By mid-2026, the first version will be released and, accordingly, there are expectations of generating revenue from it by the end of the year.

## FINANCIAL RESULTS

	31.12.2025	31.12.2024	Change BGN '000	Change %
Revenues	3 755	3 824	(69)	(1,80%)
EBITDA	1 065	1 188	(123)	(10,35%)
Depreciation	(979)	(921)	(58)	(6,30%)
Net Result	73	236	(163)	(69,07%)
EBITDA margin	28,36%	31,07%	(2,70%	(8,71%)
Net Profit margin	1,94%	6,17%	(4,23%	(68,50%)
Sales per share	54,4203	55,4203	(1,00)	(1,80%)
EPS	1,0580	3,4203	(2,36	(69,07%)
ROE	0,0137	0,0449	(0,031)	(69,50%)
Total Assets	6 348	6 082	266	4,37%
Intangibles	4 705	4 535	170	3,75%
Book value	621	717	(96)	(13,39%)
Equity	5 326	5 252	74	1,41%
Total Liabilities	1 022	830	192	23,13%
Interest bearing	317	168	149	88,69%
D/E	0,0595	0,0320	0,028	86,07%
ROA	0,0115	0,0388	(0,027)	(70,36%)

### 6.3. Sirma Group Inc.

#### Business development in 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

	31.12.2025	31.12.2024	Change BGN '000	Change %
Revenues	5 472	3 715	1 757	47,29%
EBITDA	(149)	(638)	489	76,65%
Depreciation	(5)	(7)	2	28,57%
Net Result	(168)	(663)	495	74,66%
EBITDA margin	(2,72%)	(17,17%)	14,45%	84,14%
Net Profit margin	(3,07%)	(17,85%)	14,78%	82,80%
Sales per share	0,2536	0,1722	0,08	47,29%
EPS	(0,0078)	(0,0307)	0,02	74,66%
ROE	(0,0235)	(0,0800)	0,06	70,68%
Total Assets	9 987	11 996	(2 009)	(16,75%)
Intangibles	1 942	2 197	(255)	(11,61%)
Book value	5 221	6 091	(870)	(14,28%)
Equity	7 163	8 288	(1 125)	(13,57%)
Total Liabilities	2 824	3 708	(884)	(23,84%)
Interest bearing	44	29	15	51,72%
D/E	0,0061	0,0035	0,0026	75,55%
ROA	(0,0168)	(0,0553)	0,038	69,56%

### 6.4. „Sirma ICS“

- <http://sirmaics.com/>
- **Capital:** BGN 300 000. “Sirma Group Holding” AD 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 2025

The company operates in the Insurance sector with target customers insurance brokers and insurance companies. Both segments recorded minimal revenue growth. The reason for this is economic, respectively, lack of increasing revenues from increased insurance premiums. The company manages to conclude a small number of contracts with insurance brokers and insurance companies for product development and sales.

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.

## Business Development in 2025 and investment plan

In 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 2026

We anticipate executing the plan for the year, but retaining customers for Sirma Insurance Enterprise and Web Calculator is becoming increasingly difficult due to higher competition. We will also strive to attract large customers for the broker platform.

## FINANCIAL RESULTS

	31.12.2025	31.12.2024	Change BGN '000	Change %
Revenues	1 043	997	46	4,61%
EBITDA	83	124	(41)	(33,06%)
Depreciation	(221)	(82)	(139)	(169,51%)
Net Result	(139)	35	(174)	n/a
EBITDA margin	7,96%	12,44%	(4,48%)	(36,02%)
Net Profit margin	(13,33%)	3,51%	(16,84%)	n/a
Sales per share	3,4767	3,3233	0,15	4,61%
EPS	(0,4633)	0,1167	(0,580)	n/a
ROE	(0,1594)	0,0346	(0,194)	n/a
Total Assets	991	1 185	(194)	(16,37%)
Intangibles	628	817	(189)	(23,13%)
Book value	244	195	49	25,13%
Equity	872	1 012	(140)	(13,83%)
Total Liabilities	119	173	(54)	(31,21%)
Interest bearing	23	53	(30)	(56,60%)
D/E	0,0264	0,0524	(0,026)	(49,64%)
ROA	(0,1403)	0,0295	(0,170)	n/a

## 6.5. 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

	31.12.2025	31.12.2024	Change BGN '000	Change %
Revenues	3 198	2 415	783	32,42%
EBITDA	137	(110)	247	n/a
Net Result	94	(127)	221	n/a
EBITDA margin	4,28%	(4,55%)	8,84%	n/a
Net Profit margin	2,94%	(5,26%)	8,20%	n/a
ROE	0,2136	(0,3479)	0,562	n/a
Total Assets	1 007	655	352	53,74%
Equity	440	365	75	20,55%
Total Liabilities	567	290	277	95,52%
ROA	0,0933	(0,1939)	0,287	n/a

### 6.6. „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 2025, the global digital health sector continues its upward trend, driven by the integration of artificial intelligence (AI), personalized health solutions, remote patient monitoring and increased regulatory support. Chronic diseases such as diabetes remain a strategic focus, and the growing number of specialized technology solutions and mobile applications create an increasingly competitive environment. A key advantage is the ability to provide flexible, secure and integrable platforms that can adapt to the needs of corporate clients, healthcare organizations, pharmaceutical companies and medical device manufacturers.

Technology giants, startups and traditional pharmaceutical players are increasingly turning to strategic partnerships, acquisitions and the development of internal innovation hubs to meet the needs of a growing audience. A number of government initiatives and healthcare systems, especially in developed markets such as the US, UK and Germany, are introducing or upgrading electronic health records, driving data standardization and promoting integration across different platforms. This not only facilitates the exchange of information, but also increases the quality of clinical decisions and the personalization of therapies.

In this dynamic, Sirma Medical Systems strived to strengthen its positions through the Diabetes:M platform, directing its efforts towards corporate clients and brands looking for White Label solutions.

At the same time, for the MPI-2 product (stuttering therapy), the focus was on massive direct promotion to end users. For Medrec:M, there was only supporting marketing, without a large-scale expansion of functionalities or activities.

## FINANCIAL RESULTS

	31.12.2025	31.12.2024	Change BGN '000	Change %
Revenues	165	213	(48)	(22,54%)
EBITDA	(142)	(154)	12	7,79%
Depreciation	(42)	(37)	(5)	(13,51%)
Net Result	(185)	(191)	6	3,14%
EBITDA margin	(86,06%)	(72,30%)	(13,76%)	(19,03%)
Net Profit margin	(112,12%)	(89,67%)	(22,45%)	(25,04%)
Sales per share	0,5500	0,7100	(0,16)	(22,54%)
EPS	(0,6167)	(0,6367)	0,02	3,14%
ROE	0,3206	0,4872	(0,17)	(34,20%)
Total Assets	1 657	1 440	217	15,07%
Intangibles	1 581	1 370	211	15,40%
Book value	(2 158)	(1 762)	(396)	(22,47%)
Equity	(577)	(392)	(185)	(47,19%)
Total Liabilities	2 234	1 832	402	21,94%
ROA	(0,1116)	(0,1326)	0,0210	15,83%

### 6.7. “Saifort”

“Saifort” EAD is a specialized company that is part of Sirma Group Holding AD. Its main goal is to gather the Group's expert potential in the field of artificial intelligence and its practical application in cybersecurity. The company plays a strategic role as an intra-group center for cyber resilience and as an internationally positioned provider of managed cybersecurity services.

In 2025, the main management focus is on the transition from the construction phase to the controlled scaling phase through a sustainable recurring revenue model based on services such as SOC, CISO as a Service and the development of an AI-based security platform.

#### Business development conditions in 2025

2025 is characterized by intense dynamics in the cybersecurity sector. Regulatory requirements related to the implementation of the NIS 2 directive have significantly increased the responsibility of organizations with regard to cyber risk management. In parallel, the global shortage of qualified specialists has increased interest in outsourcing and managed services. In this context, the company is positioned as an integrated partner, providing technological, process and regulatory solutions in a single framework.

#### Regional and international factors affecting the company's business

In 2025, the company managed risks related to geopolitical instability, regulatory dynamics and shortage of qualified personnel.

Measures were taken to diversify markets, standardize processes and increase automation through AI tools.

The internal control system operates in accordance with the holding's corporate standards and good audit practices.

#### Operational activity in 2025

The SOC center continued to provide 24/7 monitoring, incident management and proactive threat detection. Improvements were achieved in process automation, reduction in response time and an increase in the degree of standardization. The “CISO as a Service” model has established itself as a strategic segment, providing structured risk management, board reporting and regulatory policy implementation. International expansion continued through the Israeli company “Saifort”, strengthening its presence in key markets in the EU and the Middle East.

In 2025, the development of the “Sirma Cyber Security Management Platform” was accelerated by implementing AI mechanisms such as behavioral analysis (UEBA), intelligent event correlation and automated incident classification.

The platform moves from a simple monitoring tool to an intelligent security ecosystem that can support strategic decisions and reduce operational dependence on human resources. Investments in AI are strategically aimed at creating long-term competitive advantage through automation, scalability and improved marginality.

### Outlook and Forecasts for 2026

2026 is expected to be a year of acceleration and technological consolidation, through the use and implementation of artificial intelligence. The main strategic priority is to transform the “Sirma Cyber Security Management Platform” into an autonomous, intelligent and scalable security ecosystem. It is planned to develop predictive threat intelligence modules, automated response playbooks, proprietary AI models for behavior analysis and generative AI tools for automated management reports. AI will allow for lower operational dependence on human resources, higher efficiency and improved profit, while strengthening the company's international competitiveness.

### Conclusion

2025 was a year of strategic upgrading, structural strengthening and technological transformation. The built AI-based platform and the expanded portfolio of managed services provide a solid foundation for accelerated growth in 2026, while maintaining financial discipline and management transparency. We are convinced that the company is in a position to move into a phase of optimization, improved profitability and sustainable international growth.

### FINANCIAL RESULTS

	31.12.2025	31.12.2024	Change BGN '000	Change %
Revenues	764	94	670	712,77%
EBITDA	109	(116)	225	n/a
Depreciation	(20)	(22)	2	(9,09%)
Net Result	95	(114)	209	n/a
ROE	0,0129	(0,0157)	0,029	n/a
Total Assets	7 435	7 303	132	1,81%
Intangibles	1 046	949	97	10,22%
Book value	6 312	6 315	(3)	(0,05%)
Equity	7 358	7 264	94	1,29%
Total Liabilities	77	39	38	97,44%
ROA	0,0128	(0,0156)	0,028	n/a

## 6.8. Roweb Development

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 deliver web, desktop and mobile applications, scalable websites with a focus on user experience, customized online portals and Magento e-Commerce solutions.

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.

Our dedicated teams of experienced software professionals have delivered projects for clients in over 30 countries.

### Business development conditions in 2025

In 2025, the global IT services market continued to expand, supported by the accelerated digital transformation in

the private and public sectors. The growing adoption of AI-based solutions, business process automation and migration to cloud infrastructures remained leading factors in the demand for external software services.

At the same time, the market remained highly competitive, with a focus on cost optimization, delivery efficiency and measurable business value. Customers continued to look for flexible engagement models – dedicated teams and project-based services – as well as partners with proven expertise in integrating AI technologies into existing systems.

Roweb Development is strategically positioned to respond to these market trends through:

- proven experience in managing complex international projects;
- flexible and scalable teams;
- solid technical expertise in web and e-Commerce solutions;
- ability to integrate AI and automation into existing business processes.

Thanks to its affiliation with Sirma Group, the company continues to benefit from group-level synergies, shared expertise and expanded access to international markets.

The company operates in the following industries:

- E-commerce: In 2025, the e-commerce sector maintained an upward trend with an emphasis on personalization, mobile experience and AI-based recommender systems. Magento e-Commerce remains a key platform for large and medium-sized merchants. Roweb continued to deliver adaptive solutions and migrations to Magento 2.

- Information Technology: The IT sector emphasizes cloud architectures, low-code/no-code solutions, AI integrations and cybersecurity. Customers demand personalized, reliable and scalable software solutions - a strong area for Roweb.

- Telecommunications: Telecommunications companies are looking for tools for infrastructure management and real-time analysis. Roweb offers scalable, high-performance monitoring solutions, OSS/BSS integrations and customer portals.

- Financial Services: The financial sector segment is developing at a rapid pace, and for security and data protection, the demand for RegTech, payment solutions and secure portals dictates. Roweb focuses its work on solutions that meet these requirements.

- Healthcare: Digitalization in healthcare continued — telemedicine, electronic health records, and service planning systems. Roweb is involved in projects for secure, patient-centric platforms.

- Education: Education technologies have evolved with more hybrid and adaptive solutions. There is increased interest in integrations with LMS and interactive learning environments — a field in which Roweb provides personalized portals.

### **Important events**

- Completed technological renewal of the company website – The modernization of the corporate website has been implemented with implemented functionalities for automated lead collection and qualification, as well as integration with a CRM system. Improvement in conversions and more efficient management of the sales process is expected.

- Implementation of an internal AI system – An internal AI-based system for analyzing customer inquiries and automated generation of sales proposals has been successfully implemented. The solution aims to reduce response time, increase accuracy in bidding, and improve overall sales efficiency.

- Expanded cooperation with Sirma Group – The strategic partnership within the group has been deepened by launching joint initiatives in the field of cloud solutions and business process automation. Additional synergies and expansion of the overall market presence are expected.

- Launch of Generative AI training program – An internal training program for developers has been initiated, focused on practical applications of Generative AI technologies in client projects. The goal is to increase the company's expertise and competitiveness in the rapidly developing AI segment.

### **Outlook and forecasts for 2026**

Roweb Development expects to continue the positive dynamics from the beginning of the year and to realize revenue growth due to the launch of new projects and strong commercial activity. The share of revenue from the Romanian market is expected to increase, and 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, AI solutions, cloud services and e-commerce.

## FINANCIAL RESULTS

	<b>01.01.2025 – 31.12.2025</b>
Revenues	14 191
EBITDA	2 493
Depreciation	(89)
Net Result	2 201
EBITDA margin	17,57%
Net Profit margin	15,51%
Sales per share	47,3033
EPS	7,3367
ROE	1,6328
Total Assets	6 201
Book value*	2
Equity	1 346
Total Liabilities	1 348
Interest bearing	4 853
ROA	0,3549

## 6.9. “Sirma Group Holding” – separate financial results

	<b>31.12.2025</b>	<b>31.12.2024</b>	<b>Change BGN '000</b>	<b>Change %</b>
Revenues*	103 755	33 010	70 745	214,31%
EBITDA	8 586	4 755	3 831	80,57%
Depreciation	(2 836)	(1 130)	(1 706)	(150,97%)
Net Result	4 663	3 257	1 406	43,17%
EBITDA margin	8,28%	14,40%	(6,13%)	(42,55%)
Net Profit margin	4,49%	9,87%	(5,37%)	(54,45%)
Sales per share	1,7479	0,5561	1,192	214,31%
EPS	0,0786	0,0549	0,02	43,17%
ROE	0,0587	0,0432	0,02	35,97%
Total Assets	113 665	108 150	5 515	5,10%
Intangibles	11 408	10 710	698	6,52%
Book value	67 970	64 675	3 295	5,09%
Equity	79 378	75 385	3 993	5,30%
Total Liabilities	34 287	32 765	1 522	4,65%
Interest bearing	10 126	7 085	3 041	42,92%
D/E	0,1276	0,0940	0,034	35,73%
ROA	0,0410	0,0301	0,011	36,22%

\* The revenue and expenses, assets and liabilities also include those of the companies that after 08.10.2024 merged into “Sirma Group Holding” AD. 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” AD.

## 7/ Results by segments

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

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, Manufacturing and Others.

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

	System Integration	Hospitality	Financial Industry	IT Services	Manufac- turing	Strategic development	Total
31.12.2025	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000	BGN'000
Segment revenues	54 554	10 597	17 245	28 679	4 518	15 193	130 786
Cost of materials and cost of goods sold	(42 317)	(6)	(221)	(120)	(48)	(535)	(43 247)
Hired services expenses	(3 978)	(2 153)	(3 877)	(7 473)	(689)	(1 918)	(20 088)
Employee benefits expense	(2 693)	(7 462)	(11 113)	(16 890)	(2 159)	(12 747)	(53 064)
Depreciation and amortization of non- financial assets	(662)	(539)	(684)	(684)	(1 027)	(1 129)	(4 725)
Other expenses	(38)	(35)	(272)	(652)	(129)	(1 935)	(3 061)
<b>Segment operating profit/(loss)</b>	<b>4 866</b>	<b>402</b>	<b>1 078</b>	<b>2 860</b>	<b>466</b>	<b>(3 071)</b>	<b>6 601</b>

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

During 2025, "Sirma Group Holding" AD 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 segment. “IT Services”, in turn, remains the leading segment in the ICT industry in the world, with sales of over USD 1.7 trillion during the year. The tariffs announced by the US in April 2025 and the retaliatory tariffs from the affected countries slowed the forecasted growth, increased the risks facing the industry and the uncertainty during the year.

This volatility was particularly strong in the US, where the President took a number of contradictory economic measures. This uncertainty was transferred from the US to Europe, and was further intensified by the war in Ukraine. The result was a worsening economic climate, increased risks and delays or postponements of system integration projects.

Despite the described difficult market conditions, sales in the segment exceeded the planned for 2025. The segment's revenue during the year exceeded BGN 54 million. The segment remains the leading one for Sirma with almost 42% of the revenues for 2025 on consolidated basis. The profit achieved by the segment for the year was BGN 4,87 million with a margin of 8,925%.

In 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 in 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;
- 5 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.
- system integration for a medium-sized Albanian bank;
- delivery of equipment and system integration for the NHIF.

The Bulgarian market remains dominant for the "System Integration" segment with a share of 94%.

However, market challenges for the segment remain in 2026, mainly related to the escalating trade war. Political uncertainty in Bulgaria at the beginning of 2026 further suggests reduced demand in the country's public sector. Nevertheless, the segment team is prepared and confident in the implementation of the annual plan for the segment in 2026.

#### Segment financial results:

	<b>System Integration</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>BGN'000</b>	<b>BGN'000</b>
<b>Segment revenues</b>	<b>54 554</b>	<b>41 197</b>
Cost of materials and cost of goods sold	(42 317)	(33 650)
Hired services expenses	(3 978)	(2 588)
Employee benefits expense	(2 693)	(2 994)
Depreciation and amortisation of non-financial assets	(662)	(883)
Other expenses	(38)	(27)
<b>Segment operating profit</b>	<b>4 866</b>	<b>1 055</b>

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

In 2025, the segment generated almost BGN 10.6 million in revenue, a decrease of approximately 21%. The decrease was largely driven by our fixed cost structure. It is important to note that this revenue decline was primarily due to external market conditions and not to any issues with our operations. The main factors contributing to this decline were strategic withdrawals from key customers. In the first half of 2025, we saw withdrawals from major customers such as WebBeds, Priceline and RateHawk, who reduced or completely terminated their subcontracting engagements as part of their own cost reduction and geopolitical risk management measures, followed by the cancellation of the Roomdex project as part of the company's acquisition. These developments led to a noticeable difference in revenue during the year.

During the year, we implemented actions and focused on stabilizing the segment and preserving its long-term value.

Some of the key actions included:

- Retaining our core talent and maintaining our ability to deliver quality work.
- Expanding our Managed Integration Services (MIS), which operate on a subscription basis and continue to grow steadily.
- Strengthening customer relationships, with several projects being expanded and even scaled up in the second half of the year.
- Increasing our market visibility by participating in ITB and HITEC with dedicated booths.
- Shifting our positioning from simply linear software development to more scalable and product offerings.

In the last two quarters of the year, we started to see signs of stabilization and recovery and focused on creating the new service framework, which includes current services combined with an AI platform and AI services.

Towards the end of 2025, we implemented the Travel & Hospitality 360 Connect framework. This initiative is entirely focused on diversifying our revenue streams and reducing concentration risk. Some key additions include:

- Integration Hub: A repeatable, SLA-based integration service (in the planning phase).
- Expanded Managed Support: Support not only our integrations but also legacy code developed by other teams.
- AI-based solutions: We have started developing an AI-powered hotel agent on the Sirma AI platform, focusing on automation, personalization, and operational optimization for hotel groups (in the development phase).

The overall goal is to move from a purely linear project revenue model to:

- Subscription services,
- Recurring integration support,
- AI-based value-added offerings.

These changes will help us create a more scalable and sustainable revenue model.

Looking ahead, we see 2025 as a year of transition and repositioning.

For 2026, our expectations include:

- Revenue stabilization and gradual recovery towards 2024 levels.
- Higher share of recurring revenue through our MIS and integration center.
- Increased expansion in Western Europe and North America.
- Market penetration in the Middle East.
- New cross-selling and up-selling opportunities through our AI-based offerings.

With a strengthened sales infrastructure and a broader range of services, we believe the segment is better positioned for diversified and sustainable growth compared to our pre-2025 operations.

#### Segment financial results:

	<b>Hospitality</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>BGN'000</b>	<b>BGN'000</b>
<b>Segment revenues</b>	<b>10 597</b>	<b>13 423</b>
Cost of materials	(6)	(59)
Hired services expenses	(2 153)	(1 638)
Employee benefits expense	(7 462)	(8 752)
Depreciation and amortisation of non-financial assets	(539)	(269)
Other expenses	(35)	(208)
<b>Segment operating profit</b>	<b>402</b>	<b>2 497</b>

**Segment "IT Services"** is focused on cross-industry corporate solutions - IT services (horizontal specialization of IT services in different economic sectors) and software products.

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

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

In addition to economic uncertainty, the IT Services segment is also vulnerable to currency risk, which stems from the dramatic decline in the US dollar exchange rate in 2025 (12%) against the euro and the relatively high sales levels of the segment in the US (18% during the year).

The segment’s revenue in 2025 reached BGN 28,7 million. The segment is with 22% of the Holding’s revenue on consolidated basis for the year. The growth in revenue in the IT Services segment is accompanied by an increase in their profit margin to almost 10%. The segment contributed by almost BGN 3 million to the Holding's profit on consolidated basis for 2025.

In 2025 contracts were signed with new clients and re-signed with old clients, and work on their projects continues accordingly. In the beginning of the year Sirma took part in four tender procedures in the Bulgarian public sector, financed under the National Recovery and Resilience Plan (NRRP). Three of them were won.

10% of the revenue in the IT Services segment comes from the activities of the Retail sub-segment. The sub-segment is the leader in sales of Sirma solutions based on artificial intelligence. It is in retail, where a huge amount of data is generated, that artificial intelligence can help extract useful information from it that can be practically used by the retailer. The Retail sub-segment offers consulting, software and digital commerce with artificial intelligence, focused on forecasting, personalization and automation - turning customer data into measurable growth (conversion, retention, efficiency). The Retail sub-vertical offers its customers both IT services and proprietary software products:

- Loyax is an award-winning platform for managing loyalty programs across all retail channels, enabling unified customer identity, engagement and campaign effectiveness.
- Salexor is a real-time AI solution that monetizes website visits and enhances digital offerings through AI-driven personalization and marketing automation.

The more significant projects in the segment, that 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
- New contract with a large air conditioning company from Liechtenstein

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 Patent Office to bring it into line with the requirements and the plan for introducing the euro in Bulgaria
- Modernization of the information system of the Bulgarian Patent Office, out-of-warranty support and ensuring continuity of the workflow and cybersecurity
- Out-of-warranty servicing of Air Traffic License Manager
- Upgrading the Unified Information System for Academic Recognition and development of a publicly

accessible database (within the international ENIC-NARIC network) for higher education degrees and doctoral degrees acquired in third countries for the National Center for Information and Documentation

- New contract for modernization of the information system for data storage and processing with the Employment Agency in Bulgaria
- Won tender for development and implementation of software for processing survey results under Activity 4 of Investment C11.I5-H8 "Modernization of the Employment Agency", financed under the NRRP
- Won tender for development of a system for assessing the effectiveness and efficiency of the services offered by the Employment Agency, based on data from related administrative registers" under Activity 3 of Investment C11.I5-H8 "Modernization of the Employment Agency", financed under the NRRP.

IT Services in the USA:

- we serve old clients of Sirma

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

The segment's financial results in 2025 are within the planned range

In 2026, we expect strong revenue growth, driven by deeper implementation of artificial intelligence and expanded automation services in the existing customer base. We are already seeing increased demand for predictive analytics, personalization and AI agents that streamline operations, improve customer experience and provide measurable return on investment.

#### Segment financial results:

	<b>IT Services</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>BGN'000</b>	<b>BGN'000</b>
<b>Segment revenues</b>	<b>28 679</b>	<b>10 149</b>
Cost of materials	(120)	(122)
Hired services expenses	(7 473)	(1 816)
Employee benefits expense	(16 890)	(6 910)
Depreciation and amortisation of non-financial assets	(684)	(300)
Other expenses	(652)	(494)
<b>Segment operating profit</b>	<b>2 860</b>	<b>507</b>

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

The segment continues to face serious challenges:

- Limited opportunity for price indexation under existing contracts;
- Difficulties in finding and retaining highly qualified personnel on the Bulgarian market, along with high labor costs and sustainable wage growth in the IT sector;
- Increased price pressure and shorter contract cycles;
- Adaptation of the business model and approaches in implementation and creation of solutions with licenses paid per month and per user;
- Adaptation of existing solutions in the portfolio so that they meet new regulatory requirements and trends for robotization of digital processes. The implementation of artificial intelligence and machine learning technologies will optimize the terms of service delivery, but will require time for the implementation of new projects.

Sirma Group Holding continues to focus on providing IT and consulting services, and during the year, in addition to active actions to stabilize several current projects, we emphasized the provision of the latest versions of the Temenos

and FlexCube banking systems 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 were also the main focus for the company in 2025.

At the beginning of 2025, the segment signed numerous small orders for the adaptation of reporting systems in view of changes in the legal framework. There were also orders for changes and adaptation of systems related to the transition to the euro.

The implementation of several projects for the implementation of payment and satellite solutions continued, including "RepXpress", "ceGate" and "UBX Suite", DIGI Bank.

We had a clear development plan, including active promotion and distribution of 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 system for regulatory reporting and its own DHW.
- ceGate – a system for collecting customer data and assessing customers.

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

2025 was a transitional year for the entire Group and its restructuring, characterized by:

- preparation for a new listing on the Frankfurt Stock Exchange;
- centralization of administrative processes;
- unification of internal financial policies;
- strengthening of financial discipline and control mechanisms.

These processes led to temporary organizational workload, but created a basis for higher operational efficiency in 2026.

## **Strategy and development outlook in 2026**

### **Services**

The focus of services in the year will include and present:

- data management and administration;
- automated testing tools;
- business analysis and documentation;
- hybrid expert services.

There is a gradual transition from a model based primarily on the provision of resources to a product-expert model with higher added value

### **Main goals**

- Stabilization and successful completion of ongoing projects.
- Integration of AI software agents into core processes and systems.
- Development of regulatory reporting after the adoption of the euro.
- Optimization of business data and integration platforms.
- Increase in revenues with a planned growth of 15% (up to EUR 10 million).

## Strategic Priorities

### Financial Sustainability

- Gradual increase in prices for services and products.
- Expansion of SaaS models and subscription revenues.
- Improvement of margin through cost optimization.

### Human Capital

- Investments in training and development of competencies in AI, ML and automation.
- Programs for retaining key specialists.
- Promotion of internal specialization and expertise.

### Geographic Development

- Retention and expansion of the client base in the Balkans.
- Development of positions in the European Union.
- Expansion of presence in North America.

In conclusion, 2026 offers both significant opportunities and challenges.

The success of the segment will depend on:

- the right positioning in the cloud and AI transformation;
- retention of key specialists;
- operational efficiency;
- adaptation to the new regulatory framework after the introduction of the euro;
- the ability to turn talent shortages into a catalyst for innovation.

	<b>Financial Industry</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>BGN'000</b>	<b>BGN'000</b>
<b>Segment revenues</b>	<b>17 245</b>	<b>15 987</b>
Cost of materials	(221)	(38)
Hired services expenses	(3 877)	(3 544)
Employee benefits expense	(11 113)	(9 724)
Depreciation and amortisation of non-financial assets	(684)	(1 216)
Other expenses	(272)	(200)
<b>Segment operating profit</b>	<b>1 078</b>	<b>1 265</b>

**Segment “Manufacturing”** 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 2026, which will also increase the volume of sales.

**Segment financial results:**

	<b>Manufacturing</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>BGN'000</b>	<b>BGN'000</b>
<b>Segment revenues</b>	<b>4 518</b>	<b>4 419</b>
Cost of materials	(48)	(194)
Hired services expenses	(689)	(576)
Employee benefits expense	(2 159)	(2 273)
Depreciation, amortisation of non-financial assets	(1 027)	(968)
Other expenses	(129)	(134)
<b>Segment operating profit</b>	<b>466</b>	<b>274</b>

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



**Business Incubator**

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

**Technology Incubator**

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

**International Penetration**

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

## Strategic Administration

Operational administrative expenses are allocated to the respective segment they serve.

However, strategic administrative expenses related to the development of the Group are included in the “Strategic Development” segment. For example, in 2025, administrative expenses related to Sirma’s secondary listing on the Frankfurt Stock Exchange will be allocated here.

## ESG

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

In 2025, the “Strategic Development” segment generated 11,62% of total revenues at consolidated level for the Group, and realized BGN 3 million 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 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 2025 the leading sales sub-segment is “IT Services for Transport and Logistics” (44% of “Strategic Development” sales). With revenue of almost BGN 7 million this 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 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. 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 AI.Enterprise. 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:

	Strategic development	
	31.12.2025	31.12.2024
	BGN'000	BGN'000
<b>Segment revenues</b>	<b>15 193</b>	<b>14 835</b>
Cost of materials	(535)	(80)
Hired services expenses	(1 918)	(4 005)
Employee benefits expense	(12 747)	(13 375)
Depreciation and amortisation of non-financial assets	(1 129)	(569)
Other expenses	(1 935)	(907)
<b>Segment operating profit</b>	<b>(3 071)</b>	<b>(4 101)</b>

## 8/ Main markets

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

### Revenue by regions and countries:

Region	31.12.2025	31.12.2024	Change	Change
	BGN '000	BGN '000	BGN '000	%
Europe	105 231	71 531	33 700	47,11%
North America	12 638	15 408	(2 770)	(17,98%)
United Kingdom	10 292	10 359	(67)	(0,65%)
Asia	1 587	2 053	(466)	(22,70%)
South America	814	469	345	73,56%
Australia	211	157	54	34,39%
Africa	13	33	(20)	(60,61%)
<b>Total</b>	<b>130 786</b>	<b>100 010</b>	<b>30 776</b>	<b>30,77%</b>

"Sirma Group Holding" AD 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 97,99% 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 2025, the Group made sales in 70 countries. In the consolidated revenues, the largest share is the revenues from Bulgaria in the amount of BGN 75 982 thousand or 58,21% of total consolidated revenues, followed by the USA with BGN 11 207 thousand or 8,55760% and from United Kingdom with BGN 10 292 thousand or 7,87%.

## 9/ Consolidated financial results

### 9.1. Consolidated revenues

	31.12.2025	31.12.2024	Change	Change
	BGN '000	BGN '000	(BGN '000)	(%)
Revenue from contracts with customers	129 975	98 925	31 050	31,39%
Gain on sale of non-current assets	22	3	19	633,33%
Other revenues	789	1 082	(293)	(27,08%)
<b>Total</b>	<b>130 786</b>	<b>100 010</b>	<b>30 776</b>	<b>30,77%</b>

During the year consolidated revenues increased by 30,77% or BGN 30 786 thousand compared to 2024.

Revenues by product line includes:

	31.12.2025	31.12.2024	Change	Change
	BGN '000	BGN '000	(BGN '000)	(%)
Software services	63 685	46 746	16 939	36,24%
Sale of IT equipment	47 592	36 782	10 810	29,39%
Subscriptions	8 898	5 720	3 178	55,56%
Licenses	3 698	2 907	791	27,21%
Cloud services	1 949	1 847	102	5,52%
Support	1 605	2 870	(1 265)	(44,08%)
System integration	870	370	500	135,14%
Others	1 678	1 683	(5)	(0,30%)
<b>Total</b>	<b>129 975</b>	<b>98 925</b>	<b>31 050</b>	<b>31,39%</b>

#### 9.1.1. Recurring consolidated revenue

Recurring revenues are stable, predictable and constant over time. For 2025, the Company reports recurring revenues as follows:

	Amount	Percentage of
	(BGN '000)	revenue
Support and Service	7 048	5%
IT Systems Development and Management	31 259	24%
Subscriptions and Licenses	3 313	3%
Long-Term Contract Services	7 795	6%
<b>Total Recurring Revenue</b>	<b>49 415</b>	<b>38%</b>
Other Revenue	81 371	62%
<b>Total Revenue</b>	<b>130 786</b>	<b>100%</b>

#### Maintenance and service

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

#### Building and managing IT systems / Managed services

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

### Subscriptions and licenses

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

### Services under long-term contracts

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

## 9.2. Consolidated expenses

	31.12.2025	31.12.2024	Change
	BGN '000	BGN '000	(BGN '000,%)
Cost of materials	(950)	(970)	(20)
<i>Change in %</i>			(2,06%)
Hired services expenses	(20 088)	(14 167)	(5 921)
<i>Change in %</i>			41,79%
Employee benefits expense	(53 064)	(44 028)	(9 036)
<i>Change in %</i>			20,52%
Depreciation and amortisation of non-financial assets	(4 725)	(4 205)	(520)
<i>Change in %</i>			12,37%
Cost of goods sold and other current assets	(42 297)	(33 173)	(9 124)
<i>Change in %</i>			27,50%
Other expenses	(3 061)	(1 970)	(1 091)
<i>Change in %</i>			55,38%
<b>Total expenses</b>	<b>(124 185)</b>	<b>(98 513)</b>	<b>(25 672)</b>
<b><i>Change in %</i></b>			<b>26,06%</b>

During the year consolidated expenses of the Group increased by BGN 25 672 thousand or by 26,06% compared to 2024. The highest share in the consolidated expenses had the consolidated employee benefits expense (42,73%), followed by the expenses for hired services expenses (16,18%).

## 9.3. Consolidated financial income/costs

	31.12.2025	31.12.2024	Change	Change
	BGN '000	BGN '000	(BGN '000)	(%)
Finance costs	(1 901)	(302)	(1 599)	529,47%
Finance income	24	286	(262)	(91,61%)
<b>Finance income / costs (net)</b>	<b>(1 877)</b>	<b>(16)</b>	<b>(1 861)</b>	<b>11 631,25%</b>

Consolidated financial income decreased by BGN 262 thousand or by 91,61% during the period, mainly due to the decrease in income from operations with financial assets. Consolidated financial costs increased by BGN 1 599 thousand or by 529,47%, mainly due to the increase of expenses on foreign exchange operations.

## 9.4. Consolidated assets

Consolidated assets posted an decrease of BGN 2 688 thousand or 2,27% during the period.

<b>Non-current assets</b>	<b>31.12.2025</b>	<b>31.12.2024</b>	<b>Change</b>	<b>Change</b>
	<b>BGN '000</b>	<b>BGN '000</b>	<b>(BGN '000)</b>	<b>(%)</b>
Goodwill	39 779	39 478	301	0,76%
Property, plant and equipment	15 370	14 456	914	6,32%
Intangible assets	22 211	21 810	401	1,84%
Deferred tax assets	673	820	(147)	(17,93%)
<b>Total</b>	<b>78 033</b>	<b>76 564</b>	<b>1 469</b>	<b>1,92%</b>
<b>Current assets</b>	<b>31.12.2025</b>	<b>31.12.2024</b>	<b>Change</b>	<b>Change</b>
	<b>BGN '000</b>	<b>BGN '000</b>	<b>(BGN '000)</b>	<b>(%)</b>
Inventory	3 506	1 667	1 839	110,32%
Trade and other financial receivables	22 409	23 021	(612)	(2,66%)
Prepayments and other assets	3 598	1 269	2 325	183,53%
Short-term related party receivables	326	473	(147)	(31,08%)
Income tax receivables	21	18	3	16,67%
Financial assets at fair value through profit or loss	-	313	(313)	(100%)
Cash	13 318	15 198	(1 880)	(12,37%)
<b>Total</b>	<b>43 178</b>	<b>41 959</b>	<b>1 219</b>	<b>2,91%</b>

## 9.5. Consolidated equity

	<b>31.12.2025</b>	<b>31.12.2024</b>	<b>Change</b>
	<b>BGN '000</b>	<b>BGN '000</b>	<b>(BGN '000,%)</b>
Share Capital	59 361	59 361	-
<i>Change</i>			-
Purchased own shares	(1 569)	(1 689)	120
<i>Change</i>			(7,10%)
Reserves	9 501	9 595	(94)
<i>Change</i>			(0,98%)
Retained earnings	14 893	13 487	1 406
<i>Change</i>			10,42%
Equity attributable to the owners of the parent	82 186	80 754	1 432
<i>Change</i>			1,77%
Non-controlling interest	2 924	3 833	(909)
<i>Change</i>			(23,72%)
<b>Total</b>	<b>85 110</b>	<b>84 587</b>	<b>523</b>
<b><i>Change</i></b>			<b>0,62%</b>

In 2025 consolidated equity increased by BGN 523 thousand compared to the end of 2024.

## 9.6. Consolidated liabilities

Consolidated liabilities increased by 2 165 BGN thousand or 6,38% during the period.

### Non-current liabilities

	31.12.2025	31.12.2024	Change	Change
	BGN '000	BGN '000	(BGN '000)	(%)
Pension obligations to personnel	855	741	114	15,38%
Long-term borrowings	7 339	6 009	1 330	22,13%
Long-term lease liabilities	809	691	118	17,08%
Long-term related party payables	164	245	(81)	(33,06%)
Deferred tax liabilities	355	326	29	8,90%
Financing	481	518	(37)	(7,14%)
<b>Total</b>	<b>10 003</b>	<b>8 530</b>	<b>1 473</b>	<b>17,27%</b>

Non-current liabilities increased by BGN 1 473 thousand or 17,27% during the period.

### Current liabilities

	31.12.2025	31.12.2024	Change	Change
	BGN '000	BGN '000	(BGN '000)	(%)
Provisions	-	77	(77)	(100%)
Employee obligations	5 227	5 498	(271)	(4,93%)
Short-term borrowings	1 404	268	1 136	423,88%
Short-term lease liabilities	794	379	415	109,50%
Trade and other payables	11 956	15 296	(3 340)	(21,84%)
Contract liabilities	4 572	2 359	2 213	93,81%
Short-term related party payables	2 012	1 473	539	36,59%
Income tax liabilities	103	26	77	296,15%
Financing	30	30	-	-
<b>Total</b>	<b>26 098</b>	<b>25 406</b>	<b>692</b>	<b>2,72%</b>

Current liabilities increased by BGN 692 thousand or 2,72% during the period.

## Long-term and short-term bank loans

Recipient of credit	In Bank	Type of loan	Currency	Total amount of credit (BGN)	Outstanding obligation to 31.12.2025 (BGN)	Date of contract	Interest rate	Maturity date	Pledges
<b>Loans for which the Issuer is a debtor</b>									
Sirma Group Holding AD	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 AD	United Bulgarian Bank AD	Bank credit	BGN	9 400 000	8 682 248	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 AD	United Bulgarian Bank AD	Overdraft	BGN	8 000 000	-	10.10.2024	Variable interest rate in the amount of UBB's short-term interest rate /SIP/ for the contract period plus an annual premium.	10.10.2026	Pledge of receivables
<b>Loans for which the Issuer is a guarantor</b>									
EngView Systems JSC	Unicredit BulBank AD	Overdraft	BGN	1 000 000	-	15.12.2020	The applicable variable interest rate for the relevant interest period +2 points, but not less than 2.08%	15.12.2026	Pledge of receivables

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

Lender	Recipient	United identification code	Relationship	Type	Currency	Liability as of 31.12.2025 (BGN '000)	Date of contract/ last annex	Interest rate %	Term of contract	Pledges
Saifort	Sirma Medical Systems	204054855	Company under common control	Loan	BGN	2 133	20.12.2022	2.80	31.12.2027	No pledges
Saifort	Sirma Group Holding	200101236	Parent company	Deposit	BGN	3 267	18.07.2023	0.10	31.12.2028	No pledges
Saifort	Saifort Israel		Company under common control	Loan	ILS	26	21.02.2024	2.5	31.12.2026	No pledges
Sirma Group Holding	Pirina Technologies	175149906	Company under common control	Loan	BGN	295	10.01.2022	2	31.12.2025	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	31.12.2028	No pledges
Sirma ICS	Sirma Group Holding	200101236	Parent company	Deposit	BGN	250	04.2.2025	0.10	04.02.2027	No pledges
Sirma Group Holding	Sirma FZE		Subsidiary	Loan	USD	68	09.12.2025	2.50	09.12.2028	No pledges

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

Recipient	Lender	United identification code	Relationship	Type	Currency	Liability as of 31.12.2025 (BGN '000)	Date of contract/ last annex	Interest rate %	Term of contract	Pledges
Sirma Medical Systems	Saifort	200356710	Company under common control	Loan	BGN	2 133	20.12.2022	2.80	31.12.2027	No pledges
Sirma Group Inc	Worklogic Canada		Non related company	Loan	USD	79	31.07.2017	0.01	31.12.2026	No pledges
Sirma Group Holding	Saifort	200356710	Subsidiary	Deposit	BGN	3 267	18.07.2023	0.1	31.12.2028	No pledges
Sirma Group Holding	Sirma ICS	203940550	Subsidiary	Deposit	BGN	250	04.2.2025	0.10	04.02.2027	No pledges
Sirma FZE	Sirma Group Holding		Parent company	Loan	USD	68	09.12.2025	2.50	09.12.2028	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).

## 9.7. Cash flow

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.

	31.12.2025	31.12.2024	Change	Change
	BGN '000	BGN '000	(BGN '000)	%
Net cash flow from operating activities	8 223	6 533	1 690	25,87%
Net cash flow from investing activities	(8 463)	(9 705)	1 242	12,80%
Net cash flow from financing activities	(1 237)	3 672	(4 909)	n/a
Net change in cash	(1 477)	500	(1 977)	n/a
Cash at the beginning of the year	15 198	14 694	504	3,43%
Exchange (losses)/gains on cash	(403)	4	(407)	n/a
Cash at the end of the year	13 318	15 198	(1 880)	(12,37%)

## 9.8. Indicators and coefficients

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

Indicators BGN '000	31.12.2025	31.12.2024	Change	
			(Abs.)	(%)
Revenue from operating activities	130 786	100 010	30 776	30,77%
Total operating costs	(124 185)	(98 513)	(25 672)	26,06%
Operating profit	6 601	1 497	5 104	340,95%
Financial income	24	286	( 262)	(91,61%)
Financial costs	(1 901)	( 302)	(1 599)	529,47%
Profit before tax expense	4 724	1 481	3 243	218,97%
Income tax expenses	( 606)	( 367)	( 239)	65,12%
Net profit	4 118	1 114	3 004	269,66%
Dividend	1 160	1 154	6	0,52%
Cash	13 318	15 198	(1 880)	(12,37%)
Inventories	3 506	1 667	1 839	110,32%
Short-term assets	43 178	41 959	1 219	2,91%
Total amount of assets	121 211	118 523	2 688	2,27%
Average arithmetic total asset value for 5 quarters	116 715	97 543	19 171	19,65%
Current liabilities	26 098	25 406	692	2,72%
Debt	10 346	7 347	2 999	40,82%
Total amount of liabilities	36 101	33 936	2 165	6,38%
Equity	85 110	84 587	523	0,62%
Equity averaged for 5 quarters	84 362	78 207	6 155	7,87%
Turnover capital	17 080	16 553	527	3,18%
Number of shares at the end of the period (in thousands)	59 361	59 361	-	-
Profit / loss minority interest	1 445	603	842	139,64%
Financial expense from revaluation of a derivative	( 752)	-	-	n/a
Interest expenses	( 257)	( 102)	( 155)	151,96%
Weighted average share price of last trading session	1,880	0,953	0,9271	97,33%
Last share price of last trading session	1,889	0,945	0,9443	99,93%

Indicators	31.12.2025	31.12.2024	Change	
			(Abs.)	(%)
EBITDA	10 458	5 788	4 670	80,68%
DEPRECIATION	(4 725)	(4 205)	( 520)	12,37%
EBIT	5 733	1 583	4 150	262,16%
FIN/INVEST NET	(1 877)	( 16)	(1 861)	11 631,25%
EBT	4 724	1 481	3 243	218,97%
ROA	0,0221	0,0043	0,0177	411,49%
Debt/EBITDA Ratio	0,9893	1,2694	(0,2801)	(22,06%)
Quick Ratio	1,5201	1,5859	(0,0658)	(4,15%)
ROE	0,0488	0,0142	0,0346	242,69%
Debt/Equity Ratio	0,4242	0,4012	0,0230	5,73%
<b>Profitability ratios</b>				
Operating profit margin	0,0505	0,0150	0,0355	237,19%
Net profit margin	0,0315	0,0111	0,0203	182,67%
Return on Assets	0,0353	0,0114	0,0239	208,94%
Return on Equity	0,0488	0,0142	0,0346	242,69%
<b>Coefficients for assets and liquidity</b>				
Assets turnover ratio	1,1206	1,0253	0,0953	9,29%
Operating cycle	7,6573	6,0418	1,6155	26,74%
Current ratio	1,6545	1,6515	0,0029	0,18%
Quick ratio	1,5201	1,5859	(0,0658)	(4,15%)
Cash ratio	0,5103	0,5982	(0,0879)	(14,69%)
<b>Odds per share</b>				
P/S ratio	0,8531	0,5654	0,2877	50,89%
P/E ratio	27,0938	50,7553	(23,6615)	(46,62%)
Revenue per share	2,2032	1,6848	0,5185	30,77%
Earnings per share	0,0694	0,0188	0,0506	269,66%
Book value of equity per share	1,4212	1,3175	0,1037	7,87%
<b>Dividend Ratios</b>				
Dividend Payout Ratio	0,2817	1,0359	(0,7542)	(72,81%)
Retention Ratio	0,7183	(0,0359)	0,7542	n/a
Dividend Per Share	0,0195	0,0194	0,0001	0,52%
<b>Development Ratios</b>				
Revenue growth	0,3077	0,2299	0,0778	33,85%
Assets growth	0,0227	0,2408	(0,21821)	(90,58%)
<b>Leverage Ratios</b>				
Debt/total assets	0,0886	0,0753	0,0133	17,69%
Debt/capital	0,1092	0,0859	0,0234	27,21%
Debt/equity	0,1226	0,0939	0,0287	30,54%
Total assets/equity	1,3835	1,2472	0,1362	10,92%
Market value of the company	112 153	56 096	56 056	99,93%

## 9.9 Related party transactions

	2025	2024
Sales of services		
- Administrative accounting services	-	4
- Rentals	-	8
- Software services	97	91
Purchase of goods	544	264

## 10/ Ecology and personnel

### 10.1 Ecology

Sirma Group Holding maintains and observes its commitments in compliance with the national legislation in the field of environmental protection. The company applies measures for separate collection of waste, minimization, recovery and recycling of municipal waste. In 2017, the use of plastic cups stopped, and they were replaced with porcelain and glass cups.

### 10.2 Personnel

The Group 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 Group apply certain selection criteria and consider that they have an ambitious team of professionals capable of pursuing the strategic and operational objectives.

The Group invests in various training programs for its employees and provides its employees with opportunities for professional development.

Count of employees in the Group:

**31.12.2025**

Company	Labour contract	Management and control contract	Total
Sirma Group Holding	439	9	448
Roweb, Romania	142	4	146
Engview Systems	29	4	33
Sciant Shpk., Albania	29	1	30
Sirma Sha, Albania	17	3	20
Daticum	8	1	9
Sirma ICS	5	1	6
Sirma Medical Systems	3	2	5
Saifort	3	3	6
Sirma Group Inc., USA	2	1	3
Sirma FZE, UAE	1	1	2
Engview Systems Germany	1	1	2
Sirma Tech, UK	-	1	1
<b>Total</b>	<b>679</b>	<b>32</b>	<b>711</b>

31.12.2024

Company	Labour contract	Management and control contract	Total
Sirma Group Holding	432	9	441
Roweb, Romania	99	4	103
Engview Systems	32	4	36
Sciant Shpk., Albania	27	1	28
Sirma Sha, Albania	16	3	19
Sirma Tech, UK	11	1	12
Sirma ICS	8	1	9
Daticum	8	2	10
Sirma Medical Systems	4	3	7
Sirma AB, Sweden	2	-	2
Sirma Group Inc., USA	2	1	3
Saifort	2	3	5
Engview Systems Germany	1	1	2
<b>Total</b>	<b>644</b>	<b>33</b>	<b>677</b>

## 11/ Risk factors

### Risk management objectives and policies

The Group is exposed to various risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarized in note 35. 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.

### 11.1 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 December 2025 compared to December 2024, as measured by National Statistical Institute with the Harmonized Index of Consumer Prices (HICP) is 3,5%.

#### 11.1.1 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.

Foreign currency denominated financial assets and liabilities which expose the Group to currency risk are disclosed below. The amounts shown are those reported to key management translated into Bulgarian leva at the closing rate:

	Short-term exposure	
	USD BGN'000	GBP BGN'000
<b>31 December 2025</b>		
Financial assets	9 192	1 002
Financial liabilities	(128)	(236)
Total exposure	<b>9 064</b>	<b>767</b>
<b>31 December 2024</b>		
Financial assets	1 306	106
Financial liabilities	(242)	-
Total exposure	<b>1 064</b>	<b>106</b>

The following tables illustrate the sensitivity of post-tax financial result for the year and equity in regards to exchange rate differences between the Bulgarian Lev (BGN) and the following currencies 'all other things being equal:

- US Dollars (USD) +/- 7.7% (2024 : +/- 2.6 %)
- Pound Sterling (GBP) +/- 4.2% (2024 : +/- 2.7 %)

All other parameters are assumed to be constant.

These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Group's foreign currency financial instruments held at each reporting date and also takes into.

31 december 2025	Increase in the exchange rate of the Bulgarian lev		Decrease in the exchange rate of the Bulgarian lev	
	Net financial result	Equity	Net financial result	Equity
	BGN'000	BGN'000	BGN'000	BGN'000
US Dollars (USD) (+/- 7.7 %)	(626)	(626)	626	626
Pound Sterling (GBP) (+/- 4.2 %)	(29)	(29)	29	29
<b>31 december 2024</b>				
31 december 2024	Increase in the exchange rate of the Bulgarian lev		Decrease in the exchange rate of the Bulgarian lev	
	Net financial result	Equity	Net financial result	Equity
	BGN'000	BGN'000	BGN'000	BGN'000
US Dollars (USD) (+/- 2.6 %)	(25)	(25)	25	25
Pound Sterling (GBP) (+/- 2.7 %)	(6)	(6)	6	6

Exposures to foreign exchange rates vary during the year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Group's exposure to currency risk.

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.

### 11.1.2 Interest rate risk

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

At 31 December 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.

The tables presented below show the sensitivity of the annual net financial result after tax and equity to a likely change in interest rates on loans with a floating interest rate based on EURIBOR in the amount of +/- 2.3%. These changes are determined to be probable based on observations of current market conditions. The calculations are based on the change in the average market interest rate and on the financial instruments held by the Company at the end of the reporting period, which are sensitive to interest rate changes. All other parameters are assumed to be constant.

31 December 2025	Net financial result		Equity	
	increase in interest rate	decrease in interest rate	increase in interest rate	decrease in interest rate
	BGN'000	BGN'000	BGN'000	BGN'000
Loans (EURIBOR 2.3 %)	(180)	180	(180)	180

31 December 2024	Net financial result		Equity	
	increase in interest rate	decrease in interest rate	increase in interest rate	decrease in interest rate
	BGN'000	BGN'000	BGN'000	BGN'000
Loans (EURIBOR 2.3 %)	(129)	129	(129)	129

## 11.2 Credit risk

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

Financial assets	31	31
	December 2025	December 2024
	BGN'000	BGN'000
Financial assets at fair value through profit or loss:		
Trade and other receivables	21 647	23 021
Related party receivables	326	473
Cash	13 318	15 198
Current financial assets	-	313
	<b>35 291</b>	<b>39 005</b>

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.

### 11.3 Liquidity risk

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

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

As at 31 December 2025, the Group's non-derivative financial liabilities have contractual maturities (including interest payments where applicable) as summarized below:

31 December 2025	Current		Non-current
	Within 6 months	6 to 12 months	1 to 5 years
	BGN'000	BGN'000	BGN'000
Borrowings	702	702	7 339
Finance lease obligations	408	408	831
Trade and other payables	10 879	-	-
Related party payables	2 012	-	164
<b>Total</b>	<b>14 001</b>	<b>1 110</b>	<b>8 334</b>

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	-
<b>Total</b>	<b>15 810</b>	<b>465</b>	<b>6 568</b>	<b>393</b>

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 10 of Ordinance 2 of the FSC**

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

There are no events and indicators with an unusual nature for the 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 AD 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.**

Management estimates that the realization of the investment intentions is possible, namely the purchase of a majority stake in companies that meet our financial and business needs, in order to more quickly reach the Group to new markets, customers, technologies, thereby achieving an increase in consolidated revenues and profit.

## **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 annual 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.

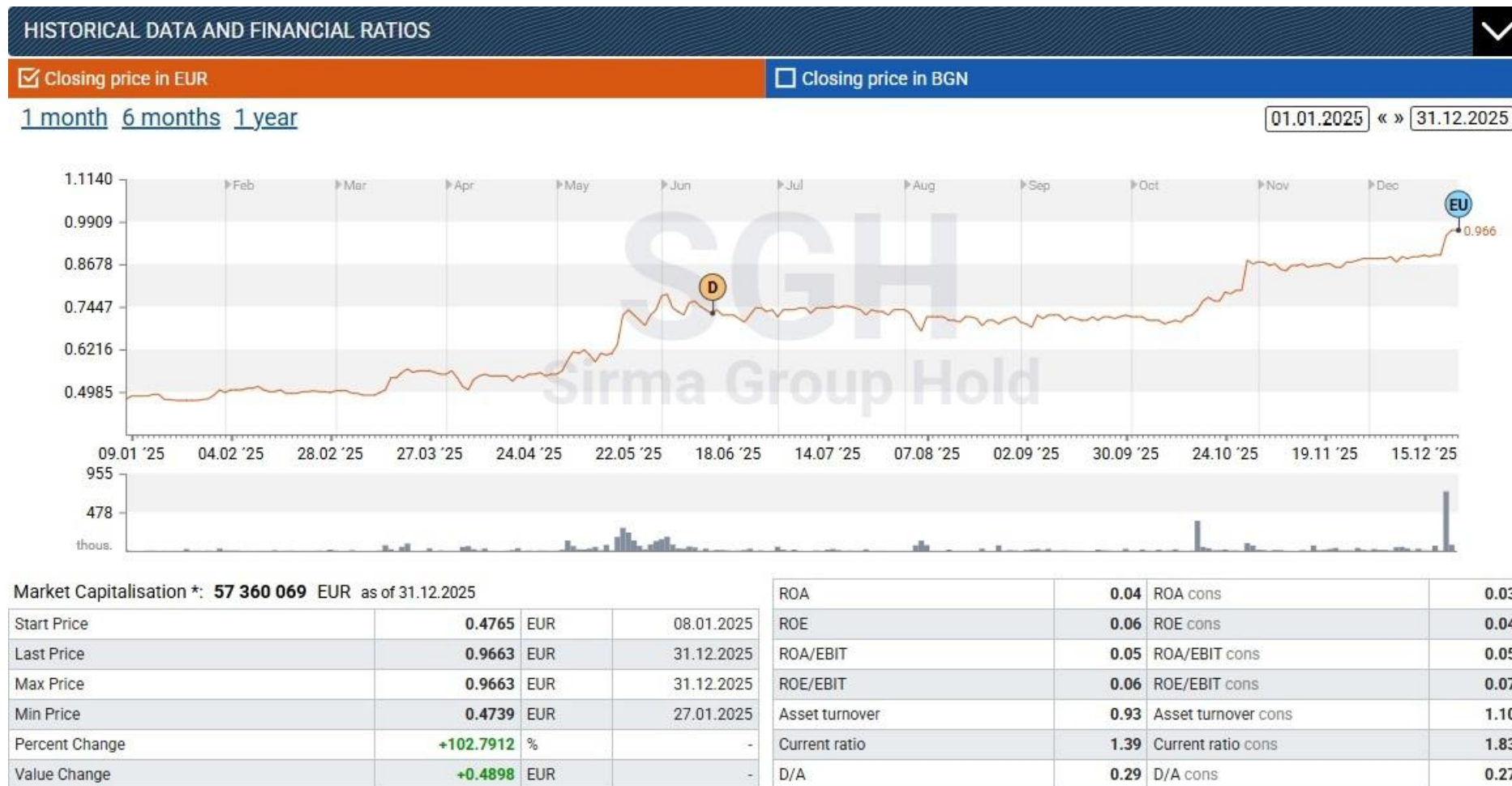
## **12.10 Information about the known to the Group agreements (including also after the closing of the period) as a result of which changes may occur at a future time in the owned percent of shares or bonds by current shareholders or bondholders.**

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



## 14/ Post balance sheet events

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

On 08.01.2026 "Sirma Group Holding" AD bought back 17 729 of its shares at an average price of BGN 1,96 per share for a total value of BGN 30 855,49. The shares represent 0,03% of the company's capital. The purchase was made on the Bulgarian Stock Exchange - Sofia AD.

On 19.02.2026 "Sirma Group Holding" AD bought back 118 459 of its shares at an average price of EUR 1,26 per share for a total value of EUR 149 258,34. The shares represent 0,2% of the company's capital. The purchase was made on the Bulgarian Stock Exchange - Sofia AD.

On 27.02.2026 "Sirma Group Holding" AD bought back 17 570 of its shares at an average price of EUR 1,17 per share for a total value of EUR 20 526,90. The shares represent 0,03% of the company's capital. The purchase was made on the Bulgarian Stock Exchange - Sofia AD.

On 02.03.2026 "Sirma Group Holding" AD bought back 45 000 of its shares at an average price of EUR 1,14 per share for a total value of EUR 51 329,62. The shares represent 0,2% of the company's capital. The purchase was made on the Bulgarian Stock Exchange - Sofia AD.

On 30.03.2026 "Sirma Group Holding" AD bought back 50 430 of its shares at an average price of EUR 0,9811 per share for a total value of EUR 49 478,90. The shares represent 0,085% of the company's capital. The purchase was made on the Bulgarian Stock Exchange - Sofia AD.

### ***Sale of shares of Sirma Group Holding AD by a member of the Board of Directors***

On 02.03.2026, a notification was received at the office of Sirma Group Holding AD from Yavor Djonev - member of the Board of Directors of Sirma Group Holding AD, stating that he sold 17 474 shares of the capital of Sirma Group Holding AD through transactions carried out on the Bulgarian Stock Exchange - Sofia on 25, 26 and 27 February 2026 at an average price of EUR 1.27 per share.

### ***Purchase of shares of Sirma Group Holding AD by a member of the Board of Directors***

On 30.03.2026, the registry of Sirma Group Holding AD received a letter-notification from Atanas Kiryakov - member of the Board of Directors of Sirma Group Holding AD for the purchase of 10 969 shares of the capital of Sirma Group Holding AD through transactions carried out on the Bulgarian Stock Exchange - Sofia on 30 March 2026 at an average price per share of EUR 0.9082.

### ***Admission to trading of Sirma Group Holding AD on the Frankfurt Stock Exchange***

As a result of an Application submitted by Sirma Group Holding AD to the Frankfurt Stock Exchange, effective from 20.02.2026, the shares of the company with ISIN code BG1100032140 have been admitted to trading on the floor of the exchange with registration SIRM.

The formal ceremony for the start of trading was held at the opening of the trading session of the Frankfurt Stock Exchange on 24.02.2026. With this, the process of dual listing of the shares of Sirma Group Holding AD on the Bulgarian Stock Exchange and the Frankfurt Stock Exchange has been successfully completed.

### ***Introduction of the euro in the Republic of Bulgaria***

According to the Law on the Introduction of the Euro in the Republic of Bulgaria, effective from 1 January 2026, the official currency and legal tender in the Republic of Bulgaria is the euro. The fixed exchange rate is 1.95583 leva for 1 euro. The introduction of the euro as the official currency in the Republic of Bulgaria represents a change in the functional currency, which will be accounted for prospectively and does not represent an adjusting event after the date of the financial statements.

### ***The military actions in the Middle East***

The military actions that began on 28 February 2026 in the Middle East caused a wide international response and affected the countries in Europe in various aspects. An increase in the purchase prices of goods and services, caused mainly by the increase in the prices of petroleum products, is expected to lead to a decrease in income, a contraction in consumer demand and a limitation of the growth of the economy in Bulgaria. The Company's strategy is consistent with market trends and economic conditions in the country and on international markets, and an optimal ratio between high quality and acceptable price is sought in order to fully satisfy the requirements of consumers. Despite the management's efforts to identify the expected direct and indirect effects of military actions on the Company's

operations and to address them accordingly, the dynamic development of the macroeconomic and political environment makes their reliable assessment difficult. As of 31 December 2025, the Company has no significant customers from Israel and Saudi Arabia and other countries in the Middle East, therefore, at this stage, the Company believes that this risk would not have a significant impact on financial results and business forecasts for the next financial year.

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

**Sofia**  
**29.04.2026**

CEO: **Tsvetan  
Borisov  
Alexiev**  
Digitally signed  
by Tsvetan  
Borisov Alexiev  
Date:  
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**Tsvetan Alexiev**

