

<b>Rating</b>	<b>Buy</b>
<b>Price target</b>	<b>1.50 EUR</b>
<b>Potential</b>	<b>85%</b>
<b>Share data</b>	
Share price (last close price in EUR)	0.81
Number of shares (in m)	57.8
Market cap. (in EUR m)	46.8
Trading vol. (Ø 3 months; in K shares)	45.0
Enterprise Value (in EUR m)	47.9
Ticker	BUL:SIRM
<b>Guidance</b>	
-	
-	

Share price (EUR)



Source: Capital IQ

<b>Shareholder</b>	
Free float	38.0%
Georgi Parvanov Marinov	9.2%
Tsvetan Borissov Alexiev	8.5%
Chavdar Velizarov Dimitrov	8.1%
Veselin Antchev Kirov	8.0%

<b>Calendar</b>	
Hamburg Investor Days	August 26, 2026
H1 results	August 31, 2026
Q3 results	November 30, 2026

<b>Changes in estimates</b>			
	<b>2026e</b>	<b>2027e</b>	<b>2028e</b>
<b>Sales (old)</b>	<b>71.0</b>	<b>77.5</b>	<b>84.5</b>
Δ	0.3%	0.2%	0.1%
<b>EBIT (old)</b>	<b>2.6</b>	<b>3.4</b>	<b>4.8</b>
Δ	7.3%	3.1%	0.4%
<b>EPS (old)</b>	<b>0.03</b>	<b>0.04</b>	<b>0.06</b>
Δ	-	-	-

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<b>Publication</b>	
Comment	June 4, 2026

## Q1: Sirma shows significant earnings growth

Sirma has published consolidated results for the first quarter, characterised by solid revenue growth and strong margin expansion.

Sirma KPIs (in EUR m)	Q1 2026	Q1 2025	yoy
Revenue	17.5	16.4	+6.6%
EBITDA	1.5	1.1	+32.3%
EBITDA margin	8.7%	7.0%	+1.7PP

Source: Company, Montega

**Strong "IT Services" development driving Top- and Bottom-Line:** Consolidated revenue grew by 6.6% yoy in line with our expectations to EUR 17.5m. The largest segment "System Integration" saw a minor decline of 3.4% yoy to EUR 7.5m following an exceptionally strong prior-year amidst headwinds from political uncertainty in Bulgaria. However, this was more than compensated by a surge in "IT services" of EUR 1.2m yoy to EUR 4.3m (+37.7% yoy), which was primarily driven by the successful execution of Bulgarian and international public sector projects secured last year. While the Q1 results are encouraging, macro risks remain: during the course of the year even clients not directly affected by geopolitical turmoils might succumb to broader uncertainty and postpone projects not yielding immediate cost-optimization or efficiency gains.

**Strong profitability across segments:** On the earnings side, group EBITDA reached EUR 1.5m (PY: EUR 1.1m). Profitability was particularly impressive in the "IT Services" segment, which achieved an EBITDA of EUR 0.8m (margin: 19.3%; PY: EUR 0.2m), with the 2024-acquired subsidiary Roweb contributing EUR 0.4m. Furthermore, the "Manufacturing" segment, though modest in absolute size (revenue: EUR 0.7m), delivered a significant earnings contribution of EUR 0.4m following the successful renewal of existing contracts and the acquisition of new logos, showcasing the potential of its SaaS-focused business model.

**AI roadmap materializing:** The adoption of AI solutions is gathering further momentum. In the "Hospitality" segment, clients were already reducing the number of contracted developers in light of the AI progress, a transition actively pushed by Sirma. Following the pre-release and initial sales of the Sirma.ai Enterprise Platform in 2025, management is targeting revenues of EUR 1.0m for the first official release year as well as a revenue level of EUR 5-6m for 2027. Given the progress seen in Q1, the company seems well on track to meet the 2026 target. Sirma currently often develops the agents for clients on top of the platform, generating additional implementation and integration fees in addition to the recurring platform licenses. As the platform reaches greater maturity, a higher share of self-development by clients could be possible, shifting Sirma's role more towards providing standard software.

**Conclusion:** Sirma finished the first quarter with revenue growth in line with expectations and a strong earnings performance. We confirm our Buy rating and our target price of EUR 1.50.

FYend: 31.12.	2024	2025	2026e	2027e	2028e
Sales	50.6	66.5	71.2	77.6	84.6
Growth yoy	22.8%	31.4%	7.1%	9.0%	9.0%
EBITDA	2.9	5.8	5.4	6.1	7.4
EBIT	0.8	3.4	2.8	3.5	4.8
Net income	0.3	1.4	1.7	2.3	3.4
Gross profit margin	51.2%	51.3%	55.6%	56.7%	57.7%
EBITDA margin	5.8%	8.7%	7.5%	7.8%	8.7%
EBIT margin	1.5%	5.1%	4.0%	4.6%	5.7%
Net Debt	-3.6	-1.1	-1.4	-2.7	-4.9
Net Debt/EBITDA	-1.2	-0.2	-0.3	-0.5	-0.7
ROCE	2.1%	8.2%	6.5%	8.0%	10.7%
EPS	0.00	0.02	0.03	0.04	0.06
FCF per share	0.03	0.03	0.02	0.05	0.06
Dividend	0.01	0.01	0.02	0.02	0.03
Dividend yield	1.2%	1.2%	2.5%	2.5%	3.7%
EV/Sales	0.9	0.7	0.7	0.6	0.6
EV/EBITDA	16.4	8.3	8.9	7.9	6.5
EV/EBIT	62.6	14.2	17.0	13.5	9.9
PER	178.0	40.5	27.0	20.3	13.5
P/B	1.1	1.1	1.1	1.1	1.0

Source: Company data, Montega, Capital IQ

Figures in EUR m, EPS in EUR, Price: 57.79 EUR

## Company Background

Sirma Group Holding is a leading software technology company from Bulgaria, headquartered in Sofia, specializing in Artificial Intelligence (AI), data management, and digital transformation. The company develops intelligent systems, proprietary software products, and tailored solutions for core industries including financial services, healthcare, logistics, manufacturing, retail, and the public sector. The product portfolio is diverse, featuring AI-driven conversational platforms, vertical-specific software solutions for industries like packaging and healthcare, as well as comprehensive services in cloud migration, cybersecurity, and system integration. Sirma positions itself as an end-to-end technology partner, combining pioneering AI expertise with deep vertical industry knowledge to provide mission-critical platforms and custom software development that can be deployed flexibly (cloud or on-premise) while ensuring data control and regulatory compliance. Their differentiation lies in their long-standing B2B focus and their ability to integrate a wide array of advanced technologies into robust, enterprise-grade solutions rather than relying on a single product or ecosystem.

## Key Facts

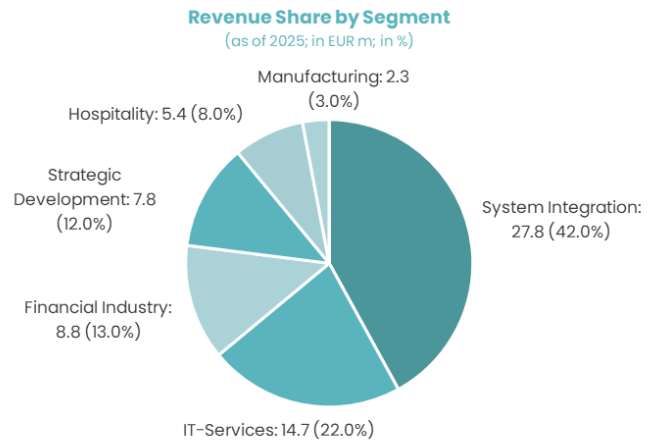
<b>Sector</b>	IT Services
<b>Ticker</b>	SIRM
<b>Employees</b>	711
<b>Revenue</b>	EUR 66.5m
<b>EBITDA</b>	EUR 5.8m
<b>EBITDA margin</b>	8.7%
<b>Business Model</b>	Digital transformation solutions for global key industries through a combination of specialized software development, system integration, and proprietary AI platforms
<b>Locations</b>	Worldwide operations with headquarters in Sofia, Bulgaria and additional locations mainly in Europe & North America

Source: Company, Montega, as of: FY 2025

## Key Events in Company History



## Segments and Regions



Source: Company; as of FY 2025

**System Integration:** The System Integration segment focuses on the sale of hardware systems, professional setup, and ongoing maintenance, increasingly complemented by DevOps services. The target market primarily consists of the Bulgarian public sector as well as local and multinational companies with operations in Bulgaria, particularly in the financial and healthcare industries.

**Financial Industry:** Sirma is a dominant player in the Bulgarian financial market, counting approximately 60% of the country's financial institutions as clients. The segment specializes in core banking implementations (Oracle FlexCube, Temenos T24) and regulatory reporting solutions (e.g., RepXpress). The group acts as a strategic partners for institutions on their path toward digitization and the implementation of artificial intelligence.

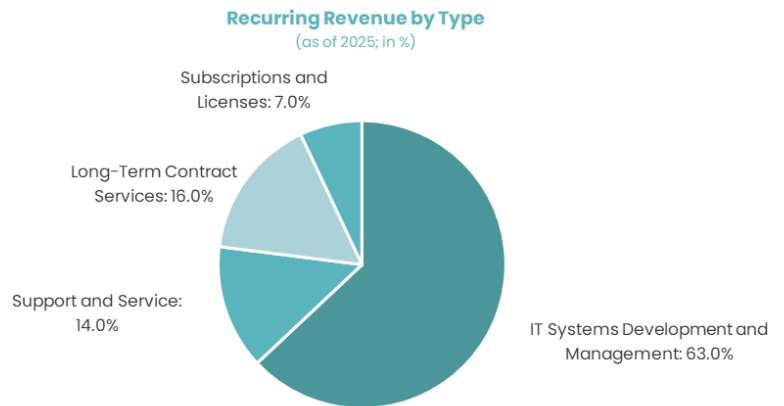
**Hospitality:** The Hospitality segment provides IT solutions to hotel groups and tour operators, focusing on a stable model of software development and integration adapter services. In 2024, the segment successfully expanded into Western Europe and North America, developing its subscription-based Managed Integration Services (MIS) system.

**IT Services:** This horizontal segment provides cross-industry custom software development, IT consulting, and managed services. With a regional focus on the UK, DACH, Belgium, Scandinavia, and Romania, the segment handles a wide variety of complex mandates. The revenue share grew significantly from the quoted 2024 value with the Roweb acquisition at the end of the year.

**Manufacturing:** The Production segment, operated by subsidiary EngView Systems AD, provides software and hardware solutions for Metrology, Quality Management, and automation of the packaging industry. The segment serves a global market of packaging and display manufacturers via an expanding network of distributors, with sales directed mainly to Europe and the USA.

**Strategic Development:** The Strategic Development segment functions as the group's internal incubator, housing knowledge-based verticals such as retail, logistics, transportation, and healthcare that have not yet reached standalone maturity. Beyond business development, this segment also consolidates non-allocable group costs related to the strategic development of the Group. Consequently, while it is a vital engine for long-term innovation and the source of future growth pillars, the segment's bottom line is typically negative.

Since 2025, Sirma also breaks down its recurring revenue in its reports. Recurring revenues amounted to EUR 25.3m, accounting for 38% of total revenues.



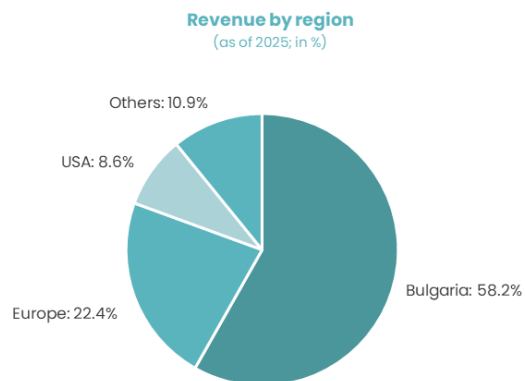
Source: Company, Montega

**IT Systems Development and Management:** Under this long-term model, the company takes full accountability for managing and optimising IT systems to improve security and operational reliability. Given the profound understanding of the client's internal requirements, these engagements are typically enduring and provide stable, predictable financial forecasts over the reporting periods.

**Long-Term Contract Services:** These engagements are based on agreements that renew automatically unless notice is given. They primarily concern the development of key software systems where displacing the incumbent supplier is rare and practiced only as a last resort. Consequently, this model provides high levels of stability and foresight for reporting periods.

**Support and Service:** This encompasses activities related to sustaining seamless software and hardware function, achieved through prompt problem resolution, scheduled updates, and ongoing operational assistance. Such services are usually governed by long-term or perpetual contracts that establish significant, reciprocal obligations.

**Subscriptions and Licenses:** Subscriptions involve periodic fees (e.g., monthly or yearly) in exchange for service access. Despite the flexibility to cancel, the model demonstrates high stability, as fewer than 10% of customers terminate their agreements annually.



Source: Company, Montega

Sirma generates a relatively high share of revenues domestically, mainly from IT equipment sales, as international deliveries are often invoiced to the customer's Bulgarian entity responsible for payment. Its remaining service business is largely international, with Bulgarian revenues contributing just 38.6%.

## Management

With Georgi Marinov and Tsvetan Alexiev, two of Sirma’s founders continue to lead the company. Owing to their long-standing operational involvement, they bring deep institutional expertise and strategic continuity, while their positions as the company’s largest shareholders ensure strong alignment with minority investors.



**Georgi Marinov** has been the Chairman of the Board of Directors of Sirma Group Holding since the company’s founding and has shaped the strategic development of the company for more than three decades. The trained computer scientist and economist graduated in 1991 from the Technical University of Sofia with both a Master’s in Computer Science and in International Business.

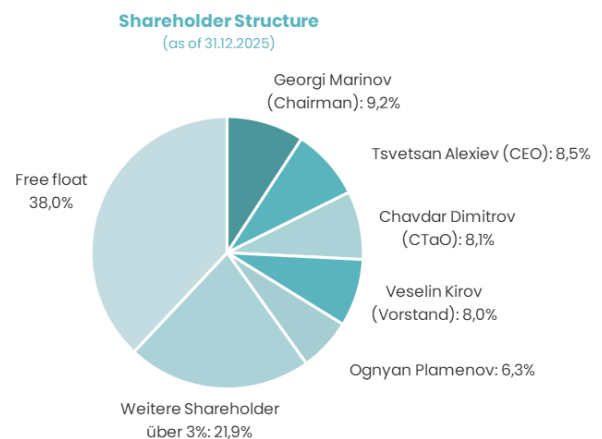


Since 2000, Co-founder **Tsvetan Alexiev** has been at the helm of Sirma Group Holding as CEO. Within the group, he was also the CEO of the subsidiary Sirma Solutions (2002–2024) and Chairman of the Board of Sirma Business Consulting (2007–2024). After studying computer science at the Technical University of Sofia, Alexiev started working for Sirma in 1992 as a software developer. His focus is on the development of products and services for several core areas, particularly finance, healthcare, transportation and logistics, hospitality, and industrial measurement and packaging technology.



**Yordan Nedev** has been the CFO of Sirma Group Holding since 2022 and has been a member of the Board of Directors since 2014. Previously, he held various leadership positions, including as Managing Director of Bianor as well as the state-owned Bulgarian railway holding. Additionally, he led MMD Partners as a managing partner and was at the helm of companies such as MMD Scale, CEE Securities, and Investor.bg. He began his career as a consultant at Roland Berger Strategy Consultants, where he participated in privatization projects in the electronics industry.

## Shareholder Structure



Source: Company, Montega

## DCF Model

Figures in EUR m

	2026e	2027e	2028e	2029e	2030e	2031e	2032e	Terminal Value
<b>Sales</b>	<b>71.2</b>	<b>77.6</b>	<b>84.6</b>	<b>92.1</b>	<b>100.4</b>	<b>109.2</b>	<b>117.9</b>	<b>120.2</b>
Change yoy	7.1%	9.0%	9.0%	8.9%	8.9%	8.8%	7.9%	2.0%
<b>EBIT</b>	<b>2.8</b>	<b>3.5</b>	<b>4.8</b>	<b>6.2</b>	<b>6.8</b>	<b>8.4</b>	<b>10.6</b>	<b>12.0</b>
EBIT margin	4.0%	4.6%	5.7%	6.8%	6.8%	7.7%	9.0%	10.0%
<b>NOPAT</b>	<b>2.5</b>	<b>3.2</b>	<b>4.3</b>	<b>5.6</b>	<b>6.1</b>	<b>7.5</b>	<b>9.5</b>	<b>10.8</b>
<b>Depreciation</b>	<b>2.5</b>	<b>2.5</b>	<b>2.6</b>	<b>2.6</b>	<b>2.8</b>	<b>2.9</b>	<b>2.8</b>	<b>2.9</b>
in % of Sales	3.6%	3.3%	3.0%	2.8%	2.8%	2.7%	2.4%	2.4%
<b>Change in Liquidity from</b>								
- Working Capital	-1.5	-0.6	-0.5	-0.7	-0.7	-0.8	-0.8	-0.2
- Capex	-2.1	-2.3	-2.5	-2.8	-2.8	-3.0	-2.9	-2.9
Capex in % of Sales	3.0%	3.0%	3.0%	3.0%	2.8%	2.8%	2.5%	2.4%
<b>Other</b>								
<b>Free Cash Flow (WACC model)</b>	<b>1.5</b>	<b>2.8</b>	<b>3.9</b>	<b>4.8</b>	<b>5.5</b>	<b>6.7</b>	<b>8.7</b>	<b>10.6</b>
WACC	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%	9.9%
Present value	1.4	2.4	3.0	3.4	3.5	3.9	4.7	65.4
<b>Total present value</b>	<b>1.4</b>	<b>3.8</b>	<b>6.8</b>	<b>10.3</b>	<b>13.8</b>	<b>17.7</b>	<b>22.4</b>	<b>87.8</b>

## Valuation

Total present value (Tpv)	87.8
Terminal Value	65.4
Share of TV on Tpv	74%
Liabilities	7.2
Liquidity	6.8
<b>Equity value</b>	<b>87.4</b>

Number of shares (m)	57.8
<b>Value per share (EUR)</b>	<b>1.51</b>
<b>+Upside / -Downside</b>	<b>87%</b>
<b>Share price (EUR)</b>	<b>0.81</b>

## Model parameter

Debt ratio	30.0%
Costs of Debt	5.0%
Market return	9.0%
Risk free rate	2.5%

Beta	1.5
WACC	9.9%
Terminal Growth	2.0%

## Growth: sales and margin

Short term sales growth	2026-2029	9.0%
Mid term sales growth	2026-2032	8.8%
Long term sales growth	from 2033	2.0%
Short term EBIT margin	2026-2029	5.2%
Mid term EBIT margin	2026-2032	6.3%
Long term EBIT margin	from 2033	10.0%

## Sensitivity Value per Share (EUR)

WACC	Terminal Growth				
	1.25%	1.75%	2.00%	2.25%	2.75%
10.43%	1.32	1.37	1.40	1.43	1.50
10.18%	1.36	1.42	1.46	1.49	1.56
<b>9.93%</b>	1.41	1.48	<b>1.51</b>	1.55	1.63
9.68%	1.47	1.54	1.57	1.61	1.70
9.43%	1.52	1.60	1.64	1.68	1.78

## Sensitivity Value per Share (EUR)

WACC	EBIT-margin from 2033e				
	9.50%	9.75%	10.00%	10.25%	10.50%
10.43%	1.35	1.38	1.40	1.43	1.45
10.18%	1.40	1.43	1.46	1.48	1.51
<b>9.93%</b>	1.45	1.48	<b>1.51</b>	1.54	1.57
9.68%	1.51	1.54	1.57	1.60	1.63
9.43%	1.57	1.61	1.64	1.67	1.70

Source: Montega

P&L (in EUR m) Sirma Group Holding JSC	2023	2024	2025	2026e	2027e	2028e
<b>Sales</b>	<b>41.2</b>	<b>50.6</b>	<b>66.5</b>	<b>71.2</b>	<b>77.6</b>	<b>84.6</b>
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total sales</b>	<b>41.2</b>	<b>50.6</b>	<b>66.5</b>	<b>71.2</b>	<b>77.6</b>	<b>84.6</b>
Material Expenses	18.9	24.7	32.4	31.6	33.6	35.8
<b>Gross profit</b>	<b>22.2</b>	<b>25.9</b>	<b>34.1</b>	<b>39.6</b>	<b>44.0</b>	<b>48.8</b>
Personnel expenses	19.9	22.5	27.1	32.1	36.0	39.3
Other operating income	1.1	1.0	1.6	2.5	2.3	2.5
Other operating expenses	0.4	0.6	0.4	0.4	0.4	0.4
<b>EBITDA</b>	<b>1.6</b>	<b>2.9</b>	<b>5.8</b>	<b>5.4</b>	<b>6.1</b>	<b>7.4</b>
Depreciation of fixed assets	0.7	0.8	0.9	1.2	1.1	1.1
<b>EBITA</b>	<b>0.9</b>	<b>2.1</b>	<b>4.9</b>	<b>4.2</b>	<b>4.9</b>	<b>6.3</b>
Amortisation of intangible fixed assets	1.2	1.3	1.5	1.4	1.4	1.4
Impairment charges and amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBIT</b>	<b>-0.3</b>	<b>0.8</b>	<b>3.4</b>	<b>2.8</b>	<b>3.5</b>	<b>4.8</b>
Financial result	-0.4	0.0	-1.0	-0.2	-0.2	-0.2
<b>Recurring pretax income from cont. operations</b>	<b>-0.7</b>	<b>0.8</b>	<b>2.4</b>	<b>2.6</b>	<b>3.4</b>	<b>4.7</b>
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
<b>EBT</b>	<b>-0.7</b>	<b>0.8</b>	<b>2.4</b>	<b>2.6</b>	<b>3.4</b>	<b>4.7</b>
Taxes total	0.0	0.2	0.3	0.3	0.3	0.5
<b>Net income from continuing operations</b>	<b>-0.7</b>	<b>0.6</b>	<b>2.1</b>	<b>2.4</b>	<b>3.0</b>	<b>4.2</b>
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net income before minorities</b>	<b>-0.7</b>	<b>0.6</b>	<b>2.1</b>	<b>2.4</b>	<b>3.0</b>	<b>4.2</b>
Minority interest	0.2	0.3	0.7	0.7	0.8	0.8
<b>Net income</b>	<b>-0.9</b>	<b>0.3</b>	<b>1.4</b>	<b>1.7</b>	<b>2.3</b>	<b>3.4</b>

Source: Company (reported results), Montega (forecast)

P&L (in % of Sales) Sirma Group Holding JSC	2023	2024	2025	2026e	2027e	2028e
<b>Sales</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Increase / decrease in inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Own work capitalised	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Total sales</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Material Expenses	46.0%	48.8%	48.7%	44.4%	43.3%	42.3%
<b>Gross profit</b>	<b>54.0%</b>	<b>51.2%</b>	<b>51.3%</b>	<b>55.6%</b>	<b>56.7%</b>	<b>57.7%</b>
Personnel expenses	48.4%	44.5%	40.8%	45.1%	46.4%	46.5%
Other operating income	2.6%	2.0%	2.4%	3.5%	3.0%	3.0%
Other operating expenses	1.0%	1.1%	0.6%	0.5%	0.5%	0.5%
<b>EBITDA</b>	<b>4.0%</b>	<b>5.8%</b>	<b>8.7%</b>	<b>7.5%</b>	<b>7.8%</b>	<b>8.7%</b>
Depreciation of fixed assets	1.8%	1.6%	1.4%	1.7%	1.5%	1.3%
<b>EBITA</b>	<b>2.2%</b>	<b>4.2%</b>	<b>7.3%</b>	<b>5.9%</b>	<b>6.3%</b>	<b>7.4%</b>
Amortisation of intangible fixed assets	2.9%	2.7%	2.2%	1.9%	1.8%	1.7%
Impairment charges and amortisation of goodwill	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>EBIT</b>	<b>-0.7%</b>	<b>1.5%</b>	<b>5.1%</b>	<b>4.0%</b>	<b>4.6%</b>	<b>5.7%</b>
Financial result	-1.1%	0.0%	-1.4%	-0.3%	-0.2%	-0.2%
<b>Recurring pretax income from cont. operations</b>	<b>-1.8%</b>	<b>1.5%</b>	<b>3.6%</b>	<b>3.7%</b>	<b>4.3%</b>	<b>5.5%</b>
Extraordinary income/loss	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>EBT</b>	<b>-1.8%</b>	<b>1.5%</b>	<b>3.6%</b>	<b>3.7%</b>	<b>4.3%</b>	<b>5.5%</b>
Taxes total	0.0%	0.4%	0.5%	0.4%	0.4%	0.6%
<b>Net income from continuing operations</b>	<b>-1.8%</b>	<b>1.1%</b>	<b>3.2%</b>	<b>3.3%</b>	<b>3.9%</b>	<b>5.0%</b>
Income from discontinued operations (net of tax)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Net income before minorities</b>	<b>-1.8%</b>	<b>1.1%</b>	<b>3.2%</b>	<b>3.3%</b>	<b>3.9%</b>	<b>5.0%</b>
Minority interest	0.5%	0.6%	1.1%	1.0%	1.0%	1.0%
<b>Net income</b>	<b>-2.3%</b>	<b>0.5%</b>	<b>2.1%</b>	<b>2.3%</b>	<b>2.9%</b>	<b>4.0%</b>

Source: Company (reported results), Montega (forecast)

Balance sheet (in EUR m) Sirma Group Holding JSC	2023	2024	2025	2026e	2027e	2028e
<b>ASSETS</b>						
Intangible assets	23.8	31.3	31.7	31.9	32.2	32.7
Property, plant & equipment	5.2	7.4	7.9	7.6	7.5	7.5
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0
<b>Fixed assets</b>	<b>29.1</b>	<b>38.7</b>	<b>39.6</b>	<b>39.5</b>	<b>39.7</b>	<b>40.1</b>
Inventories	1.1	0.9	1.8	1.2	1.3	1.4
Accounts receivable	8.0	11.8	11.5	13.9	15.2	16.5
Liquid assets	7.5	7.8	6.8	7.2	8.6	10.8
Other assets	3.2	1.5	2.4	2.4	2.4	2.4
<b>Current assets</b>	<b>19.8</b>	<b>21.9</b>	<b>22.4</b>	<b>24.7</b>	<b>27.5</b>	<b>31.1</b>
<b>Total assets</b>	<b>48.8</b>	<b>60.6</b>	<b>62.0</b>	<b>64.2</b>	<b>67.2</b>	<b>71.2</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
<b>Shareholders' equity</b>	<b>38.6</b>	<b>41.3</b>	<b>42.0</b>	<b>43.1</b>	<b>44.5</b>	<b>46.7</b>
<b>Minority Interest</b>	<b>2.1</b>	<b>2.0</b>	<b>1.5</b>	<b>2.2</b>	<b>3.0</b>	<b>3.8</b>
Provisions	0.4	0.4	0.5	0.5	0.6	0.6
Financial liabilities	1.3	3.8	5.3	5.3	5.4	5.4
Accounts payable	2.4	7.8	6.1	5.9	6.4	7.0
Other liabilities	4.1	5.3	6.6	7.2	7.4	7.7
<b>Liabilities</b>	<b>8.1</b>	<b>17.4</b>	<b>18.5</b>	<b>18.9</b>	<b>19.7</b>	<b>20.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>48.8</b>	<b>60.6</b>	<b>62.0</b>	<b>64.2</b>	<b>67.2</b>	<b>71.2</b>

Source: Company (reported results), Montega (forecast)

Balance sheet (in %) Sirma Group Holding JSC	2023	2024	2025	2026e	2027e	2028e
<b>ASSETS</b>						
Intangible assets	48.9%	51.7%	51.1%	49.7%	47.9%	45.9%
Property, plant & equipment	10.7%	12.2%	12.7%	11.9%	11.2%	10.5%
Financial assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Fixed assets</b>	<b>59.5%</b>	<b>63.9%</b>	<b>63.8%</b>	<b>61.6%</b>	<b>59.1%</b>	<b>56.3%</b>
Inventories	2.2%	1.4%	2.9%	1.9%	1.9%	2.0%
Accounts receivable	16.3%	19.4%	18.5%	21.7%	22.6%	23.2%
Liquid assets	15.4%	12.8%	11.0%	11.2%	12.8%	15.2%
Other assets	6.6%	2.4%	3.8%	3.7%	3.5%	3.3%
<b>Current assets</b>	<b>40.5%</b>	<b>36.1%</b>	<b>36.2%</b>	<b>38.4%</b>	<b>40.9%</b>	<b>43.6%</b>
<b>Total Assets</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
<b>Shareholders' equity</b>	<b>79.1%</b>	<b>68.1%</b>	<b>67.8%</b>	<b>67.1%</b>	<b>66.2%</b>	<b>65.6%</b>
<b>Minority Interest</b>	<b>4.3%</b>	<b>3.2%</b>	<b>2.4%</b>	<b>3.4%</b>	<b>4.4%</b>	<b>5.4%</b>
Provisions	0.8%	0.7%	0.8%	0.8%	0.9%	0.8%
Financial liabilities	2.6%	6.2%	8.5%	8.3%	8.0%	7.6%
Accounts payable	4.9%	12.9%	9.9%	9.1%	9.5%	9.8%
Other liabilities	8.4%	8.8%	10.6%	11.1%	11.0%	10.8%
<b>Total Liabilities</b>	<b>16.7%</b>	<b>28.6%</b>	<b>29.8%</b>	<b>29.4%</b>	<b>29.4%</b>	<b>29.0%</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

Source: Company (reported results), Montega (forecast)

Statement of cash flows (in EUR m) Sirma Group Holding JSC	2023	2024	2025	2026e	2027e	2028e
Net income	-0.7	0.6	2.1	2.4	3.0	4.2
Depreciation of fixed assets	0.7	0.8	0.9	1.2	1.1	1.1
Amortisation of intangible assets	1.2	1.3	1.5	1.4	1.4	1.4
Increase/decrease in long-term provisions	0.1	0.1	0.1	0.1	0.0	0.0
Other non-cash related payments	3.3	-1.9	0.8	0.0	0.0	0.0
<b>Cash flow</b>	<b>4.6</b>	<b>0.9</b>	<b>5.3</b>	<b>5.0</b>	<b>5.6</b>	<b>6.8</b>
Increase / decrease in working capital	-3.1	2.5	-1.1	-1.5	-0.6	-0.5
<b>Cash flow from operating activities</b>	<b>1.4</b>	<b>3.3</b>	<b>4.2</b>	<b>3.4</b>	<b>5.0</b>	<b>6.3</b>
CAPEX	-2.0	-1.6	-2.5	-2.1	-2.3	-2.5
Other	6.6	-3.3	-1.8	0.0	0.0	0.0
<b>Cash flow from investing activities</b>	<b>4.6</b>	<b>-5.0</b>	<b>-4.3</b>	<b>-2.1</b>	<b>-2.3</b>	<b>-2.5</b>
Dividends paid	-1.5	-0.6	-0.6	-0.6	-0.9	-1.2
Change in financial liabilities	-6.7	2.6	0.9	-0.3	-0.4	-0.4
Other	-1.0	-0.2	-0.9	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>-9.2</b>	<b>1.9</b>	<b>-0.6</b>	<b>-0.9</b>	<b>-1.2</b>	<b>-1.5</b>
Effects of exchange rate changes on cash	0.0	0.0	-0.2	0.0	0.0	0.0
<b>Change in liquid funds</b>	<b>-3.2</b>	<b>0.3</b>	<b>-0.8</b>	<b>0.4</b>	<b>1.4</b>	<b>2.2</b>
<b>Liquid assets at end of period</b>	<b>-3.2</b>	<b>0.3</b>	<b>6.8</b>	<b>7.2</b>	<b>8.6</b>	<b>10.8</b>

Source: Company (reported results), Montega (forecast)

Key figures Sirma Group Holding JSC	2023	2024	2025	2026e	2027e	2028e
<b>Earnings margins</b>						
Gross margin (%)	54.0%	51.2%	51.3%	55.6%	56.7%	57.7%
EBITDA margin (%)	4.0%	5.8%	8.7%	7.5%	7.8%	8.7%
EBIT margin (%)	-0.7%	1.5%	5.1%	4.0%	4.6%	5.7%
EBT margin (%)	-1.8%	1.5%	3.6%	3.7%	4.3%	5.5%
Net income margin (%)	-1.8%	1.1%	3.2%	3.3%	3.9%	5.0%
<b>Return on capital</b>						
ROCE (%)	-0.8%	2.1%	8.2%	6.5%	8.0%	10.7%
ROE (%)	-2.0%	0.6%	3.2%	3.8%	5.0%	7.1%
ROA (%)	-1.9%	0.4%	2.2%	2.6%	3.4%	4.7%
<b>Solvency</b>						
YE net debt (in EUR)	-6.0	-3.6	-1.1	-1.4	-2.7	-4.9
Net debt / EBITDA	-3.6	-1.2	-0.2	-0.3	-0.5	-0.7
Net gearing (Net debt/equity)	-0.1	-0.1	0.0	0.0	-0.1	-0.1
<b>Cash Flow</b>						
Free cash flow (EUR m)	-0.6	1.7	1.7	1.3	2.7	3.7
Capex / sales (%)	8.7%	0.3%	3.5%	3.0%	3.0%	3.0%
Working capital / sales (%)	10.7%	9.7%	6.6%	8.0%	8.7%	8.7%
<b>Valuation</b>						
EV/Sales	1.2	0.9	0.7	0.7	0.6	0.6
EV/EBITDA	29.1	16.4	8.3	8.9	7.9	6.5
EV/EBIT	-	62.6	14.2	17.0	13.5	9.9
EV/FCF	-	27.6	28.4	36.6	18.1	12.9
PE	-	178.0	40.5	27.0	20.3	13.5
P/B	1.2	1.1	1.1	1.1	1.1	1.0
Dividend yield	1.2%	1.3%	1.2%	1.9%	2.5%	3.7%

Source: Company (reported results), Montega (forecast)

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**Historical multiples valuation (where applicable):** A valuation method in which enterprise value is determined based on historical valuation multiples (e.g. EV/EBITDA, P/E ratio) of the company in relation to current or forecast financial metrics.

**Sum-of-the-parts model (where applicable):** A valuation approach deriving enterprise value from the aggregate value of individual assets. Equity value is determined by deducting net debt.

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Company	Disclosure (as of 04.06.2026)
SIRMA GROUP HOLDING	1, 5, 8, 9, 12

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**Price history**

<b>Recommendation</b>	<b>Date</b>	<b>Price (EUR)</b>	<b>Price target (EUR)</b>	<b>Potential</b>
Buy (Initiation)	23.02.2026	1.30	1.50	+15%
Buy	04.06.2026	0.81	1.50	+85%