

PROSPECTUS

for admission to trading on the Regulated Market of the Frankfurt Stock Exchange with simultaneous admission to the sub-segment of the regulated market with additional obligations after admission (Prime Standard) of the Frankfurt Stock Exchange, as well as on the Xetra market organized by the Frankfurt Stock Exchange and admission to the EuroBridge Market segment of the Bulgarian Stock Exchange

<i>Admission to trading of 59,360,518 (fifty-nine million three hundred and sixty thousand five hundred and eighteen) ordinary registered shares</i>
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of SIRMA GROUP HOLDING AD

(established as joint stock company according to the laws on Republic Bulgaria, with address of management: city Sofia, Blvd. "Tsarigradsko Shose" No. 135, entered in the Commercial Register of the Republic of Bulgaria with UIC 200101236, LEI: 8945007AD80FTJTEGH37)

International Securities Identification Number (ISIN): BG1100032140

German Securities Identification Number (Wertpapierkennnummer) (WKN): A142WT

Ticker Symbols: SGH (Bulgarian Stock Exchange) and (Frankfurt Stock Exchange)

**Admissions Agent:
Wolfgang Steubing AG**

Date: 03.09.2025

This document constitutes a prospectus for admission to trading on the Regulated Market of the Frankfurt Stock Exchange with simultaneous admission to the Prime Standard sub-segment of the regulated market of the Frankfurt Stock Exchange (the “**Admission**”), as well as on the Xetra market organized by the Frankfurt Stock Exchange and admission to the EuroBridge Market segment of the Bulgarian Stock Exchange for 59,360,518 ordinary shares, issued from **Sirma Group Holding AD** (“**Shares**”, respectively “Sirma Group Holding”, “**The Company**” or the “**Issuer**”), each with a nominal value of value from 1 lev (0.51 euro). The admission performs on basis on prospectus under the form on unified document, as is indicated in Art. 24, paragraph 1 of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004, which prospectus has been approved by the Financial Supervision Commission of the Republic of Bulgaria.

Investing in the securities presented in this Prospectus is associated with a high risk, typical of equity financial instruments, as well as a risk related to the Company's business. Risks to consider when making decisions decision to invest in the Shares are described in the "Risk Factors" section of this Prospectus.

FSC HAS APPROVED THIS PROSPECTUS WITH DECISION No.636 – E OF OCTOBER 16. 2025, WHICH IS NOT A RECOMMENDATION TO INVEST IN THE SHARES. FSC IS NOT RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION CONTAINED IN THE PROSPECTUS.

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SUMMARY OF THE PROSPECTUS

Section A – Introduction containing warnings																	
A.1.	This prospectus (the “Prospectus”) relates to the admission to the regulated market (<i>regulated market</i>) of the Frankfurt Stock Exchange with simultaneous admission to its sub-segment 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 59,360,518 ordinary shares, representing the entire share capital of the Company (as defined below) (the “Shares”), each such share having an International Securities Identification Number (“ISIN”) BG1100032140, Legal Entity Identifier (“LEI”) 8945007AD80FTJTEGH37, with an office address in the city of Sofia, Blvd. “Tsarigradsko Shose” No. 135, Republic of Bulgaria (telephone: +359 (2) 976 8310) (“Sirma Group Holding”, the “Company” or the “Issuer”, and together with its direct and indirect subsidiaries, the “Sirma Group Holding Group” or the “Group”). The Company and Wolfgang Steubing AG, Germany, LEI: 39120043LUI1WJS8IX30 (telephone: +49 (69297160) (the “Admission Agent”) will apply for the Shares to be admitted to trading on the regulated market of the Frankfurt Stock Exchange <i>and</i> simultaneously to its sub-segment with additional obligations after admission (Prime Standard) (trading in EUR). On October 16, 2025, the Bulgarian Financial Supervision Commission (“FSC”), 1000 Sofia, ul. “Budapest” No. 16, Republic of Bulgaria (telephone: +359 (0)800 40 444; website: https://www.fsc.bg/), has approved this Prospectus as the competent authority pursuant to Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC, as amended (the “Prospectus Regulation”). <i>This summary should be considered as an introduction to this Prospectus. It contains information that can also be found in other sections of the Prospectus. It should be emphasized that this summary is not exhaustive and does not present all information essential for potential investors to decide whether to invest in the Shares. Before making an investment decision, potential investors should carefully review the entire Prospectus. Investors who invest in the Company's Shares could lose all or part of their invested capital. In the event that an investor files a claim regarding the information contained in this Prospectus, the plaintiff investor may be required to bear the costs of translating the Prospectus prior to the commencement of legal proceedings. The persons who prepared the Summary, including its translation, shall be liable in civil cases if it is misleading, inaccurate, inconsistent, when read together with the other parts of the Prospectus or when — read together with the other parts of the Prospectus — it does not provide material information to help investors decide whether to invest in these securities.</i>																
Section B – Who is the issuer of the securities?																	
B.1. B.2.	Company and trade name, registered office and legal form of the issuer. The law under which the issuer operates and the country of registration <table> <tr> <td>Name and legal form:</td><td>Sirma Group Holding AD</td></tr> <tr> <td>Headquarters and address on management:</td><td>city Sofia, Blvd. "Tsarigradsko Shose" No. 135</td></tr> <tr> <td>Phone:</td><td>+359 (2) 976 8310</td></tr> <tr> <td>Fax:</td><td>+359 (2) 974 3988</td></tr> <tr> <td>Website:</td><td>http://www.sirma.com</td></tr> <tr> <td>Email:</td><td>office@sirma.com</td></tr> <tr> <td>UIC:</td><td>200101236</td></tr> <tr> <td>LEI code:</td><td>8945007AD80FTJTEGH37</td></tr> </table> The company has a legal form - a joint-stock company and was registered in 2008 in the Commercial Register, aquatic from the Agency by entries in the Republic of Bulgaria. Existence his is not limited by a term as provided for in the Statute. The Company is public and operates in accordance with Bulgarian legislation, pursuant to the Public Offering of Securities Act (“POSA”), the Commercial Act (“CA”), the relevant by-laws, and in accordance with the provisions on The Statute and others internal acts, as and in compliance with the applicable European legislation. The company is a holding company.	Name and legal form:	Sirma Group Holding AD	Headquarters and address on management:	city Sofia, Blvd. "Tsarigradsko Shose" No. 135	Phone:	+359 (2) 976 8310	Fax:	+359 (2) 974 3988	Website:	http://www.sirma.com	Email:	office@sirma.com	UIC:	200101236	LEI code:	8945007AD80FTJTEGH37
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B. 3.	Main activities The companies from the economic group of Sirma Group Holding AD form one of the largest ICT holding companies in Bulgaria with over 30 years of history. The company develops mainly in the information technology sector. In 2015 The issuer is listed for trading on the Bulgarian Stock Exchange after the successful public offering of shares. Established as a regional leader in the area on information technologies, the company has a set of its own																

	IT services, innovative technologies, a diverse product portfolio and growing market share in Europe and North America. The company has 694 employees in its companies, offices in 8 countries and sales in 170 countries. Sirma's six main verticals of specialization are: Financial vertical – Services for the banking sector in system integration and implementation of various solutions based on Oracle Corporation's "FlexCube" and Temenos' "T24 Core Banking" – Cloud-based platform provider for financial institutions – Software services and solutions for financial institutions Insurance vertical – Cloud-based platform provider for insurance brokers – Software services and solutions for insurance companies Industrial vertical – Supplier of CAD/CAM solutions for the packaging industry – Supplier of products and solutions for the measurement industry – OEM partner, factory software for machines for the measuring industry – Online platform for connecting users and manufacturers in the packaging industry, based on the proprietary product EngView Package Designer Suite Healthcare and Life Sciences Vertical – Software applications for the management and control of chronic diseases – Chronic disease monitoring product – diabetes (Diabetes M) – Analysis of clinical drug research reports and data integration for pharmaceutical companies and health insurers Hospitality vertical – Custom software development – System integration Vertical logistics and transport – Custom software development – System integration The Group's main services are: ✓ Knowledge Management and Artificial Intelligence ✓ Business, IT consulting and system integration ✓ Cybersecurity for applications ✓ Cloud services and infrastructure ✓ Next-Gen Cloud Applications ✓ DevOps																																																
B. 4.	The major shareholders of the Issuer, including whether it is directly or indirectly owned or controlled, and by whom The main shareholders, i.e. the persons who directly or indirectly own 3% or more of the share capital and voting rights of the Company, are: <table><tr><th>Shareholders</th><th>Number shares to 30.06.2025</th><th>% in capital</th><th>% of voting rights *</th></tr><tr><td>Georgi Parvanov Marinov</td><td>5 461 898</td><td>9.20%</td><td>9.43%</td></tr><tr><td>Tsvetan Borisov Alexiev</td><td>5 025 153</td><td>8.47%</td><td>8.67%</td></tr><tr><td>Chavdar Velizarov Dimitrov</td><td>4 817 386</td><td>8.12%</td><td>8.31%</td></tr><tr><td>Vesselin Anchev Kirov</td><td>4 767 386</td><td>8.03%</td><td>8.23%</td></tr><tr><td>Ognyan Plamenov Chernokozev</td><td>3 741 620</td><td>6.30%</td><td>6.46%</td></tr><tr><td>Krasimir Nevelinov Bozhkov</td><td>2 534 161</td><td>4.27%</td><td>4.37%</td></tr><tr><td>Vladimir Ivanov Alexiev</td><td>2 177 583</td><td>3.67%</td><td>3.76%</td></tr><tr><td>Rosen Vassilev Varbanov</td><td>2 156 687</td><td>3.63%</td><td>3.72%</td></tr><tr><td>Rosen Ivanov Marinov</td><td>2 307 900</td><td>3.89%</td><td>3.98%</td></tr><tr><td>Emiliana Ilieva Ilieva</td><td>1 996 209</td><td>3.36%</td><td>3.45%</td></tr><tr><td>Deyan Nikolov Nenov</td><td>1 814 748</td><td>3.06%</td><td>3.15%</td></tr></table> <i>*Percentage of voting rights represents the participation in the capital of the Company, net of repurchased treasury shares.</i> As of the date of the Prospectus, the members of the Board of Directors who directly or indirectly own shares	Shareholders	Number shares to 30.06.2025	% in capital	% of voting rights *	Georgi Parvanov Marinov	5 461 898	9.20%	9.43%	Tsvetan Borisov Alexiev	5 025 153	8.47%	8.67%	Chavdar Velizarov Dimitrov	4 817 386	8.12%	8.31%	Vesselin Anchev Kirov	4 767 386	8.03%	8.23%	Ognyan Plamenov Chernokozev	3 741 620	6.30%	6.46%	Krasimir Nevelinov Bozhkov	2 534 161	4.27%	4.37%	Vladimir Ivanov Alexiev	2 177 583	3.67%	3.76%	Rosen Vassilev Varbanov	2 156 687	3.63%	3.72%	Rosen Ivanov Marinov	2 307 900	3.89%	3.98%	Emiliana Ilieva Ilieva	1 996 209	3.36%	3.45%	Deyan Nikolov Nenov	1 814 748	3.06%	3.15%
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	and voting rights of the Company are:					
	Shareholders	Number of shares	% of Capital	% of voting rights*		
	Georgi Parvanov Marinov	5 461 898	9.20%	9.43%		
	Tsvetan Borisov Alexiev	5 025 153	8.47%	8.67%		
	Chavdar Velizarov Dimitrov	4 817 386	8.12%	8.31%		
	Vesselin Anchev Kirov	4 767 386	8.03%	8.23%		
	Atanas Kostadinov Kiryakov	1,555,287	2.62%	2.70%		
	Yavor Lyudmilov Djonev	1,068,046	1.80%	1.85%		
	Martin Veselinov Paev	126 920	0.21%	0.22%		
	Yordan Stoyanov Nedev	3,433	0.01%	0.01%		
	Peyo Vassilev Popov	100	0.00%	0.00%		
	*Percentage of voting rights represents the participation in the capital of the Company, net of repurchased treasury shares.					
	There are no other persons who directly or indirectly own 3% or more of the share capital and voting rights in the Company.					
	None of the above-mentioned shareholders holds different voting rights in the General Meeting of the Issuer.					
	The issuer is not owned/controlled directly or indirectly.					
	The identification data of the members of the Board of Directors of the Issuer					
	Chavdar Velizarov Dimitrov, Country: BULGARIA					
	Tsvetan Borisov Alexiev, Country: BULGARIA					
	Atanas Kostadinov Kiryakov, Country: BULGARIA					
	Georgi Parvanov Marinov, Country: BULGARIA					
	Yordan Stoyanov Nedev, Country: BULGARIA					
	Martin Veselinov Paev, Country: BULGARIA					
	Yavor Lyudmilov Djonev, Country: BULGARIA					
	Vesselin Anchev Kirov, Country: BULGARIA					
	Peyo Vassilev Popov, Country: BULGARIA					
	Identification data of the Issuer's statutory auditors					
	Grant Thornton OOD, Sofia 1421, sq. "Lozenets", Blvd. "Cherni Vrah" 26, Republic of Bulgaria, registered under number 032 in the public register of audit firms at the Institute of Certified Public Accountants in Bulgaria.					
B. 5.	What is the basic financial information about the Issuer?					
	The financial information contained in the following tables is taken or extracted from: The unaudited interim consolidated financial statements of the issuer as of 30.06.2025, 31.03.2025 and 30.06.2024, the audited consolidated financial statements of the Company as of and for the financial year ended 31 December 2024, 2023 and 2022, prepared in accordance with International Financial Reporting Standards. The Company's accounting records or internal reporting systems. When the tables indicate that information is “audited”, this means that it is taken from the consolidated financial statements. The designation “unaudited” is used for information that is not taken from these reports, but from interim consolidated reports.					
	Key financial information from consolidated income statements					
	in thousand euros	30.6.2025	30.6.2024	2024	2023	2022
	Revenue from customer sales	29 291	23 046	50 580	41 173	40 147
	Operating profit	1 016	133	765	-293	942
	Net financial costs	-426	-29	-8	-443	-6,671
	Profit before taxes	590	104	757	-736	-5729
	Net profit after taxes	516	104	570	-748	-5,533
	Minority participation	299	32	308	196	360
	Total net profit	217	73	261	-943	-5,894
	Net profit margin before minority interest	1.75%	0.45%	1.11%	-1.80%	-13.51%
	Basic financial information from consolidated balance sheets					
	in thousand euros	30.6.2025	2024	2023	2022	

	<table><tr><td>Non-current assets</td><td>39 795</td><td>39 147</td><td>29 953</td><td>39 260</td></tr><tr><td>Current assets</td><td>18 015</td><td>21 453</td><td>18 885</td><td>23 290</td></tr><tr><td>Total assets</td><td>57 811</td><td>60 600</td><td>48 838</td><td>62 550</td></tr><tr><td>Equity</td><td>40 499</td><td>41 289</td><td>38 603</td><td>43 658</td></tr><tr><td>Non-current liabilities</td><td>4 378</td><td>4 361</td><td>1 272</td><td>4 970</td></tr><tr><td>Current liabilities</td><td>11 002</td><td>12 990</td><td>6 854</td><td>11 369</td></tr><tr><td>Total equity and liabilities</td><td>57 811</td><td>60 600</td><td>48 838</td><td>62 550</td></tr></table> Key financial information from consolidated cash flows <table><tr><td><i>in thousand euros</i></td><td>30.6.2025</td><td>30.6.2024</td><td>2024</td><td>2023</td></tr><tr><td>Cash flows from operating activities</td><td>-1,513</td><td>522</td><td>3 340</td><td>1 432</td></tr><tr><td>Cash flows from investing activities</td><td>-1,494</td><td>-2,415</td><td>-4 96 2</td><td>4 564</td></tr><tr><td>Cash flows from financing activities</td><td>-367</td><td>-502</td><td>1 877</td><td>-9 220</td></tr><tr><td>Net change in cash</td><td>-3,374</td><td>-2,395</td><td>258</td><td>-3,299</td></tr><tr><td>Cash at the end of the period</td><td>4 397</td><td>5 098</td><td>7 771</td><td>7 513</td></tr></table> Alternative performance indicators <table><tr><th>Indicator (in thousand euros)</th><th>30.6.2025</th><th>2024</th><th>2023</th><th>2022</th><th>2024 vs 2023</th></tr><tr><td>EBITDA</td><td>2 105</td><td>2 915</td><td>1 646</td><td>5 195</td><td>77.08%</td></tr><tr><td>D&A</td><td>-1,090</td><td>-2 150</td><td>-1,940</td><td>-4 253</td><td>10.83%</td></tr><tr><td>EBIT</td><td>1 016</td><td>765</td><td>-293</td><td>942</td><td>-360.80%</td></tr><tr><td>FINANCIAL COSTS NET</td><td>-426</td><td>-8</td><td>-443</td><td>-6,671</td><td>-98.15%</td></tr><tr><td>EBT</td><td>590</td><td>757</td><td>-736</td><td>-5,729</td><td>-202.85%</td></tr><tr><td>EBITDA margin</td><td>7.14%</td><td>5.70%</td><td>3.96%</td><td>12.69%</td><td>43.98%</td></tr><tr><td>Debt/EBITDA (Leverage)</td><td>1.94</td><td>1.29</td><td>0.76</td><td>1.46</td><td>69.35%</td></tr><tr><td>Working capital</td><td>7 013</td><td>8 463</td><td>12 030</td><td>11 922</td><td>-29.65%</td></tr><tr><td>ROE</td><td>1.22%</td><td>1.32%</td><td>-1.84%</td><td>-11.97%</td><td>-171.73%</td></tr><tr><td>Debt/Equity</td><td>0.10</td><td>0.09</td><td>0.03</td><td>0.16</td><td>182.29%</td></tr><tr><td>Customer receipts</td><td>29 507</td><td>51 134</td><td>41 576</td><td>40 950</td><td>22.99%</td></tr></table>	Non-current assets	39 795	39 147	29 953	39 260	Current assets	18 015	21 453	18 885	23 290	Total assets	57 811	60 600	48 838	62 550	Equity	40 499	41 289	38 603	43 658	Non-current liabilities	4 378	4 361	1 272	4 970	Current liabilities	11 002	12 990	6 854	11 369	Total equity and liabilities	57 811	60 600	48 838	62 550	<i>in thousand euros</i>	30.6.2025	30.6.2024	2024	2023	Cash flows from operating activities	-1,513	522	3 340	1 432	Cash flows from investing activities	-1,494	-2,415	-4 96 2	4 564	Cash flows from financing activities	-367	-502	1 877	-9 220	Net change in cash	-3,374	-2,395	258	-3,299	Cash at the end of the period	4 397	5 098	7 771	7 513	Indicator (in thousand euros)	30.6.2025	2024	2023	2022	2024 vs 2023	EBITDA	2 105	2 915	1 646	5 195	77.08%	D&A	-1,090	-2 150	-1,940	-4 253	10.83%	EBIT	1 016	765	-293	942	-360.80%	FINANCIAL COSTS NET	-426	-8	-443	-6,671	-98.15%	EBT	590	757	-736	-5,729	-202.85%	EBITDA margin	7.14%	5.70%	3.96%	12.69%	43.98%	Debt/EBITDA (Leverage)	1.94	1.29	0.76	1.46	69.35%	Working capital	7 013	8 463	12 030	11 922	-29.65%	ROE	1.22%	1.32%	-1.84%	-11.97%	-171.73%	Debt/Equity	0.10	0.09	0.03	0.16	182.29%	Customer receipts	29 507	51 134	41 576	40 950	22.99%
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B. 7.	A brief description of any observations in the audit report relating to the historical financial information None qualifications exist in the auditors’ reports.																																																																																																																																									
B. 8.	What are the main risks specific to the issuer? – The company's activities are exposed to the impact of the global economy, macroeconomic trends and the state of the economy in the markets in which it is active. – The company is exposed to political risk related to Bulgaria. – The introduction of trade barriers, in particular import tariffs, may adversely affect the company's ability to produce, market and sell its services. – Competition in some of the markets in which the Company operates is intense and may further intensify in the future. – The Company may not be able to acquire target companies with whose products and teams it could increase its market share. – It is possible that the Company's investment program may lead to high indebtedness. – Clients operate in industries sensitive to changes in the economic environment – cyclical demand. – The Company may not invest sufficient resources in its research and development activities for the development of new products and services. – It may be necessary to recognize an impairment of goodwill in the company's balance sheet. – Sirma's business and future growth depend on the ability to attract and retain qualified executives, key employees and other personnel.																																																																																																																																									

Section C – What are the main characteristics of securities?

C. 1.	Description on type and class on the offered securities Subject to admission to trading are 59,360,518 ordinary, registered, dematerialized shares of the Company's capital. Shares give the same rights to their owners. The shares have ISIN code BG1100032140. German Securities Identification Code (WKN): A142WT , Ticker Symbols: SGH (Bulgarian Stock Exchange and Frankfurt Stock Exchange). Corporate events for the Shares are announced simultaneously in BGN (until 01.01.2026) and in EUR, and payments for them are made in EUR.
C. 2.	Currency of the securities The securities are denominated in Bulgarian leva (BGN) as of the date of the Prospectus. The nominal and the issue price of the offered shares is 1 (one) lev, and from 01.01.2026. – 0.51 (zero point fifty-one) euros. Admission to trading on the EuroBridge Market segment on the Bulgarian Stock Exchange and Prime Standard on the Frankfurt Stock Exchange will be associated with trading of the Issuer's shares in euros. After 01.01.2026 Bulgaria adopts the euro as its main currency and all securities in the country will be denominated in euros and traded in euros.
C. 3.	Number of shares, emitted and entirely paid. Nominal value per share The shareholder capital on Sirma Group Holding AD, according to the last audited annual report, is 59 360 518 BGN/30,350,551 euros. The latter is distributed in 59,360,518 ordinary named shares with nominal value of 1 lev/0.51 euro each. All shares are fully paid in cash and contributed with in-kind contributions of assets. Total face value 59 360 518 BGN/30,350,551 euros.
C. 4.	The rights, materialized in the securities According to the Public Offering of Securities Act (POSA) and the Company's Articles of Association, the property and non-property rights of the holders of shares include in particular: - <u>Right to dispose of shares</u> – free transfer subject to compliance with the legally defined procedure, with the effect of the transfer depending on its registration with the depository institution. - <u>Right to participate in the General Meeting and exercise the right to vote</u> – every person registered in the registers of Central Depository AD as a shareholder 14 days before the date of the General Meeting has the right to one vote per share. - <u>Right of preferential (preferential) acquisition of new shares in the event of increase in the Company's capital</u> - each shareholder has the right to acquire new shares in proportion to the number of existing shares he owns before the increase. - <u>Right to request information about the Company at the General Meeting</u> – shareholders' questions asked at the general meeting regarding the economic and financial condition and commercial activities of the Company are answered, except for circumstances that constitute inside information. - <u>Right to protection against decisions of the Company and protection of shareholders' rights</u>, including the right to request from the district court at the registered office of the Company the annulment of a decision of the general meeting, contrary to mandatory provisions of the law or the articles of association, the right to sue for protection of the right of membership and individual membership rights in the event of their violation by bodies of the Company, the right to request the appointment of registered auditors by the Bulgarian Registry Agency in the absence of such elected ones. - <u>The right to participate in management</u> by resolving issues within the competence of the general meeting of shareholders, including electing and being elected to the management bodies. - <u>Right to participate in the profit (right to dividend)</u> - the right to receive dividends is granted to the persons registered in the registers of the Central Depository as shareholders of the Company on the 14th day after the day of the General Meeting at which the annual financial report, respectively the six-month financial report, was adopted and a decision was made to distribute the profit. - <u>Right to a liquidation share of the assets upon liquidation of the Company</u> – in the event of liquidation of the Company, the assets remaining after the satisfaction or security of the claims of all creditors of the Company are distributed among the shareholders in proportion to their share in the share capital. - <u>Right to receive the invitation and materials related to the agenda of the convened General Meeting before its holding</u> – The Company is obliged to announce the invitation in the Bulgarian Commercial Register and to make it public in accordance with the due procedure, at least 30 days before the opening of the general meeting. The invitation and the materials of the general meeting are published on the Company's website from the time of its announcement in the Commercial Register until the conclusion of the meeting. The issuer discloses regulated information to the public both in Bulgarian and in English through the media of its choice within the deadlines set by the applicable legislation. - <u>Minority shareholders' rights</u> - shareholders who jointly or individually own at least 5% of the shares have:

	✓ The right to bring claims on behalf of the Company against third parties in the event of inaction of its bodies and the right to bring claims against members of its bodies for damages caused to the Company. ✓ Right to request the convening of the General Meeting and the inclusion of questions or draft resolutions on issues already included in the agenda. ✓ The right to request the appointment of auditors of the Company to review all of its financial records and prepare a report on their findings.
C. 5.	The respective ranking of the receivables on the securities in the Issuer's capital structure in the event of insolvency In the event of insolvency of the Issuer, the claims of the shareholders under the securities shall be satisfied in the bankruptcy proceedings only if there are residual assets after the claims of all creditors of the Issuer have been satisfied.
C. 6.	Description of any restrictions on the free transfer of securities All Shares of the Company are of one class – ordinary, dematerialized and freely transferable shares with the right to one vote each. According to the relevant applicable legislation, the Shares are freely transferable. Their transfer takes effect from the moment of its registration with the Central Depository AD. Bulgarian legislation provides for restrictions on the transfer of shares blocked in the depository institution, as well as shares on which a pledge has been established or a lien has been imposed. After 01.01.2026, all shares of Bulgarian issuers will be registered in TARGET2-Securities.
C. 7.	Dividend policies of the Company The dividend policy of Sirma Group Holding AD depends on the recommendations of the Board of Directors regarding the distribution of dividends. They can be influenced from the following factors: the size on net profit according to financial statements of the Issuer; any banking or other financing requirements to which the Company is subject, if any; the operating and investment needs of the Company; the expected future growth and profits of the Issuer; provisions of the Company's Articles of Association; emerging trends in dividend payments in the industry; all relevant applicable laws. The Company has stated in its Dividend Policy that it will strive to maintain a dividend payout ratio of not less than 50% of net profit, subject to the considerations set out in the policy. The Board of Directors may, at its discretion, propose an interim dividend, if the articles of association and the law permit, based on the profits obtained according to quarterly or semi-annual unaudited financial results or generated by a one-time liquidity event, such as a large asset sale.
C. 8.	Where will the shares be traded? The regulated market, on which the shares of the Company are traded as of the date of approval of this Prospectus, is the Bulgarian Stock Exchange AD, Premium Shares Segment (trading in BGN, and from 01.01.2026. – in euros). The Company, together with the Admission Agent, will apply for admission of the Shares for trading on the regulated market of the Frankfurt Stock Exchange and simultaneously to its sub-segment with additional obligations after admission (Prime Standard) (trading in euro), as well as to the EuroBridge Market segment of the Bulgarian Stock Exchange.

Section D – What are the main risks inherent in securities?

D. 1.	– The company does not have an individual majority owner, which may lead to a change in the shareholder structure and the achieved balance between the shareholders. – Future sales of shares by shareholders holding over 3% of the Issuer's capital or a capital increase in which they do not participate may activate change of control clauses in concluded contracts of the Group. – The company's shares have so far been traded on the regulated stock market in Bulgaria and have not been traded on any other segment of other exchanges. – Additional financing through shares, including through preferred shares convertible into common, convertible, or exchangeable bonds or other similar instruments, may have a “Dilutive Effect” for the Issuer's shareholders. – The Bulgarian Stock Exchange is significantly smaller and less liquid than the securities markets in some other countries. There is no guarantee that the shares will start trading more actively, which could lead to high price volatility.
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Section E – Under what conditions and on what schedule can I invest in these securities?

E. 1.	Offer terms Not applicable. There is no offer for the shares. This Prospectus does not constitute an offer or invitation to
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	persons to subscribe for or purchase shares of the Company. Admission to trading <i>regulated market</i> of the Frankfurt Stock Exchange <i>and</i> its sub-segment with additional obligations after admission (<i>Prime Standard</i>) is expected, as well as on the Xetra market organized by the Frankfurt Stock Exchange and the EuroBridge Market segment of the Bulgarian Stock Exchange to be filed on or around 05.01.2026. The admission to trading of the shares is expected to become effective on or about January 26, 2026. Dilution Not applicable. The admission to trading is not expected to result in dilution. Approximate costs charged to investors by the Issuer Not applicable. Investors will not be charged any costs by the Issuer.
E. 2.	Who is the person who requests admission of securities to trading? The issuer Sirma Group Holding AD will submit the application for approval of the admission of the shares to trading on the regulated market <i>of</i> the Frankfurt Stock Exchange <i>and</i> its sub-segment with additional obligations after admission (<i>Prime Standard</i>), jointly with the Admission Agent acting in connection with the application for admission to trading on the Frankfurt Stock Exchange.
E. 3.	Why was this prospectus prepared? This prospectus has been prepared for the purposes of admitting the shares to trading on the Prime segment. Standard of <i>the Frankfurt Stock Exchange</i>, Germany and the EuroBridge Market segment of the Bulgarian Stock Exchange. For this purpose, the Issuer will require notification pursuant to Art. 25 of Regulation (EU) 2017/1129 by the Financial Supervision Commission of the Republic of Bulgaria, which approved the prospectus. This Prospectus has not been prepared for the purposes of an initial public offering of securities. The Issuer's General Meeting has not made a decision to issue a new issue of shares. The prospectus does not constitute an offer to buy/sell securities issued by Sirma Group Holding AD.
E. 4.	Description on any essential for the issue/admission interest, including conflict of interest There is no potential conflict of interest. between the obligations of the members of the Board of Directors to the Company and their personal interest or other obligations. There are no other interests (including conflicts of interest) of organizations or individuals that are material to the Admission. The Admission Agent is in a contractual relationship with the Company. After the successful admission of the Shares to trading, the Company has undertaken to pay the Admission Agent a commission.

In July 2025 Bulgaria was approved for membership in the European Monetary Union, effective January 1, 2026. The Bulgarian lev will be replaced by the euro at the fixed exchange rate of 1.95583 leva per euro. In practice, the Bulgarian lev retains its exchange rate unchanged until the date of the effective introduction of the euro.

1. RISK FACTORS

When considering the possibility of investing in shares (hereinafter referred to as the “Shares”) of Sirma Group Holding AD (hereinafter referred to as the “Company” and together with its subsidiaries – “SIRMA”, “SIRMA Group”, “Group”, “Issuer”, “Company”), investors should carefully consider the following risks described in this prospectus (hereinafter referred to as the “Prospectus”).

Pursuant to Article 16 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC, as amended, the risk factors presented in the Prospectus are limited to risks that are specific to the Company or the Shares and are material to making an informed investment decision. Therefore, the risks listed below are only those that – according to the Company's current assessment – are material and specific to both it and its shares.

Any of the risks described below may have a significant adverse effect on the Issuer's business, including its financial condition, revenues or trading activities.

Below are those risks that the Issuer considers significant regarding its activities, taking into account the probability of their occurrence and the expected degree of their negative impact on the Issuer, respectively on the Shares subject to this Prospectus. Potential investors in Shares, however, should note that the Issuer's assessment of the risk factors set out below as being significant to the Issuer's business or the Shares is valid only as of the date of this Prospectus. In this regard, due to the occurrence of events after the date of this Prospectus that the Issuer could not have foreseen, it may be that some of the risk factors specified below would acquire a greater degree of materiality for its activities or in relation to the Shares, or other risk factors not expressly specified in this Prospectus may arise that have a material impact on the Company or the Shares.

The materiality of risk factors is assessed based on the probability of their occurrence and their expected impact. Risk factors are presented in categories according to their nature. The categories are divided into “Company-related Risks”, describing risks specific to the Group and its activities, and “Share-related Risks”, describing risks specific to the Company's shares.

The category “Risks related to the Company” is further divided into the following subcategories:

- (i) Industry and market risks;
- (ii) Risks related to the financial profile;
- (iii) Risks related to the activity and the services offered and products developed;
- (iv) Risks related to legislation, regulations and taxes.

In each subcategory and in the category "Risks related to the Shares", the two most significant risk factors are first indicated according to the Company's current assessment, based on the probability of occurrence and the expected degree of negative impact. The arrangement of the remaining risk factors does not reflect a specific order of materiality or severity.

Investors may lose some or all of their investment. The risks described may occur individually or in combination.

1.1 Risks related to the Company

1.1.1 Risks related to business activity and industry

Non-systemic risks represent risk factors specific to the Issuer and the industry in which it operates.

The company's activities are exposed to the impact of the global economy, macroeconomic trends and the state of the economy in the markets in which it is active.

The company is one of the largest IT companies in the Central and Eastern European region, possessing a set of proprietary, innovative technologies, a diverse product portfolio, implemented in markets in Europe and the USA. Sirma is a recognizable company in areas such as financial technology, transportation and logistics, hospitality, healthcare technology, and some classes of industrial technology.

The company is exposed to fluctuations in the global, including the European, and specifically the Bulgarian economy. According to the World Bank, global economic growth is expected to slow in 2025 to 2.3%. This represents a decrease of about 0.50% compared to the end of 2024 forecasts. According to forecasts, the first seven years of the decade are expected to be some of the weakest in terms of economic growth since the 1960s.¹

In 2024, Bulgaria's gross domestic product increased by 2.80% in real terms compared to 2023. The expectation for 2025 is for a slight slowdown in growth rates to 2.50%, according to BNB forecasts ².

The slowdown in the global economy and high levels of private and public debt in various countries may lead to a decline in demand for the company's services and products in many of its major end markets. With regard to the markets in which the company is active, it is exposed to fluctuations in the general investment climate, as the Group specializes in the information technology sector with a predominant focus on business (B2B). Fluctuations in economic growth rates or forecasts, as well as changes in government investments and subsidies, may lead to significant changes in demand for the company's services, the cancellation of orders already placed, or the reorganization of long-term business relationships. They may also lead to a decrease in the prices of the services offered, which could have a material adverse impact on the company's results of operations.

For this reason, revenues and operating results have been and will continue to be influenced by macroeconomic trends and the general condition and performance of the global economy and in particular the markets in which the company operates. Such macroeconomic trends may have a greater impact on certain markets of the Issuer, such as the European Union ("EU") or the United States of America ("US"), than on others.

The company is exposed to political risk related to Bulgaria.

The company is exposed to political risk arising from political processes in Bulgaria - risk of political destabilization, changes in governance, legislation, economic policy and the tax system. Political risk is directly related to the likelihood of adverse changes in government policy. As a result, there is a risk of negative changes in the business climate.

¹ <https://www.worldbank.org/en/news/press-release/2025/06/10/global-economic-prospects-june-2025-press-release>

² https://www.bnb.bg/ResearchAndPublications/PubPeriodical/PubP_MacroeconomicForecast/index.htm

The current political situation in Bulgaria does not yet allow for a predictable and stable long-term majority and, accordingly, a clear forecast for future policies, which is why significant changes are possible. The negative consequences associated with this may be expressed in a delay in reforms due to differences and contradictions between political forces regarding important social and economic measures, as well as a further increase in public discontent. The possible negative effects are usually associated with a deterioration in the economic environment and the prospects for companies operating in the country.

The export orientation of the Company, on the one hand, leads to revenue diversification, which reduces the effect of political turmoil in Bulgaria, but on the other hand, exposes the Company to risk from the policies implemented in the relevant countries and on the geopolitical scene.

Prolonged adverse domestic political and geopolitical conditions may have a negative effect on the Company's business, financial condition, revenues and profitability.

The introduction of trade barriers, in particular import tariffs, may adversely affect the company's ability to produce, market and sell its services.

The US trade policy regarding the introduction of trade tariffs in 2025 is related to increasing the degree of protectionism, the introduction of trade barriers, and a change in tax treatment. All of this could lead to the introduction of additional, regional or international trade barriers, including tariffs on imported goods – for example from the EU and China – and anti-dumping duties, as well as withdrawal from or renegotiation of multilateral trade agreements. The main focus of US trade policy is on the goods market, with the services sector remaining in the background. This may change in the future and this may have a material adverse effect on the company's business operations and results of operations.

In July 2025 The European Union and the United States have concluded a trade agreement under which the EU agrees to impose a 15% tariff on its exports to the United States, while no additional tariffs will be imposed on American exporters to Europe. The final agreement and its full details are yet to be signed, with expectations that this will happen by the end of 2025. There is a risk that the agreement in this form will undergo changes. However, reaching an agreement between the US and the EU relieves some of the trade tension and allows businesses to plan long-term.

It is not possible to predict how current developments will affect the global economy in general and business in particular.

More broadly, US President Donald Trump's agenda includes imposing tariffs to protect the American workforce, which could lead to additional trade tensions affecting global markets. Furthermore, his foreign policy approach, centered on the “America First” doctrine, could reshape existing alliances and geopolitical dynamics, thereby increasing uncertainty in global markets. This could lead to market access barriers, such as higher import tariffs or more complex certification processes to restrict imports, as well as an international trade war.

The occurrence of any of the above-described risks may have a material adverse impact on the business, financial condition and results of operations of the Group.

The group is exposed to global political uncertainties and crises

The outlook for the global economy remains fraught with many unknowns and uncertainties, especially in light of the events of recent years, which have had a significant impact on global macroeconomic conditions. These include the SARS-CoV-2 coronavirus pandemic (“COVID-19”), the Russian invasion of Ukraine (“Russia–Ukraine conflict”), the ongoing struggle of central banks to contain inflation, the escalation of new military conflicts such as the one

between Israel and Iran, which ended earlier this year, rising energy prices and long-term interest rates, and disruptions in supply chains – including the attacks on shipping in the Red Sea that began in November 2023.

The unstable geopolitical environment has created additional challenges for the global economy and for private companies operating in international markets, such as Sirma.

The volatility of financial markets during the year further contributes to increasing economic uncertainty.

Additionally, on October 7, 2023, an armed conflict began between Israel and the terrorist organization Hamas, leading to prolonged hostilities in and around Israel's border with the Gaza Strip ("Israel–Hamas Conflict"), and subsequently to the escalation of a direct conflict between Israel and Iran. The duration, outcome and consequences of this conflict remain highly unpredictable and may further negatively impact international trade and the business climate.

The occurrence of any of the above-described risks could have a material adverse impact on the business, financial condition and results of operations.

Competition in some of the markets in which the Company operates is intense and may further intensify in the future.

The operations of Sirma Group Holding AD are under the pressure of intense competition, both from companies from the Central and Eastern Europe region and from international IT companies. Global corporations are also becoming more aggressive as they have financial resources and quick access to innovative technological solutions. Future increased competition and more complex market conditions may have a significant negative impact on the Group's operations, financial condition and future development prospects.

Some of the markets in which the Group operates are highly competitive and are characterized by sudden and unexpected changes in market share, price competition, as well as rapid development and introduction of new products, product designs, technologies and related services.

In these markets, Sirma competes primarily through quality, innovation and maintaining high standards, as well as by providing expertise in supporting and upgrading the services and product solutions provided. If the Company fails to provide the necessary quality and reliability of products and services, it may lose market share.

In addition, there is a risk of competitive pressure on pricing from competitors, which could threaten Sirma's market share. However, the company believes that it has achieved high optimization and efficiency of its processes. Given the fact that the main salary costs are for employees in Bulgaria, the company believes that it has minimized the risk of competitive pressure in terms of pricing of core services and product solutions.

In the markets in which the company is active, new or existing competitors with innovative solutions may enter or expand their positions. For example, new developments and inventions in the field of artificial intelligence and digitalization can lead to new solutions from the competition.

In addition, new customers may have specific technical requirements to which Sirma may not be able to adapt. Consolidation between competitors and the entry of new players into any of the Issuer's markets may make it difficult to maintain or increase market share. Regulatory frameworks in different geographical regions are often still evolving and uncertain, which can lead to different requirements for innovation at different speeds of development.

In the markets in which the Company operates, it continues to face international competitors who exert downward pressure on market prices. In recent years, there has been an increase in competitive and pricing pressure, including from Asian companies or newly established technology companies - new competitors or those that have recently entered active markets, especially in the software development segment.

So far, Sirma has managed to resist this price pressure thanks to the experience gained over the last 33 years, the established reliable business relationships, strong control over the cost part of the activity, as well as the quality of the products and services provided. However, the Issuer's customers are also subject to competitive pressure, which is often passed on to their suppliers, including Sirma, as a business services provider.

Increased pricing pressure could adversely affect operating margins or result in loss of market share and revenue for the Group.

If Sirma fails to sell its services and related products on favorable terms to customers, this could have a material adverse effect on its business, financial condition and results of operations.

The Company may not be able to acquire target companies whose services, products and teams could increase its market share.

In recent years, Sirma has undertaken a more aggressive strategy of expansive growth through the acquisition of new companies and their inclusion in the Sirma group. The policy results in rapid acquisition of new know-how, ready-made teams of highly specialized specialists, ready-made IT solutions and markets to complement the group's portfolio, and the realization of economies of scale.

There is a risk that Sirma will not be able to acquire new companies in the future due to rising prices globally, as well as increased competition from other international companies that are exploring opportunities for acquisitions of software companies in the Central and Eastern European region.

There is also a risk that the newly acquired teams may not be fully integrated into the Sirma group and this could lead to delays in some of the business processes. Failure to achieve full integration can degrade the quality of services offered and products developed, as well as lead to the loss of highly qualified personnel.

This may have an adverse impact on the business, financial condition and results of operations.

The Company may not be able to adapt sufficiently or in a timely manner to market trends and technological developments.

Sirma operates in the information technology sector, which is one of the most rapidly developing sectors in recent years. With the advent of artificial intelligence from 2022, the pace of development of the sector has increased. Conditions were created for the rapid entry of new competitors.

Artificial intelligence is entering directly into companies developing software products, providing them with both the opportunity for rapid growth and the risk of being left behind in development if the company fails to respond to industry trends in a timely manner.

The success of the Sirma Group is linked to its ability to recognize and anticipate market trends and technological changes, as well as to develop and introduce new and advanced IT services to the market in a timely manner. Although it invests in technologies (e.g. in the field of artificial intelligence), human resources and innovations that are essential for long-term growth, as well as in the need to adapt expertise to emerging technological innovations, industry standards and

customer requirements or preferences, Sirma's forecasts regarding market trends or technological changes may prove to be inaccurate, and investments may be slower than expected or completely unsuccessful.

Many of the IT solutions offered require lengthy and expensive development, production, and testing processes. Due to the complex and advanced nature of technologies and software products, Sirma may encounter unforeseen technological challenges in the development, production and testing of new solutions, which may result in increased costs, quality issues or delays in implementation.

The markets in which the company is active are characterized by trends such as digitalization, automation, digital security, modern systems meeting the latest technological standards, and energy efficiency. As a result, Sirma may face additional costs and challenges in developing new IT solutions or adapting existing services to new customer and regulatory requirements.

In addition, the company may face new competitors seeking to enter artificial intelligence-related markets, using its expertise in this area or taking a leading position in the same markets that Sirma is pursuing.

Additionally, digitalization is expected to accelerate even further and has already transformed certain sectors. The speed with which Sirma implements digital technologies and adapts to these trends is an important factor for success.

There is also a risk that a company will fail to develop and implement new solutions or systems, or bring them to market on time, including due to an inability to effectively implement the business strategy. In addition, services or technologies developed by other companies may render Sirma's solutions obsolete or uncompetitive, or customers may prefer competing solutions or alternative technologies.

At the same time, there is a risk of a slowdown in the pace of digitalization in the business environment, similar to the situation surrounding the COVID -19 pandemic. Geopolitical uncertainty can cause both investment and regulatory uncertainty, which could change the investment intentions of the Group's clients and, accordingly, the technological services offered by Sirma.

Sirma may fail to anticipate the needs and requirements of its customers and fail to adapt its cost structure in the event of a decline in demand. If the Company does not respond successfully to such developments, it may lose growth opportunities or existing customers. Furthermore, if it directs resources towards new technologies and comprehensive solutions that prove unsuccessful, the associated costs may be lost and the business may suffer.

The occurrence of any of the above-described risks could have a material adverse impact on the business, financial condition and results of operations.

It is possible that the Company's investment program may lead to high indebtedness.

The economic environment and the sector in which the Company operates, as well as the planned investment program in the near and medium future, may lead to the use of increasing volume and share of borrowed capital. Although there are currently no difficulties in securing the necessary financing for the Company's activities and it uses favorable financing conditions, there can be no guarantee that this will continue in the future.

The high level of indebtedness could lead to adverse consequences for the Company and its shareholders, such as:

- the allocation of a large portion of operating cash flow to debt service and debt repayment financing, leading to insufficient funding for working capital, capital expenditures and other corporate purposes;
- increasing vulnerability to adverse general economic or sector-related conditions;
- limiting flexibility in planning or responding to changes in the Company's activities or the sector in which it operates;
- limiting the ability to raise additional debt or equity in the future;
- limiting the possibility of making strategic acquisitions or using other opportunities for strategic development.

At present, the company's debt level is at low levels, which is also due to the characteristics of companies in the information technology sector. This type of company operates with low requirements for maintaining fixed assets. This makes it difficult to use excessive bank financing.

If, for various reasons related to the development of the business and/or the financial strategy of the Issuer, the level of indebtedness begins to increase compared to equity, the adverse consequences described above may have a material adverse effect on the reputation, business, results of operations, cash flows, financial condition or prospects.

Some of the clients operate in industries sensitive to changes in the economic environment – cyclicity of demand

Some of the markets in which the Group operates – including banking and fintech, travel and hospitality, insurtech, transportation and logistics, and others – are sensitive to changes in the economic environment, especially to political or other shocks in key markets.

The demand for Sirma's services is largely determined by the development of the markets it serves. If demand in these sectors decreases, investments are also expected to decline, which will lead to a decline in demand for services from Sirma's portfolio. Demand in these industries is influenced by numerous factors, including raw material prices, interest rates, fuel costs, energy needs, and economic growth. Changes in these variables at a global level can significantly affect demand.

The business is not characterized by high fixed costs, therefore, with a cyclical decline in demand, a decline in the company's variable costs is expected to occur. Nevertheless, the reduced volume of activity may lead to a decline in revenue and profit.

The inability to predict cyclicity in certain sectors, which leads to a significant decline in demand for the Group's services, as well as the inability to plan for such cyclicity, may have a material adverse effect on the business, financial condition and results of operations.

1.1.2 Risks related to the Issuer's financial profile

The Company may not be able to refinance its financial obligations.

As of December 31, 2024, consolidated liabilities to banks amounted to EUR 3.7 million, as well as EUR 7.8 million in short-term liabilities to suppliers (source: the company's audited consolidated financial statements for the financial year ended December 31, 2024)

A liability is classified as current if it is due for settlement within twelve months after the reporting period or if the company does not have the right to defer its settlement for at least twelve months after the reporting period. Short-term liabilities include outstanding amounts (principal and interest) on a bank loan in the amount of EUR 331 thousand.

As of the date of the Prospectus, Sirma has sufficient funds to cover its working capital needs for the next twelve months, including for the repayment of the outstanding debt under the Bank Loan Agreement. No working capital shortage is expected in 2025.

The issuer has not experienced any difficulties in repaying its obligations. However, there is a risk that Sirma will be unable to repay these bank liabilities upon maturity due to a global deterioration in credit market conditions.

Sirma's ability to refinance its current liabilities will depend, among other factors, on the state of the capital markets and the financial condition of the company at the relevant future point in time. It is possible that Sirma will not be able to refinance its obligations under conditions as favorable as the current ones, or may not be able to refinance them at all, but will have to use its own funds.

If the company fails to service its bank obligations, which is considered unlikely given its capital structure, Sirma will attempt to negotiate payment deferral agreements with the creditors under the Bank Credit Agreements.

It is possible that interest rates on bank loans will increase in the coming years, which will increase the costs of servicing them.

As of the date of the Prospectus, Sirma regularly services its bank obligations. There are no guarantees that the interest rates on the loans used will remain unchanged and in the event of a future need for financing, new loans may have higher interest rates.

Sirma can use new long-term bank financing for future acquisitions of companies in the technology sector. The interest rate on new bank financing may be at higher interest rates, depending on the state of the financial markets. Larger interest-bearing liabilities in the future may increase the company's financial costs.

The Company may not invest sufficient resources in its research and development activities to develop new services and related product solutions.

The Sirma Group Holding group develops software services and products in various sectors, including manufacturing, banking, trade, hospitality, healthcare and others. The focus is on creating innovative and effective solutions that support the digitalization and optimization of business processes in various industries. The carrying amount of internally generated intangible assets as of 31.12.2024 is 3 639 thousand euros.

As is evident, Sirma should ensure adequate funding to support research and development activities that will ensure the development of services and products at a highly competitive level. If the company does not allocate sufficient funds and resources, it may lose its competitive position in several important and rapidly growing sectors.

The inability to allocate adequate funding for research and development activities could have a material adverse long-term impact on the business, financial condition and results of operations.

The Group's bank loan agreements contain customary financial and restrictive covenants that limit operational flexibility.

The bank loan agreement of Sirma Group Holding AD requires compliance with certain customary clauses, such as obligations to comply with laws and sanctions, maintenance of insurance and intellectual property rights. It also contains operating restrictions, subject to certain agreed exceptions, including restrictions on the ability of certain Group companies to establish collateral, make investments (including the provision of loans and guarantees), dispose of assets, incur liabilities, merge or join with other companies or change the subject of

their business, make acquisitions or enter into joint ventures, and make limited payments (including dividends and other distributions).

In addition, the contract contains certain financial covenants related to the company's net debt ratio and equity ratio. Failure to comply with these clauses may result in the debt becoming immediately due and payable, payment of termination fees, or an increase in the interest rate.

Additionally, the interest rate under the contract depends on the development of a variable interest rate based on the short-term interest rate of the lending bank. An increase in the variable interest rate by the maturity date may increase the amount of interest payments and accordingly have a negative impact on the financial result.

Any future debt agreements entered into at Group level may contain even stricter clauses. This may create certain limitations on the ability to respond to changes in market conditions, take advantage of business opportunities that are considered desirable, secure future financing, finance necessary capital expenditures, and more.

It may be necessary to recognize an impairment of goodwill in the company's balance sheet.

The majority of the Group's assets are intangible due to the nature of its business and the sector in which it operates. Their carrying amount reflects the costs incurred for their acquisition, including development, as well as the Issuer's assessment of the development potential (expected economic benefits) that they bring. In the information technology sector and its rapid development, a given product (intangible asset) can be extremely successful, which is why its book value can be significantly lower than its real value. At the same time, and in a very short time, a new technology can make a product redundant and unnecessary, with its real value being much lower than its book value. The dynamic nature of the sector leads to a risk of inaccurate valuation of the assets of all companies in it. The actual value of what they own may differ significantly from the book value as of the date of a given report.

As of December 31, 2024 Sirma reports a total amount of Goodwill of EUR 20,185 thousand in its consolidated statement of financial position.

It is required to perform an impairment test of Goodwill and similar intangible assets regularly (at least once a year) as well as in the case that there are indications of impairment. The analysis of potential impairment requires significant judgment. If, as a result of a general economic slowdown, deterioration in the markets in which the Group operates, or in financial results, the estimated value of intangible assets decreases, it may be necessary to recognize an impairment of Goodwill or other intangible assets.

Such an impairment could have a material adverse effect on the Group's results of operations and financial position.

1.1.3 Risks related to the Issuer's business and services

Sirma may not be able to maintain high quality of its services and processes in the future, as well as timely delivery of the ordered IT solutions.

Sirma's services are of critical importance to the sectors for which they are developed, namely - banking and finance, insurance, transport and logistics, travel and hospitality, e-commerce, healthcare, public sector. The Group offers technologically complex services that must meet high quality standards, regulatory requirements and low tolerances for deviation due to their application and the markets in which they are used. The services already offered on the market are exposed to risks related to the quality expected by customers, including the quality of support over the past 20 years. A decline in the actual or perceived quality of services and the

processes behind them may harm Sirma's image and reputation, including due to an inability to effectively implement a business strategy.

In addition, services of degraded quality, not meeting the high standards imposed by the company, may lead to loss of revenue, claims for compensation, including for consequential damages, loss of customers and market acceptance, as well as damage to reputation and perception in the market, which in turn may have an adverse effect on revenues and financial results.

Defects in design or quality can result in remediation costs or delays in implementation that are typically not covered by customers and/or insurance policies. In addition, customers may file claims for compensation in this regard.

As a software manufacturer in highly regulated sectors, Sirma's services and solutions are and may be subject to regulatory scrutiny, which requires in-depth knowledge of international legal requirements, quality standards, and other specifications.

Furthermore, timely implementation is a key competitive factor. Sirma's services usually have a long implementation period. If the company fails to meet the agreed delivery times, this may result in contractual penalties, claims for damages from customers, loss of customers or a negative impact on the company's reputation.

All of this may have a material adverse impact on the demand for services and negatively affect the Issuer's reputation, business, results of operations and financial condition.

Research and development activities may not lead to the development of commercially successful services and related product solutions

The development of new and improved services and product solutions requires significant capital funding and is associated with significant uncertainty. Due to the complexity and uncertainty associated with research and development, products and services that the Group is currently developing may be abandoned before completion or may take longer than expected to be developed and brought to market. If the company directs its resources towards new technologies, products and services that are not accepted in the market or do not become commercially viable, all or part of these costs may be lost.

Business strategy risk

The market introduction of new solutions may not develop as planned and the company's strategy for new business models and flexible consumption models may not be successful due to customers' attitude to wait for references, which may lead to delays in the adoption of new and innovative solutions, technologies, business models and flexible consumption models, or non-adoption of some of them.

The cloud computing strategy may be unsuccessful and lead to the loss of Sirma's position in the field of cloud technologies if the market changes its perception of the advantages of cloud computing and the consumption of cloud services does not develop or develops more slowly than the Issuer's management expects.

If the Group fails to create a successful partner ecosystem, this may have an adverse effect on the demand for its services. As a result, the competitive position would be affected, which could have an adverse effect on its reputation, business, financial condition, profits and cash flows.

To manage these risks, Sirma balances the allocation of its strategic investments by developing and protecting its core businesses while simultaneously developing new solutions, technologies, business models and markets.

In 2021 Sirma is undertaking an aggressive strategy of acquiring companies in the information technology sector. The strategy relies on the rapid implementation of new services, product solutions and teams, allowing the Group to respond to modern trends for rapid implementation of product solutions, achieving economies of scale and having a large team of specialists to guarantee future growth.

The strategy can lead to strong expansionary growth in operating income. At the same time, however, the Company is also exposed to a number of risks:

- Risk of overvaluation of the companies being acquired, which may lead to the write-off of Goodwill
- Risk of retaining key expert personnel
- Risk of losing customers of newly acquired companies
- Risk of not achieving economies of scale and a corresponding increase in fixed costs for the group
- Risk of deterioration in the quality of newly acquired products and services offered.

All these risks from the strategy of acquiring new companies and accelerating growth rates may have a material adverse impact on the Group's results of operations and financial condition.

The Company may not be able to successfully participate in future public sector tenders.

Sirma generates part of its revenues through participation in and winning tender procedures in the public sector in Bulgaria. Sirma is a traditional participant in such tender procedures and has significant experience in winning them.

It is typical for the information technology sector that some of the government procurement contracts are won through tender procedures. Therefore, it is uncertain whether the Group's companies will be able to win such new contracts in the future that would provide sufficiently high revenues.

These factors may have a negative impact on the Group's operations and financial results, as well as its future development, although the volume of the Group's public sales is not material to the consolidated results.

In addition, delays in finalizing tender procedures for the supply of IT infrastructure for public use and applications may lead to fluctuations in revenues from this sector. If this is combined with unsatisfactory absorption of European Union funds in Bulgaria, provided to improve the innovation of state institutions, local demand for IT services may be significantly reduced and thus have a negative impact on the Group's operations and financial results, as well as its future development.

Sirma's business and future growth depend on the ability to attract and retain qualified executives, key employees and other personnel.

The Group's success and growth ambitions are highly dependent on attracting and retaining senior management, key expert employees and other personnel, including engineering and research personnel. The loss of executives, key employees and other personnel or the inability to hire additional necessary personnel could have a material adverse effect on the Issuer's market and financial position.

Due to intense competition in the industry, as well as demographic challenges, there is a risk of losing qualified employees to competitors or the inability to find a sufficient number of suitable

new employees to ensure the desired growth. Significant expertise may be lost or accessed by competitors.

Although the company has taken various measures to retain managers and key employees, as well as performance-based remuneration systems, it may not be able to retain managers and employees in key positions or attract new employees with the necessary qualifications.

The IT sector in Bulgaria is characterized by extremely low unemployment rates and high wage levels. In practice, Sirma competes for expert staff in the country and the region with both local business organizations and global companies that are actively seeking talent without restrictions in their geographical scope.

The Issuer focuses on mitigating this risk through a range of activities, including but not limited to: workforce planning; outsourcing; external short-term staffing; employer branding; enhanced benefits program – performance-based compensation system; long-term employee incentive plans; career development and growth program; training and upskilling program (Sirma Academy).

The Issuer may encounter unethical behavior and non-compliance with its overall standards, resulting from intentional and fraudulent behavior or negligence of individual employees. Unethical behavior can lead to financial loss and reputational damage.

To prevent this, the company has established a comprehensive compliance management system and mandatory security training for all workers and employees on standards for safe internal and external communication, ensuring technical security in IT hardware and communication channels, as well as mandatory encryption of personal data.

If Sirma fails to attract and retain executives, key employees and other personnel, this could hinder long-term growth, undermine competitive position and have a material adverse effect on business development, financial condition and results of operations.

Sirma's operations rely on complex IT systems and networks that can be compromised, attacked, or damaged.

A system or systems operated by Sirma itself to provide services to customers could be compromised by breaches by hackers. This could lead to data theft, destruction or misuse, or entire systems could be rendered unusable. Sirma has introduced software security as a mandatory integral part of the development process.

The Group assesses the likelihood of a risk of causing damage to customers and Sirma from a software security breach as unlikely. If such an event were to occur, it could have a critical impact on reputation, business, financial condition, profits and cash flows.

Although the Company regularly analyzes its IT systems, it is possible that an erroneous assessment may be made regarding their vulnerability to errors or viruses, as well as not having the necessary dedicated internal resources to resolve any malfunctions. Any failure or disruption in the operation of IT systems can lead to serious adverse consequences, including business interruption, loss of information, or unexpected increases in costs.

Additionally, there is a risk of unauthorized access, theft, destruction, or misuse of business data and information. Although the Company has not suffered any significant data loss or significant business interruptions to date, such a breach or failure to prevent compromise of systems could result in economic losses for which Sirma could be liable to its customers, including investigations by government authorities.

A failure in data protection measures or a cyberattack could allow unauthorized persons to access sensitive business or personal data, including information about intellectual property or business strategy, as well as that of the group's customers. This represents a growing risk due to increasing global cybercrime. Increased reliance on digital sales and customer service also increases vulnerability to cyberattacks. Such attacks can lead to disruptions in the operation of supported systems and difficulties in the implementation of product solutions and services, which can negatively impact reputation, competitiveness and business results. The risk of cyberattacks may be further heightened by the ongoing conflicts between Russia and Ukraine, as well as between Israel and Hamas. It is possible that the security measures that have been put in place may not be able to effectively protect the group from such attacks.

All of this also requires allocating additional resources for maintenance and/or upgrading IT systems and networks, and these investments can be significant, take longer than expected, or cause disruptions to existing systems.

Any breach in internal systems or network disruption could have a material adverse effect on the business, financial condition and results of operations.

It is possible that Sirma may lose licenses from third parties for used software and technologies.

Sirma holds licenses for the use of many technologies and uses some open source software components that have become the basis of the market portfolio of services. The company is dependent on these technologies for the functionality of its own software or cloud services. Changes or loss of licenses, as well as open source licenses, could significantly increase the price of products and services and significantly reduce the functionality of Sirma's software solutions. As a result, the Group may incur additional development costs or license purchases, which could have an adverse effect on its business, financial condition, earnings and cash flows.

Sirma may be subject to claims for infringement of intellectual property rights and/or for the free use of open source components by the Group.

Sirma believes that there is an increasing risk of intellectual property infringement claims as the number of technologies and services in the segment in which it operates is constantly increasing. Claims, whether justified or not, as well as negotiations and disputes relating to such claims, could exclude certain technologies from use in the services and products that the Group offers.

Sirma also uses some open source software components. Claims from third parties may require the company to make services and components that are built on open source software freely available.

The Company believes that these risks are likely to materialize, and that any claims related to third-party intellectual property rights or open source software could have a material impact on its business, financial condition and reputation, as well as on its revenue and operating profit.

Sirma may not be able to obtain protection for its intellectual property

The preservation and protection of intellectual property is of particular importance to the Group. Sirma identifies and controls potential risks and protects its intellectual property, including by applying for patents, trademarks and registering other brands and copyrights. Despite these efforts, the Group may not be able to prevent third parties from using or selling what it considers to be its proprietary technology without authorization. A third party may reengineer or otherwise obtain and use technology and information that Sirma considers its own. The Group

may fail to protect its property rights, which could have an adverse effect on Sirma's competitive position and financial condition.

The Group is exposed to risks associated with operating in different jurisdictions and expanding into growth markets.

The Group's business is exposed to certain risks associated with operating in different jurisdictions. Most of the operations are in the EU, USA, UK, Asia, South America. The pursuit of international business development and expansion into growth markets is exposed to various risks that could have a material adverse effect on these operations and on the business as a whole, including:

- the need to comply with multiple and sometimes conflicting regulations, and unexpected changes in regulatory requirements;
- exchange controls, sanctions, import and export restrictions, customs duties;
- political risks, including losses due to civil unrest, acts of terrorism, wars or uprisings;
- intervention by governments;
- unstable political, economic, financial and market conditions;
- fluctuations in exchange rates, especially against the US dollar, the British pound;
- interest rate fluctuations;
- difficulties in enforcing contractual obligations by third parties, protecting intellectual property rights and collecting debts through foreign legal systems;
- difficulties in hiring personnel from different jurisdictions, managing international operations and enforcing foreign labor regulations;
- difficulties in attracting and retaining qualified management or sufficiently trained personnel;
- differences in local preferences and requirements for the services offered;
- potentially adverse tax consequences from changes in tax legislation, requirements for withholding taxes on transfers and other payments from subsidiaries, as well as restrictions on the ability to repatriate dividends;
- difficulties in ensuring the integrity and compliance of business partners and the business environment;
- exposure to liability under laws to combat corruption, monopolies and money laundering.

Any of these factors could have a material adverse effect on the Group's international operations, as well as its business, financial condition and results of operations.

The company is dependent on key customers.

The performance of contracts with key customers may strongly impact the sales revenues generated by some of the companies in the Group in the coming years. This risk cannot be excluded, as the possible loss of any major customer, deterioration of the financial conditions for the provision of services, or potential compensatory claims would have an adverse impact on the operations, financial position and financial results of the companies and the Group, as well as their future development.

The main remuneration costs are influenced by factors that are beyond the control of the company, such as the level of inflation, competitive pressure. There is a risk that the

increase in employee compensation costs cannot be successfully transferred to the increase in the prices of the services offered.

A major expense in the Company's production processes is the cost of employee remuneration. Sirma strives to carefully manage the hiring, retention and promotion processes of its employees, with the goal of achieving a balance between cost control and maintaining a motivated team, depending on market conditions.

Some of the factors that determine the amount of employee compensation are beyond the company's control, such as the state of the labor market, including policies of competing companies globally, the level of inflation, and others. In the labor market, the company actually competes in attracting, retaining, and promoting employees with large international companies that do not necessarily have a physical presence in the region.

For example, the opening of an office in Bulgaria by an international software company could put significant pressure on wages in the sector. Also, the inflationary environment in recent years and the related general increase in prices may lead to higher than expected updates to fixed remuneration. Although these processes have normalized to some extent over the past year, similar spikes may recur in the future.

There is no guarantee that an increase in remuneration costs will immediately affect the increase in the prices of the services offered. This could have a material adverse effect on the business, financial condition and results of operations.

Sirma is exposed to exchange rate fluctuations due to its international operations.

The Group companies carry out their activities in active exchange with foreign suppliers and customers and are therefore exposed to currency risk for their operations.

Since 1997, a currency board exchange rate system has been adopted in Bulgaria, according to which the exchange rate of the Bulgarian lev is fixed initially to the German mark and then, after the creation of the Eurozone, to the euro. The currency board system will be maintained until the country joins the Eurozone. In June 2025 The European Central Bank (ECB) has published a positive convergence report for Bulgaria, according to which the country meets the quantitative and qualitative criteria for joining the Eurozone from the beginning of 2026. In the same month, the finance ministers of the Eurozone countries agreed with the positive opinions on membership in the Eurozone by the ECB and the European Commission and adopted a decision for Bulgaria to join the Eurozone from January 1, 2026, with the Bulgarian lev exchanged against the euro while maintaining the fixed exchange rate of 1.95583 leva per 1 euro, which is the exchange rate of the leva and under the conditions of a currency board.

Bulgaria's entry into the Eurozone would eliminate any concerns about the existence of currency risk in the Bulgarian lev against the euro.

At the same time, a significant volume of the Group's revenues is generated from the export of services, agreed for payment in US dollars. Currency risk is related to the negative movement of the US dollar exchange rate against the Bulgarian lev in future business operations, on recognized foreign currency assets and liabilities, and on net investments in foreign companies.

The majority of the Group's transactions are carried out in Bulgarian leva. The Group's foreign transactions, denominated primarily in US dollars and British pounds, expose the Group to currency risk. To reduce currency risk, the Group monitors cash flows that are not in Bulgarian leva. Sirma follows internal risk management procedures for short-term (up to 6 months) and long-term cash flows in foreign currency. In cases where the amounts to be paid and received in a particular currency are expected to offset each other, no additional hedging is required.

Sirma continuously monitors the presence of currency exposures and undertakes a unified group strategy for natural hedging of currency risk by maintaining a neutral currency position, which does not require the use of derivative instruments.

Loans denominated in foreign currency are granted mainly in euros in order to minimize currency risk.

Sirma may be adversely affected by an increase in interest rates.

The Group's interest rate risk is related to the possibility of changes in the prevailing interest rates in the country. This would affect the Issuer's activities, since, other things being equal, the change in interest rates leads to a change in the price of the financial resource used by Sirma in the implementation of various projects.

As a result of the efforts of the Federal Reserve and the European Central Bank to overcome the effects of increased inflation, interest rates were raised significantly during the period 2022-2023. Since the end of 2023, interest rates have gradually declined, which is also related to the taming of price increases. Expectations are for further interest rate cuts in Europe and the US by the end of 2025.

There is a risk that as a result of military conflicts around the world and US trade policy, inflationary processes may re-emerge, which would prompt central banks to once again undertake restrictive monetary policy associated with an increase in interest rates.

The increase in interest rates, on the one hand, would lead to an increase in the company's interest expenses, given the bank loan agreements concluded.

Also, higher interest rates may prevent future acquisitions of companies, in accordance with the Company's business strategy, as it would increase the cost of financing. This effect would be minimized by the fact that higher interest rates, all other things being equal, could lead to a decrease in the valuations of acquired companies, but at the same time could also lead to a decrease in the valuations of already acquired companies.

Any investment or acquisition could disrupt and materially harm the business model, and Sirma may not be able to successfully integrate or realize the expected benefits from such acquisitions or investments.

Sirma's strategy involves acquiring companies from the information technology sector. For example, in October 2024, Sirma completed the acquisition of a majority stake in IT company Roweb Development SA, Romania. In the future, Sirma will seek to make new investments or acquisitions that represent opportunities for growth and strengthening the group's business model - including by adding technological capabilities, improving operational efficiency and realizing synergies, entering into joint ventures or similar agreements, increasing the degree of vertical integration or expanding geographical presence and customer relationships.

Such investments and acquisitions can be expensive and time-consuming and can divert the management team's attention from other important business processes. Acquisitions, as well as the integration of new businesses, involve a number of challenges and may result in unforeseen operational difficulties in adopting or integrating the acquired business's technology, services, personnel or operations within a reasonable timeframe.

Furthermore, although the company performs thorough legal and financial due diligence for the purposes of the acquisition, this due diligence may not reveal all potential, hidden or unknown risks or liabilities. Such acquisitions may not perform as expected or may not be beneficial to the business and results of operations.

If any of the above risks materialize, it could have a material adverse effect on the business, financial condition and results of operations.

A change in taxation and unfavorable interpretation of tax laws may lead to a deterioration in the Company's results.

In recent years, the Bulgarian tax system has remained relatively stable thanks to strict fiscal discipline, and although the challenges following the spread of the pandemic and the consequences of dealing with it have put strong pressure on the sustainability of the country's budget, this risk currently appears to be under control. However, there are no guarantees that, under the influence of political, economic or demographic factors, the taxation system will not undergo changes in the future, and these changes may be to a greater or lesser extent negative for commercial entities in Bulgaria. If the tax laws and regulations applicable to the Issuer are amended, this could have a material adverse effect on the Issuer's results of operations and financial condition.

Taxes paid by Bulgarian business entities include withholding taxes, local (municipal) taxes and fees, corporate profit tax, value added tax, excise duties, export and import duties, and property taxes. For more information on taxation in Bulgaria, see "Effect of Tax Legislation".

Some provisions of tax laws are unclear, there is often a lack of unanimous or uniform interpretation of the law or uniform practice of tax authorities. Due to the different interpretation of tax laws, the risk associated with Bulgarian tax laws may be greater than in other tax jurisdictions in developed countries.

The Issuer cannot guarantee that the Bulgarian tax authorities will not give a different, unfavorable interpretation of the tax provisions applied by the Issuer, and this may have an adverse effect on the Company's business, its financial condition and/or the results of its operations.

Investors should also note that the value of an investment in the Issuer's common shares may be adversely affected by changes in current tax legislation, including its interpretation and application.

Any of these tax-related risks could result in losses and/or higher expenses and have a material adverse effect on the business, results of operations and financial condition.

1.1.4 Legal risks

The company is exposed to risks related to the Bulgarian and European legal systems.

Since 2007 Bulgaria is a full member of the European Union. As a result, the country carried out a number of significant legal and constitutional reforms. Bulgarian legislation is largely harmonized with EU legislation. However, the country's legal system is still in the process of reform.

Changes in laws and regulations and related interpretations, including changes in accounting standards and taxation requirements and increased enforcement actions and sanctions, may change the business environment in which Sirma operates.

As a result, a risk of deficiencies in the legal infrastructure may be identified, which may result in uncertainty arising in relation to the implementation of corporate actions, the implementation of supervision and other issues.

Of particular importance for the company's activities is compliance with regulations related to competition protection, customs regulations and others.

Sirma and its subsidiaries face a wave of data protection and privacy laws and regulations around the world, including anticipated future regulatory changes.

Large companies and groups in the EU must start publishing starting from the financial year 2025 (for reports published in 2026), sustainability-related information in accordance with the Corporate Sustainability Reporting Directive (CSRD), Delegated Regulation (EU) 2023/2772 on Sustainability Reporting Standards (ESRS), as well as to provide reporting at the company level in accordance with Regulation (EU) 2020/852 on establishing a framework to facilitate sustainable investment (the so-called “Taxonomy Regulation”). Since the regulation on the disclosure of sustainability information is new, complex and there are difficulties in collecting objective and reliable data, there is a risk that the disclosed information will be considered insufficient, inaccurate, misleading or containing “green PR” (greenwashing).

On 25 July 2024, Directive (EU) 2024/1760 on corporate sustainability and due diligence obligations (CSDDD) entered into force. It introduces an obligation for corporate due diligence to end, prevent, mitigate and account for negative impacts on human rights and the environment within the company's operations, including subsidiaries and the value chain. The CSDDD will be implemented in phases depending on the number of employees and net worldwide turnover. Five years after its entry into force, it will apply to companies with more than 1,000 employees and a net worldwide turnover of more than €450 million.

If Sirma violates applicable laws, regulations or standards, or fails to comply with changes thereto, this could have a material adverse effect on its reputation, business or financial condition. In addition, implementing changes in laws and regulations may take time and require adjustments to internal procedures, which may also affect the company's operations.

Sirma may not be able to successfully protect its intellectual property, as well as its technical and manufacturing expertise.

The Group's services and product solutions depend to a large extent on technological know-how and the scope and limitations of intellectual property rights held. The company regularly applies for and receives intellectual property rights related to innovations that are essential to the business.

The process of obtaining patent protection can be lengthy and expensive. In addition, protection under current or future applications may be denied, or patents granted may be of insufficient scope or strength to provide real protection or commercial advantage. Although there is a presumption of validity of patents, their grant does not guarantee that they will be effective or that the claims under them can be enforced to the necessary or desired extent.

In some of the countries in which the Group operates, patent or trademark protection may be significantly weaker than in the European Union or the United States. In recent years, piracy of patented or trademarked intellectual property has been common, especially in some Asian and African countries.

Competitors, suppliers, customers and other third parties also file a large number of applications for intellectual property protection. They may have effective and enforceable rights over certain processes, methods or applications and accordingly may bring infringement claims (including unfounded ones) against the Company.

Some of the know-how possessed – e.g. certain processes – is not patented and cannot be protected by intellectual property rights. Therefore, there is a risk that third parties, especially competitors, will copy them without incurring any costs.

If the Company fails to protect its intellectual property and technical expertise, this could have a material adverse effect on its reputation, business, financial condition and results of operations.

Sirma is exposed to risks arising from legal, administrative and arbitration proceedings

Companies from the Group have been involved in legal and administrative proceedings over the years and may be involved in such proceedings in the future. These proceedings or potential proceedings could involve, particularly in the United States – which is an important growth market for Sirma – significant claims for damages or other payments. The significance of future proceedings, as well as the outcome of individual cases, cannot be predicted due to the inherent uncertainty associated with legal disputes.

In the event of adverse court decisions or settlements, the Group may be subject to injunctions, an obligation to remove offered services or practices, and be forced to make significant payments and compensation, including covering the opposing party's legal costs, which may also be significant. Your own legal costs, as well as those of third parties, can also be high.

Any adverse judicial, administrative or arbitration proceedings could have a material adverse effect on the business, financial condition and results of operations. Significant claims or a large number of smaller claims can be expensive to defend, divert management's attention and time, and result in significant financial damages or other penalties – any of which could have a material adverse effect on the business, financial condition or results of operations.

Competition authorities may accept that merger and acquisition control notifications should have been submitted in the past. If the Company fails to comply with such requirements at the time of the acquisition or collaboration, the relevant government authority may impose fines and – in the case of a merger – require corrective measures, such as mandatory disposal of assets or separation of activities.

Any requirements under antitrust and competition laws related to past or future acquisitions or collaborations, or arising from adverse court decisions or settlements, could result in significant claims for damages and have a material adverse effect on the business, financial condition and results of operations.

Risk of transactions with related parties, the terms of which differ significantly from market conditions

The Group may enter into transactions with related parties, the terms of which may differ significantly from market conditions. Despite the special licensing regime regarding transactions with related parties under the POSA, it is possible for the Group to enter into transactions with related parties, the terms of which may differ significantly from market conditions. This may have a material adverse effect on the Issuer's business, operating results and financial condition.

For more information, see the “Related Party Transactions” section of this Prospectus.

Internal risk management and internal control procedures may fail to prevent or detect corruption, fraud, other criminal or unauthorized acts or violations of the law

The Group's international activities require complex administrative, financial and operational processes in companies with varying degrees of maturity in terms of internal control, operating in diverse legal environments and using different information systems.

The Company's management periodically assesses the effectiveness of the design and operation of internal control. Based on these assessments, it can be concluded that continuous

improvements, modifications or changes to internal control are necessary . However, these measures may prove insufficient or ineffective. There are inherent limitations to the effectiveness of internal control, including fraud, collusion, management override of controls, and human error. Despite the existence of control mechanisms, employees, consultants, agents, business partners or suppliers may still commit illegal acts or corruption in order to gain business or attempt to circumvent existing compliance mechanisms.

Furthermore, control procedures are aimed at reducing, rather than completely eliminating, business risks and are usually oriented towards detecting systemic problems rather than individual abuses. If the Group does not maintain an effective internal control system, it may be subject to sanctions or investigations by regulatory authorities.

The Group has risk management, anti-corruption and internal control procedures aimed at preventing corruption, fraud and other criminal or unauthorized actions by managers, employees, consultants, agents and business partners. Although the company continuously strives to improve the effectiveness and efficiency of these procedures, it may not be able to prevent or detect intentional or illegal behavior, especially in the event of collusion, that circumvents existing protection and control mechanisms. Similarly, risk management procedures may fail to identify, mitigate or manage relevant risk exposures. In addition, it is possible that violations of current legislation may occur or have already occurred, despite strict compliance with it.

If directors, employees, consultants, agents or business partners engage in corruption, antitrust violations, fraud or other criminal or unauthorized actions, the company may be subject to administrative, civil, criminal or other sanctions. Potential abuses by such individuals could also damage reputation and negatively impact Sirma's ability to compete for new business.

Failure of risk management and internal control procedures could have a material adverse effect on reputation, business, financial condition and results of operations.

As a result of the planned listing of the EuroBridge segment Market on the Bulgarian Stock Exchange and the Prime segment Standard on the *Frankfurt Stock Exchange* , Sirma's shares will be eligible for trading simultaneously on the regulated markets in Bulgaria and Germany. In this regard, Sirma will face additional administrative requirements.

The shares of Sirma Group Holding AD are admitted to trading on the Bulgarian Stock Exchange (BSE). This prospectus has been prepared for the purposes of admitting the shares to trading on the EuroBridge Market segment of the Main Market of the Bulgarian Stock Exchange and the Prime Standard segment of the *Frankfurt Stock Exchange* , Germany. Share issues that meet the following criteria may be admitted to the segment:

- They are traded in euros.
- They are registered in the TARGET2-Securities (T2S) platform
- Corporate events for them are announced both in leva and in euros, and payments for them are made in euros.
- Meet the requirements for admission to trading and disclosure of information on the regulated market *Frankfurt Stock Exchange (FSE)*, organized by the market operator Deutsche Börse
- The issuer of the shares discloses regulated information to the public both in Bulgarian and in English through the media of its choice within the deadlines set by the applicable legislation.

In addition, the Issuer must comply with the trading rules of both the Bulgarian Stock Exchange and the *Frankfurt Stock Exchange*. These requirements include in particular interaction with investors and compliance with numerous regulatory and other requirements applicable to public companies, including specific exchange operator disclosure requirements specific to *the Frankfurt Stock Exchange*.

There is a risk that the Company will not be able to comply with these additional requirements without difficulty and reduced efficiency. Any violation of applicable requirements may result in the presentation of inaccurate financial information, significant additional costs and/or expose Sirma to legal, regulatory or civil proceedings or sanctions, as well as damage its reputation and impede or permanently limit future growth and negatively impact the perception of the Company by local investors.

The preparation, convening and holding of general meetings of shareholders, as well as the Company's regular communication with shareholders and potential investors, will require significantly higher costs.

The Issuer is exposed to risks related to compliance with economic and trade sanction regimes.

The Company's international operations are subject to applicable economic and trade sanctions regimes, including, but not limited to, those administered by the United Nations, the European Union and the United States (including the Office of Foreign Assets Control – OFAC) (collectively, “Sanctions Laws”). Sanctions Laws may restrict business relationships with certain countries, territories, governments and individuals. Because Sirma operates in various jurisdictions, the company is exposed to the risk of violating sanctions laws applicable in the countries in which it, its partners or agents operate. International activity, as well as business with the public sector, increases the risk of violations of sanctions or similar laws.

In particular, the Group should comply with EU trade sanctions against Russia, including Regulation (EU) 833/2014, as amended by Regulation (EU) 2024/3192 of 16 December 2024. Regardless of where the direct client is located, the Company is obliged to take measures to prevent the circumvention of sanctions against Russia. Specifically, the Issuer is required to implement, maintain and regularly update procedures for compliance with EU sanctions, consistent with its business model, geographical scope of activity, as well as the specifics and risk profiles of customers, business partners and employees.

Given the increasingly stringent legal framework, there is also an increased risk that some customers or third parties may attempt to circumvent sanctions laws by selling and delivering the Group's services to end customers subject to sanctions.

If the Company fails to effectively manage the above risks, it may be subject to sanctions, including civil damages and criminal fines, injunctions, confiscation of assets, as well as removal or prohibition from participating in public procurement, which may have a material adverse effect on its reputation, business, financial condition and results of operations.

It is possible that the Company may inadvertently infringe on the intellectual property rights of third parties.

Sirma is licensed for the use of many technologies and uses some open source software components that have become the basis of the market portfolio. The company depends on these technologies for the functionality of its own software or cloud services. Changes or loss of licenses, as well as open source licenses, could significantly increase the cost of services and significantly reduce the functionality of Sirma's software solutions. As a result, the Group may

incur additional development costs or license purchases, which could have an adverse effect on its business, financial condition, earnings and cash flows.

Also, the company's competitors, suppliers and customers typically file a large number of applications for protection of inventions through intellectual property rights. It is not always possible to establish with absolute certainty whether effective and enforceable third-party rights exist over certain processes, methods or applications. Furthermore, when involving input from a specific customer in the creation of a particular product that meets a specific need, there is a risk that that customer may assert ownership claims over the associated intellectual property.

Therefore, third parties may bring infringement claims (including unfounded ones) against the Group. As a result, the Group may be forced to cease production, use or offering of relevant technologies or services in certain countries, or to make changes to internal processes or services offered.

In addition, the Group may be required to pay damages for infringements or purchase licenses to use technology from third parties. This may have an adverse impact on the business, financial condition and results of operations.

The company is exposed to the risk of catastrophic events, including a pandemic

Natural disasters, terrorist attacks and military or hostile actions, as well as responses to these actions, may create economic and political uncertainty, which may have a negative effect on economic conditions in Bulgaria and, consequently, an adverse effect on the Issuer's business, financial condition and results of operations.

The spread of a new pandemic, as was the case with the 2020 pandemic, may also have a significant impact on the results of operations, caused both by the slowed economic activity and by the restrictions on the activities of the Issuer itself, despite the fact that the results of the pandemic related to the SARS-Covid19 virus showed that the Issuer has the necessary resources and internal organization to maintain its activities.

The company is at risk of service security breaches

A system or systems managed by Sirma to provide services to customers could be compromised by hacker breaches. This could lead to data theft, destruction or misuse, or entire systems could be rendered unusable. Sirma has introduced software security as a mandatory integral part of the development process.

The Group assesses the likelihood of a risk of causing damage to customers and Sirma from a software security breach as unlikely. If such an event were to occur, it could have a critical impact on reputation, business, financial condition, profits and cash flows.

1.2 Risks associated with shares

Investing in securities is associated with various risks. Potential investors should carefully read and consider the information presented below, together with the information on the other types of risk factors, as well as all information in the Prospectus, before making a decision to acquire shares of the Company.

Sirma Group Holding AD does not have a majority owner.

Sirma's shareholding structure is distributed among various shareholders, with no single owner able to control the company independently. Several individuals together own over 50% of the company's shares. There are no guarantees that this shareholder structure will be maintained in the long term. The interests of individual shareholders may differ both among themselves and with those of the other shareholders.

It can be assumed that the main individual shareholders will be able to make decisions at general meetings of shareholders that require a simple majority of the capital represented, regardless of how the remaining shareholders vote. In particular, they can determine the distribution of profits and, accordingly, the dividend policy. In addition, they can determine the future composition of the Board of Directors if they gather the necessary majority.

There is a risk that in the future some of the shareholders may reduce their participation in the company's capital in compliance with the relevant legal requirements. This may lead to a certain change in the sequence of decisions taken at future general meetings of shareholders, given the emergence of new shareholders and/or the change in the shareholding of the previous major shareholders, holding over 3% of the Issuer's shares.

The fragmented shareholder structure and the lack of agreements concluded between individual shareholders may lead to the emergence of a new large shareholder, which may change the structure of the future composition of the Board of Directors. This may lead to a change in the Group's strategy, including a change in the dividend policy, the policy on acquiring new companies, and others.

The Bulgarian Stock Exchange is significantly smaller and less liquid than the securities markets in some other countries. There is no guarantee that the shares will start trading more actively, which could lead to high price volatility.

The company's shares have so far been traded on a regulated stock market in Bulgaria and have not been traded on any other segments of other exchanges.

The shares of Sirma Group Holding AD were admitted to trading on a regulated market in Bulgaria - Bulgarian Stock Exchange AD in 2015.

Investors may have less information about the Bulgarian securities market than is available for companies in other securities markets.

The Financial Supervision Commission controls the disclosure of information and compliance with other regulatory standards on the Bulgarian securities market. The Financial Supervision Commission monitors compliance with laws and issues regulations and instructions on obligations regarding disclosure of information, trading in securities in the presence of inside information and other issues. However, there may be less publicly available information about Bulgarian companies than is typically made available to investors by public companies on other securities markets, which may have an impact on the stock market.

The Bulgarian Stock Exchange is significantly smaller and less liquid than the securities markets in some other countries, such as those in the US, UK and Germany.

As of December 31, 2024, the market capitalization of companies admitted to trading on the Bulgarian Stock Exchange reached EUR 8.9 billion, which represents a growth of 12.70% compared to the total market capitalization at the end of 2023. The ratio between the market capitalization of public companies in Bulgaria and the Gross Domestic Product is equal to 8.92%.

The total trading turnover of all market segments of the Bulgarian Stock Exchange for 2024 reaches EUR 498 million compared to EUR 401 million in 2023.

The data show that the stock market in Bulgaria is still characterized by insufficient development. The country's business sector is poorly represented on the stock market, and overall liquidity is not high.

The lack of development or maintenance of active trading on both the EuroBridge Market segment and the main market of the Bulgarian Stock Exchange may have a material adverse impact on the liquidity of the shares and it is possible that the market price of the shares may fall below the price at which they were introduced for trading on the EuroBridge Market segment.

After approval of the prospectus by the Financial Supervision Commission, the company's shares will be admitted to trading simultaneously on the regulated markets in Bulgaria and Germany. There is no guarantee that the shares will start trading more actively, which could lead to high price volatility. If, following the admission to trading on the Prime Standard segment of the **Frankfurt Stock Exchange (FSE)**, Germany, an active market for the shares does not develop, this may adversely affect their liquidity and market price and the main market of the Bulgarian Stock Exchange.

The price and trading volume of the company's shares may fluctuate significantly and investors may lose some or all of their investment.

Following approval of this prospectus and admission to trading on the FSE, the price of the shares will be determined primarily by supply and demand and may fluctuate significantly in response to numerous factors, many of which are beyond the control of the Issuer. There are no guarantees that trading in Sirma shares will be more active on the FSE.

The price of Sirma's shares on FSE may be influenced by events related to the state of the Bulgarian stock market.

Therefore, shares may be subject to significant fluctuations.

If the stock price or trading volume declines as a result of the realization of any or all of these factors, investors may lose some or all of their investment.

Future sales of a significant number of shares by shareholders, each of whom holds over 3% of the company's capital, may put pressure on the market price of the shares.

The sale of a significant number of the company's shares on the public market in the period following admission to trading on the FSE, or even the expectation that such sales may occur, could lead to a decline in the market price of the shares and make it difficult for the company to raise capital by selling additional shares in future periods.

As stated in the Prospectus, there is no individual shareholder holding more than 10% of the company's shares.

Future sales of shares by these shareholders may put pressure on the market price of the shares.

It is possible that the company will not pay dividends in the foreseeable future or at all.

The company implements a clearly defined dividend policy. It intends to pay dividends in fiscal 2026 for the fiscal year ending December 31, 2025. In the presence of distributable profit and funds for distribution, the company's objective is to distribute up to approximately a minimum of 50% of its individual net profit for the financial year ending December 31, 2025, as well as for subsequent years. Dividends can only be paid out of the company's distributable profit. Therefore, the company will be able to pay dividends in the planned amount only if it has sufficient net profit to be distributed as a dividend to shareholders.

Net profit is calculated based on the company's individual annual financial statements prepared in accordance with International Financial Reporting Standards (IFRS). In the future, the company may not generate sufficient net profit to pay dividends to its shareholders.

The main assets of the company as a holding company of the group are its direct and indirect equity interests in subsidiaries. As a result, the company depends on these subsidiaries to generate funds necessary to cover its financial obligations and potentially pay dividends. The ability of subsidiaries to make distributions and other payments to the company depends on their profits and is subject to various contractual and legal restrictions.

In addition, current and future debt financing arrangements may contain clauses that limit the company's ability to pay dividends under certain circumstances.

Any future decision regarding a proposal to pay dividends will be at the discretion of the Company's Board of Directors and will depend on the company's operating results, financial condition, contractual restrictions, applicable legislation and other factors that management deems relevant.

According to this prospectus, the shares of Sirma Group Holding AD will be applied for admission to trading on the FSE of the Prime segment Standard. Sirma may not be able to comply with all requirements of the exchange operator.

shares will be listed only on the regulated market of the Frankfurt Stock Exchange *in* the Prime Standard segment. In this segment, issuers maintain the highest standards of transparency in an effort to attract international investors.

Given the lack of sufficient experience, there is a risk that at some point Sirma will not be able to fully meet the high disclosure requirements of the Frankfurt Stock Exchange.

However, the company is an issuer of securities and has been admitted to trading on a regulated market since 2015, as a result of which it has gained significant experience in regular submission of information, compliance with legal requirements in Bulgaria, as well as preserving the rights of minority shareholders.

Trading in the Issuer's Shares on the Bulgarian Stock Exchange may be suspended.

Bulgarian legislation provides for cases in which trading in the Company's shares on the Bulgarian Stock Exchange will be or may be suspended. Under the terms of Art. 91 of the Law on Markets in Financial Instruments, pursuant to Art. 74 of the BSE Trading Rules, the BSE Board of Directors may suspend trading of BSE shares temporarily.

For information on the suspension of trading in shares on the Bulgarian Stock Exchange, see "Bulgarian Capital Market – Suspension of Trading on the Exchange". Any temporary suspension of trading in shares on the Bulgarian Stock Exchange would have an adverse effect on the liquidity and price of the shares and trading on the regulated market in Germany.

Additional financing through shares, including through preferred shares, convertible into ordinary, convertible or exchangeable bonds or similar instruments, may have a "Dilutive Effect" for the Issuer's shareholders.

The Company may issue additional ordinary shares upon subsequent capital increases. According to Bulgarian legislation and the rules of the stock exchange, the Issuer is obliged to offer these ordinary shares to the current shareholders in accordance with their right to acquire a portion of the new shares corresponding to their share in the capital before the increase.

Nevertheless, current shareholders may choose not to participate in a future issuance of ordinary shares, which will result in a "dilution" of their current participation in the Issuer as a share of the capital.

"Dilution" of shareholders' participation may also occur in cases where they, for one reason or another, have not exercised their right to proportionally subscribe for preferred shares

convertible into ordinary shares, convertible bonds, warrants or other similar instruments that can be converted (exchanged) into shares of the Issuer and the remaining holders of these instruments exercise their right to convert (exchange) and acquire new shares from the Issuer's capital.

As of the date of this Prospectus, there is no clause in the company's articles of association that would allow the Board of Directors to undertake a capital increase up to a pre-approved amount. Any decision to increase the capital, including the issuance of convertible bonds and/or warrants, must be taken by the General Meeting of Shareholders.

Change in the taxation regime for investments in securities

As of the date of preparation of this Prospectus, capital gains realized from the sale of securities of public companies on a regulated market in Bulgaria are not subject to tax. There is a risk that this tax regime of non-taxation of income from securities transactions may be changed in the future, which would lead to an increase in the tax burden for shareholders and a decrease in their profits from trading in the Issuer's shares.

Risk regarding minority shareholder rights

The main risk with respect to minority shareholders is that their ability to participate in making management decisions and to exercise control over the Company is limited. This risk can be minimized by investing in securities of issuers that adhere to high standards of corporate governance and control.

2. GENERAL INFORMATION

2.1 Responsible persons

Sirma Group Holding AD (also referred to as the "Issuer", the "Company" or "Sirma Group Holding", with registered office at the address of the management in the city of Sofia, Blvd. Tsarigradsko Shosse No. 135, Republic of Bulgaria, Legal Entity Identifier ("LEI") 8945007AD80FTJTJTEGH37 and registered in the Commercial Register and Register of Non-Profit Legal Entities (TRRYULNTS), Republic of Bulgaria, under the unique identification code (UIC) 200101236, assumes responsibility for the content of this prospectus (the "Prospectus") pursuant to Chapter 6 of the Bulgarian Law on the Public Offering of Securities and Article 11 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC, as amended (the "Prospectus Regulation"), and hereby represents Sirma Group Holding AD Tsvetan Borisov Alexiev declares that this Prospectus complies with the requirements of Chapter 6 of the Bulgarian Law on the Public Offering of Securities, the Regulation on Prospectuses and the acts implementing them, and declares that the information contained in this prospectus is, to the best of his knowledge, in accordance with the facts and that this prospectus does not contain any omissions that could affect its meaning.

According to the POSA, the members of the Board of Directors of the Issuer, namely Chavdar Velizarov Dimitrov, Tsvetan Borisov Alexiev, Atanas Kostadinov Kiryakov, Georgi Parvanov Marinov, Yordan Stoyanov Nedev, Martin Veselinov Paev, Yavor Lyudmilov Djonev, Veselin Anchev Kirov, Peyo Vassilev Popov are jointly and severally liable for damages caused by false, misleading or incomplete data in the Prospectus. The members of the Issuer's Board of Directors declare that they have made all reasonable efforts to ensure that the information stated in the Prospectus corresponds to the facts and does not contain an omission that is likely to affect its meaning.

The compiler of the annual audited consolidated financial statement for 2022 of the Issuer is Nikolay Mladenov Yatsino, business address: city of Sofia, Sofia, Blvd. Tsarigradsko Shosse No. 135, who is jointly and severally liable with the members of the Board of Directors of Sirma Group Holding AD for damages caused by false, misleading or incomplete data in the financial statements of Sirma Group Holding AD prepared by him, UIC 200101236.

Compiler of the annual audited consolidated financial statements for 2023 and 2024 and the unaudited interim financial statements as of 30.06.2025. of the Issuer is Diana Ivanova Petkova, business address : town of Sofia, Blvd. Tsarigradsko Shosse No. 135, which is jointly and severally liable with the members of the Board of Directors of Sirma Group Holding AD for damages caused by false, misleading or incomplete data in the financial statements of Sirma Group Holding AD, UIC 200101236, prepared by it.

Gergana Petrova Mihaylova, Certified Public Accountant with Diploma No. 0649, in her capacity as auditor responsible for the audit of the annual consolidated financial statements for 2022 of Sirma Group Holding AD, UIC 200101236, through Grant Thornton OOD, Sofia 1421, kv. Lozenets, Blvd. Cherni Vrah No. 26, Republic of Bulgaria, registered under number 032 in the public register of auditing companies with the Institute of Certified Public Accountants in Bulgaria, is responsible for the audit of the annual consolidated financial statements of Sirma Group Holding AD, UIC 200101236 for 2022 and for damages caused by the annual consolidated financial statements audited by it.

Emilia Georgieva Marinova-Laleva, certified public accountant with diploma No. 0673, in her capacity as auditor responsible for the audit of the annual consolidated financial statements for 2023 and 2024 of Sirma Group Holding AD, UIC 200101236, through Grant Thornton OOD, Sofia 1421, district Lozenets, Blvd. Cherni Vrah No. 26, Republic of Bulgaria, registered under number 032 in the public register of auditing companies with the Institute of Certified Public Accountants in Bulgaria, is responsible for the audit of the annual consolidated financial statements of Sirma Group Holding AD, UIC 200101236 for 2023 and 2024 and for damages caused by the annual consolidated financial statements audited by it.

The correspondence address of the legally appointed auditors of the issuer, Gergana Mihaylova and Emilia Marinova-Laleva, is Sofia, bul. Tsarigradsko Shosse No. 135.

If claims are brought before a court based on the information contained in this Prospectus, the investor acting as a claimant may have to bear the costs of translating this Prospectus before the commencement of legal proceedings under the national law of the Member States of the European Economic Area (“EEA”).

The information contained in this Prospectus will not be supplemented after the date of publication, except for any material new factor, material error or material inaccuracy relating to the information included in this Prospectus which may affect the valuation of the Shares and which arises or is noticed between the time of approval of this Prospectus and the time of commencement of trading in the Shares on the regulated market of the Frankfurt Stock Exchange and simultaneously on the sub-segment of the regulated market with additional obligations after admission *Prime Standard* of the Frankfurt Stock Exchange , as well as on the Xetra market organized by the Frankfurt Stock Exchange and admission to the *EuroBridge Market segment* of the Bulgarian Stock Exchange, which will be disclosed in a supplement to this Prospectus in accordance with Article 23 of the Prospectus Regulation without undue delay.

The obligation to supplement this Prospectus pursuant to Article 23 of the Prospectus Regulation will cease to apply after the expiry of the validity of this Prospectus at the end of the first day of trading in the Shares on the Frankfurt Stock Exchange, which is currently expected to occur on or around 26.01.2026.

2.2 Regulatory Statements

The prospectus constitutes a prospectus within the meaning of Article 3 of the Prospectus Regulation and has been approved by the Bulgarian Financial Supervision Commission ("FSC"), 1000 Sofia, ul. "Budapest" No. 16, Republic of Bulgaria (telephone: +359 (0)800 40 444; website: <https://www.fsc.bg/>), as the competent authority under the Prospectus Regulation.

The FSC has approved this Prospectus only as meeting the standards of completeness, understandability and consistency imposed by the Prospectus Regulation, and such approval should not be deemed to be an approval of the Issuer or the quality of the Shares. Investors should make their own assessment regarding the suitability and appropriateness of investing in the Issuer's securities.

2.3 Subject of the prospectus

This prospectus has been prepared for the purposes of admission of the shares to trading on the EuroBridge Market segment of the Bulgarian Stock Exchange, as well as on the regulated market of the Frankfurt Stock Exchange with simultaneous admission to its sub-segment with additional obligations after admission (*Prime Standard*), and for admission to the Xetra market organized by the Frankfurt Stock Exchange, and admission to the EuroBridge Market segment of the Bulgarian Stock Exchange (the "Admission") of 59,360,518 ordinary shares, representing the entire share capital of the Company (the "Shares"). At its meeting of 07.05.2025, The Board of Directors of Sirma Group Holding AD has unanimously decided to initiate a process for dual listing of the shares of Sirma Group Holding AD on the Frankfurt Stock Exchange, Germany.

For this purpose, the Issuer will require notification pursuant to Art. 25 of Regulation (EU) 2017/1129 by the Financial Supervision Commission of the Republic of Bulgaria, which approved the prospectus.

This Prospectus has not been prepared for the purposes of an initial public offering of securities. The Issuer's General Meeting has not made a decision to issue a new issue of shares.

The prospectus does not constitute an offer to buy or sell securities issued by Sirma Group Holding AD.

2.4 Forward-looking statements

The prospectus contains certain forward-looking statements. A forward-looking statement is any statement that does not refer to historical facts or events, or to facts or events as of the date of the Prospectus. This applies in particular to statements in the Prospectus containing information regarding future profitability, cash flows, capital expenditures, plans and expectations regarding the business, growth and profitability, including the development guidelines and objectives, the Issuer's strategy, expectations for market growth, as well as the general economic and legal conditions to which the Group is exposed.

Statements that use terminology such as "aims," "expects," "anticipates," "intends," "plans," "forecasts," "targets," or the negative forms of these words are indicative of forward-looking statements.

The forward-looking statements included in the Prospectus are based on current assessments and judgments of the persons responsible for preparing this Prospectus. They are based on assumptions, such as constant exchange rates, and are subject to risks, uncertainties and other factors, the occurrence or non-occurrence of which could cause actual circumstances – including business, results of operations, financial condition, cash flows and prospects – to differ materially from the expectations expressed or implied in these statements. Even if future

results meet the expectations expressed here, this does not necessarily mean that they will be indicative of results in subsequent periods.

Forward-looking statements speak only as of the date of the Prospectus. Investors are advised to note that the company undertakes no obligation and has no intention – except as required by law – to publish updates or corrections to these statements to reflect changes in expectations or in the events, conditions or circumstances on which these statements are based, or to bring them into line with future events or developments.

Forward-looking statements involve significant uncertainties that could cause actual results to differ materially from projected or expected results. There can be no assurance that these forward-looking statements will prove to be accurate or correct or that projected or expected future results will be achieved. All forward-looking statements included in this Prospectus are based on information available to the Issuer as of the date of issue of this Prospectus and the Issuer assumes no responsibility or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by law.

Accordingly, investors are advised to read this Prospectus, including the sections entitled: “*1 Risk Factors*”, “*7 Management’s Discussion and Analysis of Net Assets, Financial Condition and Results of Operations*”, “*9 Company Operations*”. These sections include more detailed descriptions of the factors that could have an impact on the operations of Sirma Group Holding and the Group, and the market in which they operate.

2.5 Information used by third parties

The prospectus contains industry and customer-related data, as well as calculations derived from industry reports published by third parties, market research, publicly available information and third-party trade publications. These publications usually state that the information in them comes from sources considered reliable, but that the accuracy and completeness of this information are not guaranteed and that the calculations contained therein are based on assumptions.

In particular, these sources may not reflect – or fully reflect – the impact of the Russia-Ukraine conflict and other conflicts, due to, among other things, uncertainties surrounding future developments. In view of the potential effects of these and other events on the economy, society and the markets in which the Company operates or has customers, all current forecasts can only be made with a significantly higher degree of uncertainty.

This is especially true in the context of the interrelationships between global financial markets, economies, and political decisions, each of which individually can have an impact on economic and political development, and in combination it is impossible to assess them with any certainty at the moment.

The Issuer and the Admission Agent represent and warrant that they have taken due care to reproduce this information in the Prospectus accurately and without changing it in any material respect and that, to the best of the Issuer's knowledge and ability to verify from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Below is a list of sources used to prepare this Prospectus:

1. Financial Supervision Commission (FSC)
2. Bulgarian Stock Exchange AD, (BSE)
3. Central Depository AD (CD)

4. National Statistical Institute, (NSI)
5. Bulgarian National Bank, (BNB)
6. Ministry of Finance of the Republic of Bulgaria (MoF)
7. The World Bank (WB)
8. Gartner.

The information about the sector and the market is based on both public sources mentioned above and data from the Issuer's own market research, data from financial reports of major competitors and press publications.

Where the information in the Prospectus has been obtained from a third party, the company confirms that such information has been accurately reproduced and that, to the extent that the company is aware and can ascertain on the basis of the information published by the relevant third party, no facts have been omitted which would make the reproduced information inaccurate or misleading.

Notwithstanding the company's responsibility for the content of the Prospectus, it has not independently verified this information from third parties, nor does it make any representations or warranties as to the accuracy or completeness of such information. The Company assumes no responsibility and makes no warranties as to the accuracy of any third-party research information included in the Prospectus.

The prospectus also contains estimates of market and other data, as well as information derived from such data, which cannot be obtained from publications of market research institutes or other publicly available sources, but is based on the company's estimates. These assessments by the company are based in part on internal market observations, analysis of sector information (from conferences, sector events, etc.) and on various market studies, including the sources mentioned above.

The assessments of market and other data set forth and the information derived therefrom could help potential investors gain a better understanding of the sector in which the Group operates. They may differ from estimates made by competitors or from current studies and research conducted by market research institutes or other independent sources. To the extent that this third-party information relates to forecasts and other forward-looking statements, actual circumstances may differ materially from or fail to meet the expectations expressed or implied in such statements.

The information contained on any website mentioned in the Prospectus, including the own website www.sirma.com, is not incorporated by reference and is not part of the Prospectus by inclusion or reference, and such information has not been verified or approved by the FSC. This does not apply solely to the references to the issuer's website to the financial statements and audit reports in Appendix 1 of this Prospectus.

2. 6 Documents available for review

Sirma Group Holding submits quarterly, half-yearly and annual reports, internal information and other regulated information to the Financial Services Commission, Bulgarian Stock Exchange, on the Issuer's website (<https://investors.sirma.com/en>) and in public media (<https://www.x3news.com/?page=news&language=en>) in accordance with the Bulgarian Law on the Public Offering of Securities, Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16.04.2014 on market abuse, the implementing acts, etc. The company also publishes its annual financial statements in the Bulgarian Commercial Register (<https://portal.registryagency.bg/en>). The information contained in or accessible through the

Sirma Group Holding website does not form part of this Prospectus, except for the documents to which the Prospectus refers.

The company's future financial statements will be published in the "Investors" section of the company's website (<https://investors.sirma.com/en/reports-filings>), in the Bulgarian Commercial Register, as well as on the Bulgarian Stock Exchange.

After the confirmation of the Prospectus by the Financial Supervision Commission, this Prospectus and additional information about the Issuer will also be available from the public register of public companies and other issuers of securities, maintained by the Financial Supervision Commission (www.fsc.bg).

The prospectus will also be available on the website of the Bulgarian Stock Exchange AD: <https://bse-sofia.bg/en/>.

While the Prospectus is valid, the following documents or copies thereof may be inspected during regular business hours at the office of Sirma Group Holding at: Sofia, Blvd. "Tsarigradsko Shose" No. 135, Republic of Bulgaria:

- the certificate of current status of Sirma Group Holding;
- the statutes of Sirma Group Holding;
- the audited (consolidated) financial statements of Sirma Group Holding as of and for the years ended December 31, 2022, 2023 and 2024, as well as the unaudited (consolidated) financial statements for the six-month period ended June 30, 2025, prepared in accordance with IFRS.

The listed documents will also be available in electronic format for twelve months after the publication of the Prospectus at <https://investors.sirma.com/en>. The information contained on the Sirma Group Holding website does not form part of and is not incorporated by reference into this Prospectus, except for the references in Appendix 1 to this Prospectus.

2.7 Potential interests

The Admission Agent acts exclusively on behalf of Sirma Group Holding and will not consider any other person as its client in relation to the Admission and will not be liable to anyone other than Sirma Group Holding for providing advice in relation to the Admission. The Admission Agent and/or its affiliates have engaged in and may from time to time in investment banking, financial advisory and ancillary activities in the ordinary course of business with Sirma Group Holding or the Group, in respect of which they have received and may in the future receive customary fees and commissions.

Other than as described in this section, Sirma Group Holding is not aware of any material interest in the Admission of another party, nor is it aware of any conflict of interest.

2.8 Presentation of financial information

2.8.1 General

The financial years ended 31 December 2024, 2023 and 2022 are referred to in the Prospectus as “financial year 2024” or “2024”, “financial year 2023” or “2023” and “financial year 2022” or “2022”, respectively. The current financial year, which will end on 31 December 2025, is referred to as “financial year 2025” or “2025”.

Where the financial information presented in this Prospectus is designated as “audited”, this means that it has been extracted from the audited consolidated financial statements.

Financial information presented as “unaudited” in the Prospectus is taken from:

- (i) Interim financial statements or
- (ii) the company's internal reporting systems,

or is calculated based on data from any of these sources, including the company's financial statements.

There is no other audited information or information reviewed by auditors in this Prospectus on which the auditors have prepared a report.

2.8.2 Rounding

All financial information presented in the text and tables in this Prospectus is shown in thousands of euros or in millions of euros, unless otherwise stated. Certain financial information (including percentages) contained in the tables in this Prospectus has been rounded in accordance with established commercial standards. As a result, the total amounts in the tables may not always coincide with the amounts calculated on the basis of the original (unrounded) values specified elsewhere in the Prospectus. Additionally, these rounded values may not add up exactly to the totals shown in the tables.

Financial information presented in parentheses indicates a negative value. A dash ("–") means that the corresponding value is not available, while a zero ("0.0") means that the value is available but rounded to zero.

2.9 Non-IFRS Financial Indicators – Alternative Performance Indicators (APIs)

This Prospectus contains financial measures that are not required or presented under International Financial Reporting Standards (IFRS), including: **EBITDA, EBITDA margin, net financial debt, net debt including employee benefits, leverage, order revenue, order backlog and net working capital** (each defined below). According to Commission Delegated Regulation (EU) 2016/301 and the European Securities and Markets Authority (ESMA) Guidelines on Alternative Performance Indicators of 5 October 2015. ("ESMA Guidelines"), the following sections present information regarding certain financial indicators of the company that are not defined by IFRS and which the company considers to be APE within the meaning of the ESMA Guidelines.

We present these APEs as supplementary information because: (i) they are used by the company's management to measure operating performance or as an auxiliary control parameter, including in presentations to management and as a basis for strategic planning and forecasting; and (ii) they represent indicators that are widely used by certain investors, analysts and other stakeholders as supplementary measures of operating and financial performance.

These APEs can improve management's and investors' understanding of financial performance by excluding items that are not part of the ordinary course of business or are not appropriate for management. APEs are not defined by IFRS or other internationally accepted accounting standards and should not be considered an alternative to historical financial results or other measures of performance and financial condition based on IFRS.

In particular, APEs should not be considered as an alternative to the group's profit/loss after tax as an indicator of its efficiency and profitability, nor as an alternative to cash flows from operating activities as an indicator of financial sustainability. APEs, as defined below, may not be comparable to similar metrics presented by other companies due to differences in the method of calculation.

Alternative performance indicators:

- **EBITDA**, according to IFRS financial statements, is defined as the consolidated result for the year before financial result, income taxes and depreciation.
- **EBITDA margin** is defined as the ratio between EBITDA and revenue. **EBITDA margin** is the ratio between adjusted EBITDA and revenue, expressed as a percentage.
- **Net financial debt** is defined as the sum of financial liabilities and lease liabilities (total financial debt), less cash and cash equivalents, including restricted bank balances and cash investments in credit institutions. Financial liabilities under IFRS include the current and non-current parts of financial liabilities according to the audited consolidated financial statements.
- **Financial leverage** is defined as the ratio between net debt (including employee benefits) and EBITDA.
- **Order revenue** is defined as customer orders received. They are measured by the value of orders.
- **Net Working Capital** is defined as the total amount of inventories and trade receivables, less trade payables and advances from customers (including contract liabilities - long-term and short-term).

These alternative performance indicators (APEs) are presented in this Prospectus because they are used by the Issuer to monitor the business, and are also monitored by investors, analysts and other stakeholders when evaluating companies in the sector. They can contribute to a more complete understanding of the activity. These metrics improve management and investors' understanding of financial performance, for example by excluding items that are not part of current operating activities, such as one-time events, income taxes, capital expenditures, and non-cash expenses.

- **EBITDA is useful a measure for assessing operational efficiency.** The indicator can differ significantly between companies depending on accounting methods, the book value of assets, capital structure, or the method of acquisition of assets. It eliminates potential differences in results caused by differences in capital structures (affecting net interest income/expense and purchase price allocation effects), tax positions (such as the availability of accumulated losses to deduct from taxable profit), the degree of identification of intangible assets (affecting amortization expense), and the value and age of tangible assets (affecting depreciation expense).
- **The EBITDA margin is a significant financial indicator** for assessing the Group's core operating efficiency.
- **Net financial debt and net debt including employee benefits are useful for investors** in assessing the financial position of the Group.
- **Financial leverage** is a significant indicator for assessing the ability to cover net debt (including employee benefits) through operating income, measured by EBITDA.
- **Order revenue** is an important indicator for assessing the growth prospects and for managing the Group, as it allows for early conclusions regarding future capacity utilization, revenue and profit.
- **Net working capital** is an indicator of operating efficiency and cash flow generation and is used for short-term liquidity management.

Although APEs are used by management to assess current operating efficiency and liquidity, and are frequently used by investors, they have important limitations as

analytical tools and should not be viewed in isolation or as a substitute for IFRS performance analysis. For example, some of the restrictions include:

- Excludes certain tax payments that may reduce available cash.
- They do not reflect the necessary capital expenditures for assets that are depreciating and may need to be replaced in the future.
- They do not reflect changes in working capital needs or the cash required for them.
- They do not reflect the significant interest costs or the funds required to service the debt.
- They do not reflect payments for the acquisition of new subsidiaries, businesses or minority shareholder interests.

2.10 Currency presentation

In this Prospectus, “euro”, “EUR” and “€” refer to the single European currency adopted by certain participating Member States of the European Union (“EU”), including the Federal Republic of Germany (“Germany”), while “\$”, “US dollar” or “USD” refer to the lawful currency of the United States of America and its territories. The text may also contain data in leva, which is the main currency in Bulgaria as of the date of validity of the Prospectus. The Bulgarian lev is officially pegged to the euro at a fixed rate of 1.95583 leva per 1 euro. The exchange rate has not been changed since the introduction of the euro as the single European currency in 2002.

On July 8, by decision of the European Parliament and the Council of the European Union, Bulgaria was approved for membership in the European Monetary Union, effective January 1, 2026. The exchange rate of the Bulgarian lev at which the exchange into euros will be carried out remains unchanged - 1.95583 leva for 1 euro. The data in the Prospectus has been converted at this exchange rate.

Rounding in euros in the text is done to the second decimal place.

3. ADMISSION TO TRADING

3.1 Information regarding the shares that will be admitted to trading on the EuroBridge Market segment of the Bulgarian Stock Exchange, as well as the Prime Standard segment of the Frankfurt Stock Exchange

The information set out below contains the characteristics of the Shares that will be subject to listing on the EuroBridge Market segment. on the Bulgarian Stock Exchange, as well as on the regulated market of the Frankfurt Stock Exchange, Prime segment Standard. All shares issued by the issuer are of the same class. The company does not have different classes of shares issued. The issuer's shares are registered with the Central Depository AD in Bulgaria and were admitted to trading on the Bulgarian Stock Exchange in 2015. The shares have ISIN code BG1100032140. As of the date of this prospectus, the shares of Sirma Group Holding AD are traded on the highest segment of the Bulgarian Stock Exchange, namely on the Main Market, Premium Segment.

This section of the Prospectus contains such information regarding the characteristics of the Shares as the Issuer considers necessary to enable potential investors to make an informed decision whether to invest in the Shares.

The information regarding the characteristics of the Shares and the other information presented in this section has been prepared in accordance with the legislation applicable in the Republic of Bulgaria and the provisions of the Issuer's Articles of Association. Without prejudice to the Issuer's statutory obligations to publish a supplement to the Prospectus, to the extent applicable,

neither the Issuer nor any other person acting on its behalf and/or for its account undertakes any obligation or commitment to update or provide any other updated information regarding the applicable legislation or the Articles of Association of the Company after the date of this Prospectus.

Apart from the issue subject to this Prospectus, the company has not issued any other issues of shares.

To the extent it contains a description of the legal framework applicable to the Shares, the information set out below is prepared for the purpose of providing a general description only. Potential investors in Shares should note that this information does not constitute, nor is it intended to be, any form of legal or tax advice, investment advice or any other type of consultation. Investors in Shares should use the services of their own legal, tax, financial and other advisors – such as they consider necessary to engage – to understand the nature of the relationships that will arise as a result of their acquisition of Shares and the rights that the latter will incorporate in accordance with this Prospectus and applicable law.

3.2 Designated sponsor, according to point 6.4 of Annex 11 to Delegated Regulation (EU) 2019/980

Wolfgang Steubing AG will be authorized as the designated sponsor of the Issuer and its shares admitted to trading on the Frankfurt Stock Exchange (the “Appointed Sponsor”). It will also act as agent for the admission of Sirma shares to trading on the regulated market of the **Frankfurt Stock Exchange**, Prime segment Standard. The sponsor acts as a market maker on the issue after the admission to trading of the issue of Sirma shares.

Sirma will conclude an agreement with Wolfgang Steubing AG, as the sponsor will carry out, among other activities, continuous placement of orders for the purchase and sale of shares in the electronic trading system of the Frankfurt Stock Exchange during regular trading hours in minimum volumes at a maximum spread between the "buy" and "ask" quotes, as specified in the rules of the exchange. The parameters of the maintained spread are determined by a formula that includes the issuer's market capitalization, freely traded volume, average daily turnover, etc.

The Agreement is signed by the Issuer together with the application for listing on the Frankfurt Stock Exchange and enters into force on the date of approval of the listing.

The purpose of this activity is to increase the liquidity of the market with the company's shares.

The sponsor will receive payment for its actions upon successful admission of Sirma's shares to trading on the regulated market of the **Frankfurt Stock Exchange**, and will subsequently receive an annual fee for its activities as a market maker on the FSE issue.

Sponsor details: WOLFGANG STEUBING AG

Headquarters and registered office: Goethestrasse 29, 60313 Frankfurt, Germany

Correspondence address: Goethestrasse 29, 60313 Frankfurt, Germany

3.3 Regulatory acts that regulate the characteristics of shares

The following is a non-exhaustive list of the most important regulatory and other acts that, as of the date of the Prospectus, govern the characteristics of the Shares, the information and other obligations that the Issuer follows in its capacity as a public company within the meaning of Art. 110 of the POSA, as well as trading in the Shares:

- Commercial law

- Public Offering of Securities Act (POSA)
- Markets in Financial Instruments Act (MFIA) and its implementing acts
- Prospectus Regulation
- Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004
- Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (‘Market Abuse Regulation’)
- Regulation No. 2 of 09.11.2021 on initial and subsequent disclosure of information in public offering of securities and admission of securities to trading on a regulated market
- Regulation No. 8 of 3.09.2020 on the requirements for the activities of central securities depositories, the central securities register and other persons carrying out activities related to the settlement of securities
- Regulation No. 22 of the FSC on the terms and conditions for registration and deregistration of public companies, other issuers of securities and issues of securities in the register of the Financial Supervision Commission (“Regulation No. 22”)
- Regulation No. 38 of 21.05.2020 on the requirements for the activities of investment intermediaries (“Regulation No. 38”)
- Regulations for the activities of "Central Depository" AD
- Regulations for the activities of the Bulgarian Stock Exchange AD
- Other subordinate legislation implementing the above-mentioned Bulgarian laws, other delegated acts and implementing acts related to the above-mentioned primary acts of European law.

3.4 Admission to trading

3.4.1 Shares

The shares of Sirma Group Holding are freely tradable on the Bulgarian Stock Exchange AD.

On or about 05.01.2026, Sirma Group Holding, together with the Admission Agent, expects to apply for admission of the shares to listing and trading on the regulated market *of* the Frankfurt Stock Exchange *and* its sub-segment with additional obligations after admission (*Prime Standard*) (traded in euros). The Shares are expected to be admitted to trading on or about 26.01.2026 and trading in the Shares on the Frankfurt Stock Exchange is expected to commence on or about 26.01.2026.

After admission to trading on the FSE/Eurobridge Market, corporate events for the shares are announced in BGN (until January 1, 2026) and in EUR and are paid in EUR, and after 01.01.2026 they will be announced and paid only in EUR.

The price of introduction to trading of the Issuer's shares upon commencement of trading on the Frankfurt Stock Exchange and the EuroBridge Market segment of the Bulgarian Stock Exchange has not been determined as of the date of the Prospectus. The price of introduction

to trading will be determined based on the "Closing Price" of the last trading session of the Bulgarian Stock Exchange before the transfer of the shares of Sirma Group Holding AD to trading on the Frankfurt Stock Exchange and the EuroBridge Market segment of the Bulgarian Stock Exchange.

3.4.2 Admission Agent

Wolfgang Steubing AG, Germany, LEI: 39120043LUI1WJS8IX30 will act as admission agent in connection with the application for admission of the Shares to listing and trading on the regulated market of the Frankfurt Stock Exchange (*FSE*) and its sub-segment with additional obligations after admission (*Prime Standard*).

3.4.3 Schedule

The indicative schedule for Admission is expected to be as follows, subject to third party actions:

Date (on or around the date specified)	Event
10/16/2025	Approval of this Prospectus by the Financial Supervisory Commission
10/16/2025	Publication of this Prospectus
19.10.2025	Issuance of a certificate of approval by the Financial Services Commission pursuant to Article 25 of the Prospectus Regulation
05.01.2026	Application for admission to trading of all shares on the regulated market of the Frankfurt Stock Exchange and its sub-segment with additional obligations after admission (<i>Prime Standard</i>) via the eListing Platform and for relocation of EuroBridge to the Bulgarian Stock Exchange.
01/20/2026	Admission of all shares to trading on the regulated market of the Frankfurt Stock Exchange and its sub-segment with additional obligations after admission (<i>Prime Standard</i>)
01/26/2026	Start of trading in all shares on the regulated market of the Frankfurt Stock Exchange and its sub-segment with additional obligations after admission (<i>Prime Standard</i>)
26.01.2026	Start of trading in all shares on BSE Main Market, EuroBridge Market segment.

3.4.4 Distributor information

Each distributor is responsible for conducting its own assessment of the target market for the Shares and determining appropriate distribution channels.

Solely for the purposes of the product governance requirements contained in (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (the "MiFID II Directive"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/539 supplementing the MiFID II Directive; and (c) local implementing measures (together the "MiFID II Product Governance Requirements"), and disclaiming any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance

Requirements) may have in relation to them, the Shares have been subject to a product approval process by the Admission Agent, which has determined that the Shares are: (i) compatible with an ultimate target market of retail investors and investors who meet the criteria for professional clients and eligible counterparties, each of which is set out in the MiFID II Directive; and (ii) are eligible for distribution through all distribution channels as permitted by the MiFID II Directive (“Target Market Assessment”).

Notwithstanding the Target Market Assessment, any person subsequently offering, selling or recommending the Shares (a “distributor”) should note that: the price of the Shares may fall and investors could lose all or part of their investment; the Shares do not offer a guaranteed income and do not offer any capital protection; and investment in the Shares is only suitable for investors who do not require a guaranteed income or capital protection, who (alone or in conjunction with an appropriate financial or other advisor) are able to assess the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may arise therefrom.

The Target Market Assessment is without prejudice to the requirements of any contractual, statutory or regulatory selling restrictions in connection with a subsequent offer or sale of the Shares and does not constitute: (i) an assessment of suitability or appropriateness for the purposes of the MiFID II Directive or (ii) a recommendation to an investor or group of investors to invest in, purchase or take any other action in relation to the Shares.

3.4.5 Existing quote

The Shares are currently traded on the Bulgarian Stock Exchange in the Premium segment. Market. The initial registration of the share issue on the Bulgarian Stock Exchange was made in November 2015. The shares are among the most liquid on the market, participating in the structure of the oldest stock index on the Bulgarian Stock Exchange - SOFIX.

3.4.6 Material costs for Admission

The expected costs for the Issuer related to the Admission to Trading on the Frankfurt Stock Exchange and the EuroBridge Market segment of the Bulgarian Stock Exchange are distributed in the following groups:

- Approval of a prospectus – 10,000 euros;
- Preparation of an information document and obtaining legal opinions in English and German, passportization, settlement agreements, and others – 60,000 euros;
- Providing a sponsor/market maker for FSE – 30,000 euros per year.
- Costs for consultants, external services, logistics and others – 100,000 euros.

The total amount of the expected costs for the admission of shares is 200,000 euros.

3.4.7 Lock-up agreements

There are no restrictions adopted by the members of the Board of Directors of the Company on the disposal, within a certain period, of their holdings in securities of the Issuer. The Issuer is not aware of any other similar agreements to block and/or withhold sales of the Issuer's shares.

3.4.8 Interests of the Parties Involved in the Admission

The Admission Agent will act exclusively on behalf of Sirma Group Holding and will not consider any other person as its client in relation to the Admission and will not be liable to anyone other than Sirma Group Holding for providing advice in relation to the Admission. The Admission Agent and/or its affiliates have engaged in and may from time to time in investment

banking, financial advisory and ancillary activities in the ordinary course of business with Sirma Group Holding or the Group, in respect of which they have received and may in the future receive customary fees and commissions.

Other than as described in this section, Sirma Group Holding is not aware of any material interest in the Admission of another party, nor is it aware of any conflict of interest.

3.4.9 Selling security holders

The Company is preparing this Prospectus for the purpose of admission to trading of the existing shares of the Issuer on the regulated market of the Frankfurt Stock Exchange and its sub-segment with additional obligations after admission (*Prime Standard*) and on the FSE/Eurobridge Market. The Issuer is not aware of the intentions of the current shareholders as to whether and what part of their shares they intend to sell.

4. DIVIDEND POLICY

4.1 General provisions on profit distribution and dividend payment

The shareholders' share in the company's profit is determined in proportion to their participation in the share capital. For the Company, according to European and Bulgarian law, such as the current company, the distribution of dividends for a given financial year, as well as the amount and date of payment, are decided by the general meeting of shareholders. This decision is made at the general meeting in the following financial year, which must be held in the first six months of the year, based on a proposal from the Board of Directors (BoD) regarding the distribution of profit.

Dividends can only be distributed from distributable profits. It is calculated based on the annual financial statements prepared in accordance with IFRS.

When determining the amount to be distributed, the net profit for the year is adjusted by the profit/loss carried forward from the previous year and by the release or allocation of reserves. The law requires the creation of certain reserves that must be deducted when calculating distributable profits.

The Board of Directors must prepare the annual financial statements and Annual Report within the statutory deadline and present them first to the auditors. The Board of Directors must submit a proposal for profit distribution to be considered and voted on at the General Meeting of Shareholders.

The decision of the general meeting regarding the distribution of profit is adopted by a simple majority. The right to dividend arises for shareholders who are registered in the Central Depository's registers 14 days after the date of the General Meeting at which the annual financial statement was adopted and a decision was made to distribute the profit.

According to Bulgarian law, the right to receive dividends **expires after five years** in favor of the company. If the claims expire, the company becomes the holder of the funds.

There are no restrictions on the right of shareholders to receive dividends, as long as there is distributable profit and a resolution to distribute dividends has been adopted at the General Meeting of Shareholders. The Company's Articles of Association do not provide for a special procedure for shareholders who are not residents of Bulgaria. The company also has the right to distribute a semi-annual dividend.

Normally personal income tax is withheld from dividends. For more information, see "Effect of Tax Legislation".

4.2 Dividend policy and earnings per share

The decision to distribute a cash dividend was taken at the General Meeting of Shareholders of the company held on 03.06.2025 in Sofia, Bulgaria. The general meeting voted on a dividend for 2024 in the total amount of 592,677 euros. The gross dividend per share is 0.01 euros.

Data on distributed dividends from Sirma Group Holding for the period 2022-2025:

Year	Gross dividend per share in euros
2025	0.01
2024	0.01
2023 – second interim dividend	0.017
2023 – first interim dividend	0.008
2022	0.012

Source: Bulgarian Stock Exchange

Sirma Group Holding AD intends to pay dividends to its shareholders, and for this purpose it has adopted a Dividend Policy.

According to the dividend policy, “Dividend(s)” refers to either an interim or a final dividend. The dividend policy of the Company is to distribute to its shareholders surplus funds from its distributable profits and/or general reserves, as may be determined by the general meeting of shareholders, subject to:

- a) The recognition of profit and the availability of cash for distribution;
- b) Any banking or other financing requirements to which the Company is bound, if any;
- c) The Company's operational and investment needs;
- d) The Company's expected future growth and profits;
- e) Provisions of the Company's Articles of Association;
- f) Emerging trends in dividend payouts in the industry;
- g) All relevant applicable laws.

The company will strive to maintain a dividend payout ratio of no less than 50% of net profit, subject to the considerations above. The company's board of directors is responsible for implementing all decisions regarding the declaration and payment of dividends. The Company will not declare any dividends when the law prohibits such payment and if there are reasonable grounds to believe that it is, or would be, after the payment of a dividend, unable to pay its debts or fulfill its commitments if and when they become due.

The decision to declare and pay dividends is approved at the Annual General Meeting of Shareholders ("AGM"), upon the recommendation of the Board of Directors. This is a separate item on the agenda of the General Meeting of Shareholders. The Board of Directors may, at its discretion, propose an interim dividend, if the articles of association and the law permit, based on the profits obtained according to quarterly or semi-annual unaudited financial results or generated by a one-time liquidity event, such as a large asset sale.

No interest is accrued on unclaimed dividends held by the Company.

This Dividend Policy is formulated in accordance with Bulgarian legislation and internationally recognized best practices and principles. It may be amended by the Board of Directors and approved by the General Meeting of Shareholders.

Investors should keep in mind that the Issuer's dividend policy should be treated as recommended, but not mandatory.

The Issuer's current dividend policy was approved by the company's Board of Directors on September 29, 2022.

Any future decision to pay dividends will be made in accordance with the law and will depend on the results, financial condition, contractual restrictions, capital needs and the proposals of the Board of Directors, which are subject to approval by the general meeting.

No prediction can be made regarding the amount of future distributable profit or whether any will be available at all, therefore there is no guarantee that dividends will be paid in the future.

5. CAPITAL DILUTION

Since this prospectus has not been created for the purposes of an initial public offering of shares and a capital increase, but for the registration of existing shares of the issuer for trading on the EuroBridge Market segment of the Bulgarian Stock Exchange and the Prime Standard segment of the FSE, there is no dilution effect on the company's capital as a result of the actions to admit trading to the EuroBridge Market segment of the BSE and the Prime Standard segment of the FSE.

6. CAPITALIZATION AND DEBT. WORKING CAPITAL STATEMENT

6.1 Capitalization and liabilities

The following tables present the consolidated capitalization and indebtedness of the Group as of June 30, 2025. This Prospectus has not been prepared for the purpose of increasing the Company's capital, therefore no adjustments need to be made in connection with a future capital increase. The information presented is extracted from the company's accounting reports.

The data presented in this section should be analyzed together with the information provided in the "Operational and Financial Review", the financial statements and the notes thereto, as well as the financial data presented in the other sections of the Prospectus.

Table 1: Capitalization and liabilities of the issuer on a consolidated basis

Category (in thousand euros)	30.6.2025	31.03.2025
Total current liabilities³	10 947	11 079
Guaranteed		
Secured ⁴	511	412
Unsecured/unsecured		
Total non-current liabilities⁵	4 378	4 257

³ Refers to current liabilities as presented in the company's unaudited consolidated statement of financial position as of June 30, 2025. Corresponds to the sum of the following items in the consolidated statement of financial position:

- Current trade payables to suppliers and customers,
- Advances received
- Current financial liabilities on loans from banks,
- Current obligations to staff,
- Current liabilities to related companies,
- Current tax liabilities,
- Current liabilities to insurance companies;
- Current provisions.

⁴Remaining obligation under a bank overdraft agreement secured by a pledge of receivables.

⁵Refers to non-current liabilities as presented in the company's unaudited consolidated statement of financial position as of June 30, 2025. Corresponds to the sum of the following items in the consolidated statement of financial position:

Guaranteed		
Secured ⁶	3 187	3 187
Unsecured/unsecured		
Equity		
Capital stock ⁷	29 623	29 487
Legal reserves	1 802	1 636
Other reserves ⁸	9 312	10 249
Total capitalization	40 499	41 372

Source: Unaudited data from the Issuer

On 13.08.2025. “Sirma Group Holding” AD is disbursing the second tranche of a loan from United Bulgarian Bank in the amount of 1,366,542 euros. The funds were used for the final payment for the acquisition of a majority stake in Roweb, Romania in 2024.

6.2 Implied and contingent liabilities

The Issuer has contingent liabilities related to collateral in favor of banks for overdrafts and bank loans of the following amounts:

Table 2: Contingent liabilities

Bank	Credit type	General loan amount (euro)	Collateral
Unicredit Bulbank AD	Revolving credit line	3 067 751	Pledge of receivables
United Bulgarian Bank AD	Bank loan	4,806,144	Pledge of receivables, pledge of commercial property enterprises, property pledge
United Bulgarian Bank AD	Revolving credit line	4 090 335	Pledge of receivables
Unicredit Bulbank AD	Overdraft	511 292	Pledge of receivables
Total		12,475,522	

Source: Sirma

6.3 Net financial indebtedness

Table 3: Net financial indebtedness

Category (in thousand euros)	30.6.2025	31.3.2025
A. Cash ⁹	4 397	3 818

- Non-current financial liabilities;
- Non-current liabilities to related companies;
- Deferred tax liabilities;
- Funding.

⁶Remaining obligation under a bank loan secured by a pledge of receivables, commercial enterprises and properties.

⁷The share capital of the Company amounts to 30,351 thousand euros. However, it has repurchased its own ordinary shares in the amount of EUR 727 thousand as of 30.06.2025, as a result of which the amount of the share capital amounts to EUR 29,623 thousand.

⁸Other reserves include share premium reserves, other reserves, retained earnings, current profit at the end of the reporting period, according to the unaudited consolidated interim financial statements.

⁹Cash includes cash and cash equivalents, as presented in the company's unaudited consolidated statement of financial position as of June 30, 2025 and March 31, 2025, and refers to cash on hand and bank balances.

B. Cash equivalents		
C. Other current financial assets ¹⁰	161	160
D. Liquidity (A+B+C)	4,558	3 978
E. Current financial liabilities (including debt instruments, but excluding the current portion of long-term liabilities) ¹¹	905	958
F. Current portion of non-current financial liabilities	0	0
G. Current financial indebtedness (E+F)	905	958
H. Net current financial debt (GD)	-3,653	-3,020
I. Non-current financial liabilities	3 188	3 324
J. Debt instruments issued	0	0
K. Non-current trade and other liabilities ¹²	1 189	933
L. Non-current financial indebtedness (I+J+K)	4 377	4 257
M. Total financial indebtedness (H+L)	724	1 237

Source: Unaudited data from the Issuer

6.4 Statement on working capital

The Group's current working capital is fully sufficient to cover the Group's current needs for at least the next twelve months from the date of this Prospectus. Sirma Group Holding AD has good short-term and medium-term visibility regarding revenues and, accordingly, the need for working capital. In addition, historical levels of working capital have been relatively stable. The group traditionally finances its activities with its own funds, and for its investment program, if necessary, uses external debt financing. The issuer maintains low levels of interest-bearing and non-interest-bearing liabilities.

The high liquidity maintained by the issuer and the low level of indebtedness allow it to believe that it can undertake an aggressive strategy to acquire new companies and expand its business in the coming years with the aim of establishing itself as one of the largest technology companies in Central and Eastern Europe.

The Board of Directors declares that in its opinion Sirma Group Holding AD has sufficient funds in the form of cash and short-term financing to cover the current needs of the Company.

Along with fixed assets, working capital is considered part of operating capital and is calculated by deducting current liabilities from current assets. As of the date of this Document, the Company believes that it has sufficient working capital for the needs of its operations.

6.5 Information on possible restrictions on the use of capital resources that have significantly affected or could directly or indirectly affect the Issuer's activities

There are no legal restrictions on the use of capital resources, nor are there any additional ones provided for by the statute.

7. MANAGEMENT'S ANALYSIS AND DISCUSSION OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Investors should read this section in conjunction with the following parts of the Prospectus: “2.3 Forward-looking statements”, “2.6 Presentation of financial information”, “2.7 Non-IFRS financial measures – Alternative performance measures”, “5. Capital Dilution”, “6.

¹⁰Includes current financial assets held for trading, presented in the company's unaudited statement of financial position.

¹¹Current financial debt consists of the drawn down amount under the revolving credit line and other current financial liabilities included in the item current financial liabilities.

¹²Includes non-current liabilities to suppliers and customers, related parties, deferred taxes, financing, and others.

Capitalization and indebtedness; 6.4 Statement on working capital”, “9. Activities of the Company”, as well as the audited consolidated financial statements of the Company, included as annexes to the Prospectus

The financial information in the text and tables below is extracted from:

- Unaudited consolidated financial statements as of June 30, 2025, prepared in accordance with IFRS.
- The audited consolidated financial statements as of and for the year ended December 31, 2024, prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.
- The audited consolidated financial statements for 2023, prepared in accordance with IFRS.
- The audited consolidated financial statements for 2022, also under IFRS.

These statements, together referred to as the “Consolidated Financial Statements”, have been audited by Grant Thornton Ltd., registered under number 032 in the public register of audit firms with the Institute of Certified Public Accountants in Bulgaria.

The segment information for 2024 is taken from the Audited Consolidated Statements for 2024 and Activity Reports, and that for 2023 – from the comparative information included in the same reports.

When “audited” is indicated in the text or tables, this means that the information is taken from audited reports. The designation “unaudited” is used for information that is not part of the audited statements, but is derived from interim unaudited statements, internal accounting systems, or calculated based on such data.

The Prospectus contains forward-looking statements and information based on the beliefs and assumptions of the Company's management, based on the information available at the time of publication of the Prospectus. Any statements that are not historical facts should be considered predictions.

The prospectus includes statistics on the IT industry and global economic trends, which come from information published by sources including International Data Corporation (IDC) – a provider of market intelligence and advisory services for the information technology, telecommunications and consumer technology markets; Gartner, the European Central Bank (ECB); and the International Monetary Fund (IMF). This type of data only represents the forecasts of IDC, ECB, IMF and other data sources for the global economy and industry. The Issuer does not guarantee any statistical information provided by external sources such as IDC, Gartner, ECB, IMF, or other similar sources cited in this report. In addition, although information from these sources may be considered generally reliable, this type of data may be inaccurate. Geopolitical and global economic dynamics in recent years have shown that forecasts often diverge from actual results.

The consolidated financial statements include the results of Sirma Group Holding AD and all Group entities except EngView Systems Latin America and Sirma ISG OOD, which were excluded from consolidation due to immateriality.

7.1 Information about the issuer

Sirma Group Holding AD is a B2B software company, the services it offers are mainly aimed at other companies. Sirma is a regional leader in the field of IT services, artificial intelligence-based solutions, software development and system integration. The group has a set of

proprietary, innovative technologies, deep expertise in a number of economic verticals, a diverse product portfolio and a growing market share in Europe and North America.

The Issuer is a holding and operating company that invests in technology businesses, manages them strategically and operationally, provides its subsidiaries with management, administrative, marketing and financial services, and itself carries out development, implementation and maintenance of IT systems for clients.

Sirma is one of the first Bulgarian companies to receive an ESG rating from LSEG with an impressive score of 51 points, which positions it among the world leaders in the IT sector in terms of sustainability and corporate governance.

Sirma Group Holding and its subsidiaries consider sustainability as the foundation of their operations. The company adopts the definition of sustainability given by the United Nations World Commission on Environment and Development: "the ability to meet the needs of the present generation without compromising the ability of future generations to meet their own needs, through a balance between economic growth, environmental protection and social well-being." Sirma's business model, objectives and strategy are compatible with the transition to a sustainable economy and with limiting global warming to 1.5°C in accordance with the Paris Agreement to the United Nations Framework Convention on Climate Change, as well as with the objective of achieving climate neutrality by 2050 at the latest, as set out in Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 (OJ L 243/1 of 9 July 2021).

Over the years, Sirma has undertaken:

- Measuring and analyzing your Scope 1 and Scope 2 emissions
- Installation of a photovoltaic system and start of renewable electricity production
- Measures taken to improve sustainability:
 - ✓ dual materiality analysis;
 - ✓ determining the significant ESG topics for the company;
 - ✓ defining ESG indicators for measuring development.
- Creation of the Sirma Academy with the aim of:
 - ✓ Additional qualification of our own employees;
 - ✓ Offering the opportunity for retraining in the IT sector to external students
- Making Sirma a "Preferred Employer" through:
 - ✓ Continuous improvement of working conditions in the company;
 - ✓ Providing transparent attestations once every quarter;
 - ✓ Providing performance-based wages at the upper limit of average salaries for the sector;
 - ✓ Caring for inclusion, diversity and work-life balance for every employee;
 - ✓ Providing conditions for "lifelong learning" for every employee;
 - ✓ Providing transparent conditions for career growth for each employee.

Providing additional healthcare and health insurance to every employee. The goals that the Company sets for itself in the future aim to further reduce the carbon footprint of its activities in the coming years.

Over the years, Sirma has created over 20 companies, investing enormous financial and human capital in them. The company's strategy is to create businesses and develop them.

Generating stable growth, profitability and sustainable business results are among the Group's main priorities. Sirma's sustainability largely stems from the strong diversification of its

business - diversification in terms of the technologies offered, diversification of the verticals served, and diversification of geographical penetration.

Currently, companies in the Group operate domestically and abroad in 6 client business groups, "sectors" or "verticals": Financial Institutions and Fintech, Insurance Institutions, Industrial Software, Healthcare, Logistics and Transport, and Hospitality. More information about the sectors in which the Group operates can be found in section 9. "Company Activities".

Table 4: Issuer Data

Legal name	Sirma Group Holding AD
Legislation	Bulgarian
Legal form	Joint-stock company
Term of existence	Not time-limited
Date of establishment*	25.04.2008
UIC	200101236
LEI	8945007AD80FTJTEGH37
Headquarters	Republic of Bulgaria, city Sofia
Management address	Blvd. TARIGRADSKOO SHOSSE № 135
Phone	+359-2-976-8310
Website	www.sirma.com

*Date of entry of the company in the Commercial Register in Bulgaria.

With the exception of the documents to which the Prospectus refers, the content of the Sirma Group Holding AD website does not constitute part of this Prospectus.

7.2 Subsidiaries of Sirma Group Holding AD

Table 4: Subsidiaries

Subsidiary	Country of incorporation and main activity	Main activity	Segment	30.06.2025	31.12. 2024	Type of participation
Saifort EAD	Bulgaria	Software services	System integration	100%	100%	Directly
Saifort Ltd.	Israel	Software services	System integration	70%	70%	Indirectly
Roweb Development SA	Romania	Software services	IT services	51%	51%	Directly
Sirma Group Inc.	USA	Software services	IT services and others	100%	100%	Directly
Sirma Sha	Albania	Software services	IT services	55%	55%	Directly
Sirma Tech	United Kingdom	Software services	Financial industry	100%	100%	Directly
Daticum AD	Bulgaria	Software services	System integration	59%	59%	Directly
Sirma AB*	Sweden	Software services	IT Services	100%	100%	Directly
Sirma ICS AD	Bulgaria	Software services	Others	93%	93%	Directly

Sciant	Albania	Software services	Hospitality, other	100%	100%	Directly
Sirma Medical Systems AD	Bulgaria	Software services	Others	66%	66%	Directly
EngView Systems AD	Bulgaria	Software services	Production	72.90%	72.90%	Directly
EngView Systems Germany	Germany	Software package development	Production	72.90%	72.90%	Indirectly
EngView Systems USA	USA	Software package development	Production	72.90%	72.90%	Indirectly
EngView Latin America	Brazil	Software package development	Production	69.26%	69.26%	Indirectly
EngView Solutions Corp.	Canada	Software package development	Production	69.26%	69.26%	Indirectly
Sirma ISG Ltd.	Bulgaria	Software services	Others	71%	71%	Directly
Sirma Solutions EAD**	Bulgaria	Software services	IT services, system integration	0%	0%	N/A
Sciant EAD**	Bulgaria	Software services	Hospitality, others	0%	0%	N/A
Sirma Insurtech EAD**	Bulgaria	Software services	Others	0%	0%	N/A
Sirma CI EAD**	Bulgaria	Software services	IT services	0%	0%	N/A
Sirma Business Consulting EAD**	Bulgaria	Software services	IT services	0%	0%	N/A
HRM Solutions EAD**	Bulgaria	Software services	IT services	0%	0%	N/A

Source: Sirma Activity Report

**As of the date of the prospectus, Sirma AB has been sold and is not part of the Group.*

*** In 2024, the companies merge into Sirma Group Holding AD.*

7.3 Sirma's business in 2024

Part of the Sirma Group was established in 1992, and in 33 years, Sirma has become one of the largest B2B IT companies in the Central and Eastern European region, with a set of proprietary, innovative technologies, a diverse product portfolio, and a growing market share in Europe and North America.

Sirma provides software services and solutions for a wide range of businesses, with a focus on the development of cognitive technologies and artificial intelligence (AI). The group has a diversified market exposure, focused primarily on the private sector, with a stable client 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, the USA, the UK, Canada, Germany, 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 the world leaders in the printing industry.

The group is among the regional leaders in the IT market in Bulgaria, with 60% of the operators in the country's financial sector as clients. The group's clients include 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 healthcare - Diabetes:M is in the TOP3 global products for combating diabetes. Sirma has a significant presence in the American market, implementing a huge number of IT consulting projects. One of the companies in the group - Daticum is a first-class regional cloud services provider with a Class 4 Data Center, licensed for data storage by the Bulgarian National Bank and other organizations requiring increased data security. Through one of its companies, the holding is a leader in the delivery of SaaS for insurance intermediaries.

Artificial intelligence-based technologies have been in Sirma's DNA since its inception. In 2022 Sirma is selling 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. Sirma AI's flagship product is GraphDB – one of the best graph databases in the world. Sirma AI has reached the level where it needs very large investments to continue to develop successfully and compete with its strong American competitors (companies such as Neo4J, Microsoft, Amazon, Oracle, IBM). The company was valued at around 30 million euros, which is a reference to Sirma's abilities to create and develop successful businesses.

Since 2022, Sirma's strategy has undergone a drastic change, based on new perceptions in the business sector that without significant investments it is almost impossible to develop a product business. That is why Sirma is starting to position itself as a service company with deep expertise in several strategic verticals and solutions, often supported by artificial intelligence technologies. The main revenue, focus, marketing, and growth are related to services – software development, IT consulting, system integration, cloud services, etc. This activity generates over 90% of the group's business. Sirma also retains an investment portion – its product companies such as EngView and Sirma Medical Systems. R&D and product development is carried out in these companies. The companies and businesses in the investment part of the group may be subject to investments - internal and external, and accordingly may be sold to a strategic buyer.

Growth in the company's IT services sector is occurring both organically and through acquisitions. The investment part of the acquisitions represents a riskier undertaking, but with great prospects for the Group. Acquisition activity includes new IT services companies, product companies and companies in incubation.

Sirma's medium-term goal is to reach consolidated revenues of over EUR 100 million, as well as to establish itself as one of the largest Eastern European groups specializing in providing IT services with R&D activities in several countries in Southeast and Eastern Europe, providing access to one of the most attractive global markets for IT specialists. This would make it a regional leader in a number of industries, with very good global recognition, significant reference clients, with representative offices and distributors in over 50 countries around the world.

7.4 Sirma's main competitors

The Issuer's main competitors are located in the markets in which the company offers and develops its services and product solutions.

7.4.1 Competitors in Bulgaria by segment

- Fintech – Regulatory reporting. Competitors: IBS, Technologica
- Fintech - Outsourcing. Competitors: Asebo, DSS, Musala, Bulpros/Digitall
- Fintech – Specific solutions (omnichannel, card systems, trx processing). Competitors: DAIS, Crossroads, Asebo
- Fintech – FlexCube. Competitors: Nevexis, Synergy
- Insurance. Competitors: Ablera, Bulpros/DigitAll /, ScaleFocus
- Solutions for insurance brokers. Competitors: several small companies
- Cloud services. Competitors: "Neterra" OOD, "Evolink" AD, "Telepoint" OOD, "3DC" EAD, SuperHosting.BG EOOD.

7.4.2 Competitors in the European Union by segment

- Outsourcing. Competitors: Epam, Endava, Infosys, Tata, Cognizant
- Healthcare. Competitors: DataArt, Chetu, Cognizant, LuxSoft
- Logistics. Competitors: whirlIT, Wipro, Luxsoft, Epam
- Cloud services. Competitors: Amazon, Google (Alphabet), Microsoft, IBM.

7.4.3 Competitors in the US by segment

- Outsourcing for start-up companies. Competitors: outsourcing companies from India.

7.4.4 Main advantages of Sirma over its competitors:

- Many years of expertise in the services offered - over 20 years of experience, in individual segments reaching over 30 years. This implies a reliable partner, an experienced team, and a proven historical performance in segments such as banking, insurance, and outsourcing.
- The richest variety of solutions for the regulatory reporting segment in the financial industry, full coverage of services offered.
- Sirma has the largest and most experienced team of FlexCube specialists in Bulgaria, with over 25 years of expertise and more than 50 references outside the country in the field of IT services in banking in Bulgaria.
- The most functional solution on the market for comprehensive servicing of insurance brokers and their work with customers (CRM) on the Bulgarian market.
- Flexibility in the services and solutions offered – based on accumulated experience and complexity of the services offered.
- For outsourcing activities - Offering a comprehensive package of high quality and expertise, meeting the requirements of large Western corporations, combined with a fairly optimized price compared to levels in Europe and the USA. With over 30 years of experience in building IT systems and a unique combination of technological expertise.

- For the hospitality industry – offering specialized expertise in the field of hotel systems, which enables extremely rapid implementation of integrations between the systems of major market players in Europe.
- With specialized expertise in the field of AI dynamic pricing, as well as building complete systems for the needs of smaller logistics companies in Europe.

7.4.5 Key strategic competitive advantages

Below are the most important competitive advantages of the Company, which will allow it to take advantage of future growth opportunities and achieve its strategic goals:

- The largest Bulgarian IT group with over 30 years of history, an established reputation and a high corporate image in Europe

Sirma develops over 20 successful businesses in various segments, while simultaneously diversifying and maintaining a reputation as a reliable provider of solutions and services. This position allows the Group companies to grow continuously in all aspects of the business - markets and customers, products and services, revenues and profits.

Sirma has been a public company since 2015, and since 2018 the Company's shares have been traded on the Premium segment of the Bulgarian Stock Exchange-Sofia. The company adheres to the highest standards of corporate governance, including transparency, shareholder protection, work of the governing bodies, and others, which contributes to Sirma's high recognition and popularity not only among the investment community, but also in the overall business context of the Group.

- Broad technological expertise and a base for development in one of the most promising segments in the sector - artificial intelligence

Sirma has a wide range of acquired and internally generated technological expertise. The group has significant experience in one of the highest-rated graph databases in all tested characteristics – performance, scale, features, semantics, operations, analytics and ease of use; in addition, it has high-tech developments in text analysis, image recognition, news and social media analysis, cybersecurity and others.

Sirma is well structured and develops its services using the most advanced technologies in artificial intelligence and its integration with the services offered by the Group.

Thanks to this expertise, Sirma wins contracts with leading international companies to build innovative products for storing, processing, analyzing and processing large data sets.

- Cost optimization

Sirma has created an internal business structure, organization and procedures aimed at optimizing costs, which allows for flexible pricing and achieving economies of scale.

- Creating a portfolio of products at an early stage of market development

Sirma has a portfolio of products in which significant funds have been invested and are at the same time in an early stage of development, such as Loyax - an innovative platform for managing loyalty programs, Salexor - an AI-based platform for converting e-commerce traffic into leads and sales, Diabetes:M - an application for monitoring indicators for diabetics, Scan Fit and Measure - a high-tech product for industrial measurements, a cloud-based version of EngView software for the packaging industry and others.

In addition, the Group has leading applications at the local level – for example, a platform for insurance brokers, which it has not yet commercialized for foreign markets. All of these

products are yet to start generating profits and recoup the investments in their development, which will reflect positively on the group's future results and improve its market presence.

- Own infrastructure

Sirma owns a high-end data center, which enables it to offer comprehensive services across the Group's verticals. In addition, having its own center increases the flexibility of the solutions offered and their attractiveness to customers.

- Market diversification

Among Sirma's greatest strengths is the proven ability of the Group to generate revenue and growth on the international markets. The Group currently sells in 170 countries on 6 continents. Access to different markets reduces the Group's dependence on a single market and improves growth opportunities by broadening the revenue generation base.

- Experienced, highly qualified management team

The management team of the Company is highly educated, with many years of experience in the sector, which is of paramount importance for the development and good performance of Sirma. The group invests in various programs to train its employees and provide opportunities for professional development. The sector is highly competitive in terms of recruitment and retention. The group has proven its experience in attracting new highly qualified experts, which is key to successful development and growth.

- Low debt and strong operating cash flow

Sirma has historically generated strong operating cash flow. The amount of cash flows generated from operating activities is a key indicator of the extent to which the Group's activities can finance the repayment of liabilities, the payment of dividends and the implementation of investments without resorting to external sources of financing. Proof of the excellent operational performance is that despite high investment costs, the Company managed to maintain a low Debt/Equity ratio of 9% by the end of 2024.

7.5 Main factors influencing the company's operating results and activities

The results of the Issuer's activities depend on the general macroeconomic conditions of the markets in which it operates, trends in the main markets, technological innovations, and the conditions for concluding transactions for the acquisition of new companies.

7.5.1 General macroeconomic conditions

The global economy has shown resilience in the face of numerous challenges in recent years, including since the beginning of 2025 after the start of the US tariff policy and after the intensification of the military conflict in the Middle East. Forecasts are for continued growth, but at a reduced pace, with forecasts ranging between 2.3-2.90% growth for the global economy, caused by heightened trade tensions and political uncertainty. This is expected to negatively impact investment and trade globally. Against this economic backdrop, the ICT industry continues to develop at a rapid pace that outpaces global GDP growth. This growth is largely driven by global technology companies and the race to develop artificial intelligence technology and related hardware.

Economic development in Bulgaria in 2024 and expectations for future years

In 2024 Bulgaria's GDP recorded accelerated real growth of 2.80%, according to the National Statistical Institute. After the energy price shock in 2022 and weak external demand in 2023, the Bulgarian economy manages to achieve higher growth in 2024, supported by domestic and external demand, as well as the expansionary fiscal stance. Despite the good results, forecasts

for 2025 include a slowdown in both global GDP and Bulgarian GDP in particular. ¹³The European Commission projects growth for Bulgaria of 2.00% for 2025 and 2.1% for 2026 in its spring forecast. The main reasons for this are both external and internal. Final consumption is expected to slow down. Export data is also expected to be revised downwards, due to reduced demand from foreign markets, but also due to increased international competition. Private investment is expected to decline, at the expense of government spending. ¹⁴It is thanks to expected growth in the government sector that the Bulgarian Ministry of Finance expects higher GDP growth of 3.00% for 2025 ¹⁵and 2.50% in 2026.

Investments financed by the Recovery and Resilience Program are expected to strengthen gross fixed capital formation. In 2025, inflation is projected to reach 3.6% before slowing in 2026 to levels between 1.8-2.20%, fueled by the services sector. Higher inflation for 2025 will be due to increases in food and services prices, while energy services are expected to have a depressing effect on inflation. The reduction in pressure on wage increases is also expected to slow down inflationary processes.

The fiscal deficit is projected to increase to 2.6% of GDP in 2024 and reach 2.8% in 2025 and 2026, driven by spending on pensions and public sector wages. Public debt is expected to increase to 27.1% of GDP by 2026, placing Bulgaria among the countries with the lowest level of public debt measured relative to GDP.

The pace of private consumption growth is expected to slow in 2025 amid declining wage growth and higher savings rates.

Since the beginning of 2024, the Bulgarian economy has been experiencing difficulties for several reasons:

- political instability;
- limited external demand;
- a sharp decline in exports and production;
- shrunken investments;
- continued price pressure.

On the other hand, however, the following internal factors have a strong positive influence:

- growth in domestic consumption;
- strong growth in government spending;
- strong labor market;
- expansion of lending activities.

The risks for the development of the Bulgarian economy in 2025 are:

- escalation of the military conflict in Ukraine;
- negative impact of geopolitical conflicts, which may lead to an increase in oil prices;
- intensification of inflationary processes;
- slowing growth rates in Europe and recession in some of Bulgaria's main trading partners;

¹³https://economy-finance.ec.europa.eu/economic-surveillance-eu-economies/bulgaria/economic-forecast-bulgaria_en

¹⁴ <https://www.minfin.bg/bg/86>

¹⁵ www.nsi.bg

- negative impact of US trade policy in introducing trade tariffs on major trading partners, incl. Europe;
- failure to meet the goals set in the country's budget, which would lead to a change in Bulgaria's budget policy in the coming years.

Sirma's revenues and operating results have been, and will continue to be, influenced by macroeconomic factors and conditions in Europe and Bulgaria, with an increasing influence of the economic situation in the United States.

The risks in view of the global economic development of the world in 2025, which would also affect the Issuer's activities, are:

- risk of a higher than expected effect of monetary restrictions during the year, manifested in weaker rates of interest rate cuts, resulting in higher real interest rates;
- inflation resistance and the related need to maintain high interest rates for a longer period;
- escalation of Russia's war in Ukraine;
- strengthening state defense spending at the expense of stimulating innovation and growth;
- a stronger than expected contraction of the Chinese economy and a contraction in domestic consumption, sales problems in the Chinese property market that generate liquidity and/or default risk, combined with export challenges;
- escalation of tensions in the Middle East to a regional conflict and/or restriction of fuel and goods traffic through the Middle East and hence new inflationary pressure.

Overall, the macroeconomic environment had a weaker impact on the company's revenue growth during the financial years under review 2022-2024.

The strong development of artificial intelligence since the end of 2022 has led to large-scale transformations in the global information technology and communications market. The ongoing processes of digitalization and optimization of activities also have a positive impact on investments in the sector. In 2025, a large part of international investments are directed to the IT sector.

Sirma expects that the slowdown in economic growth in the US and Europe will not have a material impact on annual consolidated operating income for 2025. Given the expansive growth strategy that the company is following, expectations are for additional revenue growth during the period 2026-2028.

7.5.2 Development of the IT sector in the coming years

The group specializes in the information technology (IT) industry with a predominant focus on business (B2B). Sirma's main activities are focused on two main ICT segments:

- IT services: implementation of systems based on Artificial Intelligence, system integration, infrastructure as a service (IaaS), software as a service (SaaS), software support, consulting and managed services.
- Business software: encompasses a variety of software products and services tailored to different business verticals, as well as custom software development.

The IT Services segment within the overall Information and Communication Technologies (ICT) industry significantly outperforms the other segments (hardware, telecommunications, software, etc.), maintaining an average annual growth rate (CAGR) of 8 to 10%. In 2024, this

segment will surpass all others in terms of spending volume. This sector is expected to maintain its dominant position in the future.

Technological innovations and organizations' drive for higher efficiency will be the main drivers of growth in the IT services segment in the coming years, with no visible market limitations. According to Gartner ¹⁶(January 2025), for the period 2023–2028, growth in the IT sector is expected to be driven by the implementation of artificial intelligence in business.

The two main segments ("IT Services" and "Software") in which the Group operates are the fastest and most sustainably growing in the past (Gartner, October, 2024)¹⁷. Currently, both segments are considered sufficiently stable and provide strong potential for development. The large-scale digitalization processes that are unfolding rely precisely on "Software" for the various technological solutions and "IT services" through which these solutions can be implemented. This leads to growth in both segments even in past years marked by geopolitical crises. The growth of both segments is expected to continue in 2025 and the following years.

Also, global IT spending is expected to reach \$5.4 trillion in 2025, a 7.9% increase from 2024, according to the latest forecast from Gartner¹⁸. This growth is primarily focused on generative artificial intelligence (AI), with most other segments seeing sharply reduced growth forecasts.

Currently, spending on generative artificial intelligence (GenAI) is primarily generated by technology companies that are building the supply-side infrastructure for GenAI. IT companies are expected to expand their investments in the sector beyond their pilot projects in 2025.

All ICT segments are expected to grow in 2025. However, the different growth rates persist: explosive growth of 42.4% is expected for “Data Center Systems”, while communication services report growth of only 2.1%. “IT services” remains the leading segment in the ICT sector in 2025 by volume, responsible for spending of 1.7 trillion US dollars.

Most of this significant growth in the sector, especially in “Data Center Systems”, is due to large ICT providers, and not so much to medium and small ICT companies. Gartner's ranking of the 100 largest IT companies for 2024 shows that the top 10 vendors contribute to half of the revenue, and the top 9 are responsible for half of the growth in this group. Leading IT companies, both in terms of growth and sales volume, are heavily focused on artificial intelligence-based services.

Table 5. Global IT Spending Forecast (in millions of US dollars)

Segment	Expenses 2024	Growth 2024 (%)	Costs 2025	Growth 2025 (%)
Data center systems	333,372	40.3	474,883	42.40%
Devices	720,681	4.6	759,625	5.4
Software	1,114,604	11.9%	1,232,145	10.5

¹⁶ <https://www.gartner.com/en/newsroom/press-releases/2025-01-21-gartner-forecasts-worldwide-it-spending-to-grow-9-point-8-percent-in-2025>

¹⁷ <https://www.gartner.com/en/newsroom/press-releases/2025-01-21-gartner-forecasts-worldwide-it-spending-to-grow-9-point-8-percent-in-2025>

¹⁸ <https://www.gartner.com/en/webinar/741598/1675405-it-spending-forecast-2q25-update-navigate-the-complexities-of-the-current-it-landscape>

Segment	Expenses 2024	Growth 2024 (%)	Costs 2025	Growth 2025 (%)
IT services	1,614,756	4.8	1,686,321	4.4
Communication services	1,256,287	2.2	1,282,592	2.1%
General IT	5,039,699	7.4%	5,435,555	7.9%

Source: Gartner, July 2025.¹⁹

Geographically, Sirma is focused on the leading global markets (USA, UK and Europe), which are also the leading geographic centers for consumption of ICT products and services.

Trends in these segments give Sirma's management reason to expect growth in its business in these areas during the period 2025-2028.

Overview of leading segments

All segments are expected to grow in 2025, accelerating (by about 10%) from the previous year's forecast of about 6%. For the first time, the "Servers" sub-segment surpasses standard growth expectations, reporting impressive growth of over 40% in 2025 and an annual growth rate of 32% through 2029. Spending of around 100 billion US dollars is expected for servers tailored to meet the needs of artificial intelligence. These investments are expected to accelerate, reaching US\$200 billion by 2029. AI readiness is also a driving force for other sub-segments such as "Devices," including consumer devices such as mobile phones and personal computers.

"Software" and "IT services" are the main drivers of IT growth. Spending in these segments is expected to be directed towards projects related to artificial intelligence. This is a market that, despite its maturity and limited number of players, is expected to add \$6.6 billion to global spending in 2024 and \$7.4 billion in 2025 thanks to products and services related to artificial intelligence. Gartner predicts that \$500 billion in spending will be added to the sector each year, bringing IT spending to over \$7 trillion by 2028.

The "Software" and "IT Services" segments maintain their traditionally sustainable growth, but revised downwards. The expected average growth for 2025 is expected to be 10.5% for "Software" and 4.4% for "IT Services", with the CAGR 2023-2028 being approximately the same. There is, however, a distortion in these projections caused by the costs of generative artificial intelligence.

The huge spending directed at generative AI tends to distort the overall picture in the ICT sector. Segments not related to AI are still growing, but at a much slower pace.

The same deviation is observed at the segment level. Both "IT Services" and "Software" have a sub-segment of generative AI that pulls the entire group up. For "IT Services" it is "IaaS" with a healthy growth of 23% for 2025 and a CAGR to 2025 again of 23%. For "Software" this is "Vertical-Specific Software", which finds applications of generative artificial intelligence in specific industry verticals. The expected growth there is around 12% for 2025 and again a 12% CAGR, driven by strong consumer demand. These profitable sub-segments severely distort the projected growth in both segments, which would be much more modest without them.

¹⁹ <https://www.gartner.com/en/newsroom/press-releases/2025-07-15-gartner-forecasts-worldwide-it-spending-to-grow-7-point-9-percent-in-2025>

The effect of April 2025 tariffs on ICT spending

In March 2025 IDC has published a negative scenario in which global IT spending will grow by 5%, instead of the 10% previously forecast. This scenario was modeled before the latest trade tariff announcements in April 2025 by the US, but already reflects the potential impact of a widening economic slowdown.²⁰

The wave of new trade tariffs imposed by the US administration is expected to drive up technology prices, disrupt supply chains and lead to a weakening of global IT spending in 2025. Not only are these tariffs expected to have a direct inflationary effect on technology prices in the US, but at the same time, growing concerns about a slowdown in economic growth could lead to lower investment by businesses and consumers around the world, even before any slowdowns in earnings or economic data emerge. This impact could unfold rapidly in 2025, despite the strong countervailing force of the growing demand for artificial intelligence and related technologies.

The negative scenario for the sector reflects the possibility of an escalating global trade war, which is likely to include additional tariffs and retaliatory measures from many countries. This situation remains highly volatile and dynamic. The tariffs that will be finally introduced by the US are still unclear as of the date of approval of the prospectus. On the other hand, the response in other countries may include stimulus measures to protect short-term economic stability in China, Europe, etc.

Trade tariffs would have an inflationary impact on technology prices in the US, as well as cause significant disruption to supply chains. Although this impact will be most immediate on devices (hardware), then on other computing, networking hardware systems, as well as the construction of data centers, even sectors such as software and services may be affected. There is also an indirect negative impact of tariffs on software and services, where the supplier providing the software and/or services could incur increased costs for the infrastructure to develop and deliver the product, meaning that many software and service providers will have to incorporate the increased costs into their own pricing proposals. Some device and hardware vendors may seek to mitigate the impact, but customers in the US are expected to feel the effects of higher prices first. Limited inventory in the sector and rapid production cycles mean that price increases should materialize quickly. The broad, unfocused nature of these new tariffs could leave manufacturers little room for adjustment. Price sensitivity in the sector is expected to increase.

The subsectors where is expects development of Sirma are the so-called " verticals " of specialization , such as those where Traditionally, the company realizes stable revenue (the banking, financial services, insurance verticals) and growth rates of around 10-15% are expected to be maintained, while other verticals that have been developing relatively recently (healthcare) could see significant growth rates .

Sirma expects the majority of clients to continue to implement their investment plans and priorities in the areas of artificial intelligence, analytics, security and IT optimization.

Uncertainty regarding US customs policy may lead to a postponement of business investment intentions globally, which could negatively impact Sirma's annual consolidated results.

7.5.3 Technological developments and Sirma's ability to help its clients benefit from them

The Group's long-term results are highly dependent on technological developments in the sector and Sirma's ability to respond adequately to these changes, enabling its clients to benefit from

²⁰ <https://www.idc.com/promo/pcdforecast/>

new technologies. After the cloud boom services and digitalization processes in recent years, the future is focused on implementing AI in all areas of the business life.

The company has the necessary internal resources to focus and offer its clients solutions in the field of artificial intelligence. Given the high investment costs globally, Sirma expects these processes to have a positive impact on annual consolidated revenues, as well as on improving the EBITDA margin over the next three years.

The company aims to strengthen its core competencies to successfully serve existing markets while unlocking new growth opportunities. Investments in innovation are strategically aligned with key market trends and respond to emerging needs in the relevant end-user sectors, and this is expected to have a positive impact on business results.

7.5.4 Acquisitions of new companies and restructuring

As a result of a change in Sirma's strategy since 2022, the company has undertaken an active policy of acquiring companies in search of expansive growth. The purpose of the acquisitions is:

- Acquisition of new competencies, market niches, new geographic focus of sales, acquisition of know-how;
- Acquisition of new talents;
- Realizing synergies from acquisitions;
- Transforming into one of the largest technology companies in the Central and Eastern European region.

On 15.01.2025, 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 287,000 (two hundred eighty-seven thousand) BGN. The acquisition is expected to strengthen Sirma's position in providing IT services and solutions to organizations engaged in patent activity.

On October 23, 2024, the procedure for acquiring a majority stake in the shares of the IT company Roweb Development SA, Romania, will be completed. The transaction has the following parameters: Amount of acquired share in the company: 51%; Year of establishment of the company: 2004; Number of employees: over 140; Revenue: EUR 6,198 thousand for 2023. (15% growth compared to 2022); EBITDA: EUR 1,277 thousand for 2023. (16% growth compared to 2022); Specialization: IT services primarily focused on web applications for the financial sector, real estate traders, human resources and tourism. This acquisition is expected to increase the Group's sales revenues in Romania and other target markets, while complementing the range of IT services. Additional information about Roweb Development SA can be found on the company's website: <https://www.roweb.ro>. The information on the site is not part of this Prospectus.

On 03.04.2023, a deal was concluded to purchase the remaining shares in the subsidiary of Sirma Group Holding AD - "Sciant" AD, namely 22.20% of the capital of "Sciant" AD, distributed into 57,000 shares, as a result of the deal Sirma Group Holding AD now owns 100% of the capital of the company "Sciant" AD.

Sirma is expected to continue with this policy of acquiring companies of strategic importance for the group, and this will have a direct impact on the annual consolidated results, through an

increase in revenues, but also in operating expenses, including expenses for amortization of Goodwill, interest expenses if the acquisition is financed with bank loans.

In 2024 The Issuer integrated six subsidiaries of the Group and merged them into Sirma Group Holding AD. The goal of the integration is to achieve 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 employees, optimization of administrative processes, respectively better productivity, communication and cooperation between employees and units in the Group.

On 08.08.2025 Sirma Group Holding AD is selling its shares of the capital of its subsidiary Sirma AB Sweden. The total number of shares is 5,000, and their total selling price is 59,000 Swedish kronor. As a result of the transaction, the majority owner of 100% of the capital of "Sirma AB" becomes the company Citadellet Likvidationer AB Sweden.

7.5.5 Impact of talent attraction, retention and promotion

A key factor in the Group's performance is the presence of motivated, competent and enthusiastic employees. Sirma has defined the care of its talents as a core theme of its sustainability, including: working conditions, occupational safety, decent compensation linked to results, inclusion and diversity, and lifelong learning. Attracting, retaining and developing talent is a condition for Sirma's development. The company monitors a number of indicators such as: average length of employment at Sirma, male/female ratio, age composition of the workforce, employee compensation, compensation growth rate, number of hours of training, volume of investment in welfare, etc.

Sirma believes that having qualified and highly skilled employees is one of its most valuable assets and continues to invest in hiring, training and retaining talent to continuously evolve the way it serves its clients and grows its business.

Over time, the Company has constantly increased the number of employees to meet its customers' requirements in terms of reliability, availability and quality. As of December 31, 2024, the number of employees is 694, compared to 588 as of December 31, 2023. As of 30.06.2025, the number of employees at the consolidated level is 724.

As a result of new appointments and expansion of operations, salary increases, as well as favorable business results, personnel expenses increased from EUR 18.1 million in 2023 to EUR 20 million in 2024.

Sirma invests in the additional qualification of its employees. In order to support the culture of "Lifelong Learning", Sirma has created "Sirma Academy" - a center for additional IT qualification, both for Sirma employees and for students external to the company. The new innovative form of training was launched in 2024. – a podcast by the main lecturer of "Sirma Academy" on technological topics, which in the second half of the year alone has over 10,000 views.

If the company fails to retain and increase the number of talented employees, its results may suffer a significant deterioration.

7.5.6 Diversified sales mix by geographic region and service

Sirma has a diversified revenue portfolio that provides relative revenue stability across different economic cycles and political developments, while helping to smooth out temporary fluctuations in demand across different geographic regions, market verticals, or across its portfolio of services and product solutions.

The Group's consolidated revenues for the historical period under review have a different nature and geographical origin. Traditionally, revenues from services and goods have the highest share. At the same time, Europe, North America and the United Kingdom occupy the top positions in the geographical distribution of realized revenues.

The group sells its products and services without geographical restrictions. However, the Group traditionally generates its highest sales in Europe and North America. Together with revenues from the United Kingdom, they traditionally account for 97.29% of the total consolidated revenues. Nevertheless, due to the exceptional diversification of services, which are applied in many completely different sectors and clients, there can be no question of any dependence of the Group on individual clients or on given services.

In 2023 The group sells in 67 countries. In the consolidated revenues, the largest share is accounted for by revenues from Bulgaria, amounting to EUR 28.4 million or 55.65% of total sales revenues, followed by the USA with EUR 5.8 million or 11.39% and the UK with EUR 5.3 million or 10.36%.

7.5.7 Expectations for the future development of the Group

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

Although the war in Ukraine and geopolitical tensions in different parts of the world are not expected to have a direct impact on the ICT sector, they will continue to exacerbate other risks facing the global economy - inflationary processes, economic uncertainty, higher exchange rate volatility, difficulties in global supply chains, geopolitical uncertainty. As for the new trade policy of the US President, 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 the Group operates.

Sirma is in a continuous process of searching for companies to invest in, with the aim of increasing the realization of accelerated growth, acquiring new products and services, customers, strengthening cross-sales and realizing synergy from the activity.

From January 1, 2026 Bulgaria will become an official member of the European Monetary Union, adopting the euro as the country's main currency. It is expected that the country's accession to the Eurozone will lead to positive developments for Bulgaria in the following areas: an increase in the country's credit rating, a decrease in interest costs for the government when servicing its debt, a decrease in transaction costs for business and the population, and the promotion of foreign investment in the country.

7.6 Main markets and revenue structure by regions and segments

7.6.1 Revenue structure by region

Table 6: Breakdown of the Group's consolidated revenues by region for the period 2022-2024 on a consolidated basis

<i>Year/Change</i>					
Region/ in thousand					
euros	2024	2023	2022	2024 vs 2023	2023 vs 2022
Europe	36 573	28 452	25 821	28.54%	10.19%
North America	7 878	6 861	8 590	14.83%	-20.14%

United Kingdom	5 296	5 412	5 226	-2.14%	3.56%
Asia	1 050	554	952	89.57%	-41.84%
South America	240	168	245	42.99%	-31.52%
Australia	80	84	102	-4.27%	-17.59%
Africa	17	46	15	-63.33%	210.34%

Source: Sirma

7.6.2 Revenue structure by segment

The Group defines its operating segments based on the primary services it offers. These include: 1) System Integration, 2) Hospitality, 3) IT Services, 4) Financial Industry, 5) Manufacturing and 6) Strategic Development.

The segmentation of revenue by activity has undergone change in recent years. For example, in 2022 and 2023, the main segments of activity were: 1) Intelligent evolution of organizations, 2) Solutions, products and consulting for the financial sector, 3) System integration.

In 2024, the segmentation changes to: 1) System Integration, 2) Hospitality, 3) IT Services, 4) Financial Industry, 5) Manufacturing, 6) Others.

The repositioning of segments during the period 2022 - 30 June 2025 makes it impossible to compare results for the period 2022 – 30 June 2025 for the new segments Hospitality, IT Services, Manufacturing and Strategic Development.

Table 7: Summary financial information for the individual segments of Sirma as of 30.06.2025.

As of 30.06.2025 (in thousands of euros)	System integration	Hospitality	Financial industry	IT Services	Production	Strategic development	Total
Segment revenue	11 553	2 608	4 317	6 266	1 108	3 653	29 507
Cost of goods sold	-8,926	-3	-94	-20	-35	-79	-9 156
External service costs	-929	-517	-858	-1,518	-153	-447	-4,423
Personnel costs	-575	-1,981	-2,863	-4 149	-544	-3 254	-13,366
Depreciation	-168	-134	-168	-156	-230	-233	-1,089
Other expenses	-14	-10	-43	-67	-30	-293	-457
Operating profit	941	-36	291	357	117	-653	1 016

Source: Sirma

These segments were updated in the fourth quarter of 2024 and differ from the revenue segmentation of previous years. This makes direct comparison with segment revenue from 2022 impossible, due to new segmentation. For this reason, comparable data for 2023 and 2024 are presented below.

The "System Integration" segment offers its clients system integration, cloud services and cybersecurity services. The target market is mainly Bulgarian financial institutions, insurance companies, healthcare-related organizations, multinational companies with operations in Bulgaria, state and municipal administrations. In the first half of 2025, Sirma Group Holding AD has been successfully certified according to all necessary ISO standards. These certifications are important to the majority of customers in the segment.

Revenue from the segment in the first half of 2025 exceeds EUR 11.5 million. The segment remains the leading one for the Issuer with 39.15% of the revenues for the half-year on a consolidated basis. The profit achieved by the segment for the half-year amounted to EUR 941

thousand, with a margin of 8.14%. The Bulgarian market remains dominant for the "System Integration" segment with a share of 92% in sales volume.

2024 is marked by a large-scale restructuring and integration of Sirma Solutions EAD into Sirma Group Holding AD. Thus, the leading segment for the System Integration Group by the end of 2024 is organizationally located in Sirma Group Holding AD. The merger of the companies (a total of 5 besides Sirma Solutions EAD) into the parent company will take place at the beginning of the fourth quarter of 2024. Despite the organizational challenges posed by the restructuring, the segment successfully finished the year by meeting its sales and profit plan.

The market for the segment throughout the year has been strong, but also somewhat volatile. In 2024, the ICT industry returns to rapid growth. This time, even the "Devices" segment, which has been sluggish in recent years, is recording growth. This market recovery is also reflected in the sales revenue of the System Integration segment in 2024.

In 2024 The group concluded a number of significant deals in the segment:

- a deal was concluded for the sale and integration of network equipment for one of the major telecom companies in Bulgaria;
- a deal was concluded for the sale and integration of cybersecurity equipment in data centers in 4 countries of a large fintech company;
- a deal was concluded for 2 major projects for the sale and integration of cybersecurity equipment in the state administration in Bulgaria;
- A contract was signed for the supply of desktop computers for a large Bulgarian bank.

The Bulgarian market remains dominant for the "System Integration" segment.

The Issuer's goals set for the "System Integration" segment for 2025 are to achieve a growth of at least 10% in sales revenue while maintaining the rate of return on transactions. The segment also has a goal of attracting new, significant manufacturers of IT equipment as partners.

Table 8: Financial results of the System Integration segment for the period 2022 - 2024

System integration				
in thousand euros				
Year/Change	2024	2023	2022	2024 vs 2023
Segment revenue	21 064	15 533	11 888	35.61%
Material costs	-17,205	-12,329	-10,438	39.55%
External service costs	-1,323	-1,059	-833	24.90%
Personnel costs	-1,531	-1 201	-420	27.46%
Depreciation	-451	-215	-27	110.24%
Others	-14	-47	-3	-70.65%
Operating profit	539	682	166	-20.86%

Source: Sirma

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

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

- The growth strategy is aimed at companies operating in the online reservation systems sector, as we strive to create new systems or develop existing ones for various providers of similar services.

- New clients have been attracted in Western Europe and North America, with a significant increase in business.
- The group continues to rely on a stable and sustainable model of selling software development services and integration adapter support services in the hospitality industry. New integrations are being built to systems and solutions of external companies established in the industry.
- The development of our own system for supporting integration adapters in the hospitality industry – Managed Integration Services (MIS) continues. The contracts are on a monthly subscription basis, with revenue growth on a monthly basis averaging 3%, and the number of hotels served by clients exceeding 2,000 by the first half of 2025.

Prospects and forecasts for 2025:

- The segment has ambitions for business growth of 20%, aiming for a more serious positioning in the USA.
- The group is actively seeking new partnerships and sales channels that will generate new business opportunities for the segment.
- Participation in the following events related to the segment is planned for 2025:
 - ✓ ITB, Berlin
 - ✓ HITEC, USA
 - ✓ Phocuswright, Spain
 - ✓ Phocuswright, USA
 - ✓ WTM, London

Table 9: Financial results of the Hospitality segment for 2022-2024

Hospitality				
in thousand euros				
Year/Change	2024	2023	2022	2024 vs 2023
Segment revenue	6 863	4 597	N/A	49.31%
Material costs	-30	-34	N/A	-10.61%
External service costs	-837	-683	N/A	22.70%
Personnel costs	-4,475	-2,722	N/A	64.42%
Depreciation	-138	-149	N/A	-7.88%
Others	-106	-118	N/A	-9.57%
Operating profit	1 277	892	N/A	43.18%

Source: Sirma

The IT Services segment is focused on cross-industry services, cross-selling and services for the public sector.

"IT Services" is the leading segment in the IT industry. The segment is expected to register a growth of 4.4% in the global IT market in 2025. (Gartner, June 2025). Despite the strong growth, however, the market has been volatile throughout the year. This volatility is particularly pronounced in Bulgaria, where political instability generates uncertainty throughout the year.

In addition to economic uncertainty, the IT Services segment is also vulnerable to currency risk arising from the decline in the US dollar exchange rate in early 2025. (4%) against the euro and the relatively high sales levels of the segment in the US (19% in the first half of the year).

Revenue from the segment in the first half of 2025 exceeds EUR 6.2 million. The segment accounted for over 12% of the Holding's consolidated revenues in the first half of the year. "IT Services" provides a profit margin of 5.69%, contributing EUR 357 thousand to the

consolidated profit of the Holding for the first half of 2025. Revenue from the segment throughout 2024 reaches over 5.2 million euros. The segment remains one of the most promising for the Group with over 10% of revenues on a consolidated basis in 2024.

In 2024, significant transactions were concluded in the "IT Services" segment by the Issuer:

IT Services in Europe:

- development of a payment system for gift cards in the Scandinavian countries;
- development of a payment system for a large English operator;
- operation of a large airline reservation system.

IT Services in the retail segment:

- development of a loyalty platform in several large malls in the Balkans;
- development of an intelligent bot for a large e-commerce client.

IT Services for the Public Sector

- maintenance and development of the core platform of the FMO (Financial Mechanism Office) of EEA Grants – Grace (fully developed by Sirma) – contract until 2032.
- adaptation, upgrading and modification of the existing information system of the National Center for the Development of the Economy and Finance to bring it into line with the requirements and the plan for the introduction of the euro in Bulgaria;
- modernization of the information system of the Bulgarian Patent Office, out-of-warranty support and ensuring continuity of the work process and cybersecurity;
- Air Traffic License Manager after-sales service.

IT Services in the USA:

- development of systems in the field of artificial intelligence for two new clients, servicing old Sirma clients.

Geographically, sales in 2024 are focused on Europe with strong sales in the Balkans.

The company's goal for the IT Services segment for 2025 is to achieve organic growth of 10% in sales revenue while maintaining the significant margin achieved in 2024. The target geographic markets are: Great Britain, DACH, Belgium, the Scandinavian countries and Romania. The addition of Roweb, Romania to Sirma Group during the year is expected to help achieve part of the segment's goals in 2025.

Table 10: Financial results of the IT Services segment for the period 2022 -2024

IT Services				
in thousand euros				
Year/Change	2024	2023	2022	2024 vs 2023
Segment revenue	5 189	5 077	N/A	2.21%
Material costs	-62	-11	N/A	454.55%
External service costs	-929	-581	N/A	59.72%
Personnel costs	-3,533	-4 189	N/A	-15.65%
Depreciation	-153	-171	N/A	-10.45%
Others	-253	-32	N/A	684.13%
Operating profit	259	93	N/A	180.11%

Source: Sirma

The Financial Industry segment offers support to financial institutions on their path to digitalization and the implementation of artificial intelligence in their operations. The target

customers of the segment are small and medium-sized banks and fintech companies. The activity of the "Financial Industry" segment is divided into 5 sub-segments - financial services, financial consulting, Oracle, Temenos and IT Solutions.

The segment continues to face serious challenges:

- Adjustment in the prices of the services offered and related product solutions.
- Finding and retaining highly qualified personnel within the Bulgarian market.
- Adapting the business model and approaches in implementation and creating solutions with licenses paid for per month and per user.
- Adaptation of existing solutions in the Group's portfolio to meet new regulatory requirements and trends towards robotization of digital operations and processes. The advent of artificial intelligence and machine learning technologies to optimize service delivery times for end customers is expected to lead to new demand, but also time for the implementation of new projects.

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

At the end of 2024 Sirma successfully signed numerous framework contracts for work within the next 4 years, as well as numerous small orders for the adaptation of reporting systems in view of changes in the legal framework. Assignments for changes and adaptation of systems related to the introduction of the euro in Bulgaria as the main currency are still relevant.

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

The group has a clear plan and estimate for developing and increasing the value of its services in 2025, as well as actively advertising and distributing the new versions of:

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

The group positions a package of consulting services for analysis and documentation regarding the selection and choice of digital solutions.

Regarding the prospects and goals for the segment for 2025, despite some positive signals of improving the economic climate and easing of strict trade and social restrictive measures, the stagnation and inertia of financial players does not suggest a rapid recovery and revival of the market from the levels in 2018-2019. This will require more efforts in finding fresh projects and solutions without a focus in a specific area, despite Sirma Group Holding's clear preferences to develop and work on data analysis projects and comprehensive solutions for banking and transactional business. The uncertain environment and the redirection of some resources to work for hire will slow down the development of own services in the segment. Only the vision of reducing risks and guaranteeing the required revenue levels is an argument for maintaining a team of experts to work on shared projects with clients.

In the planned new revenues for the segment, the share of revenues related to adaptation and changes in client systems, which will have to respond to the legal changes for Bulgaria's accession to the Eurozone, as well as revenues related to the implementation of Artificial Intelligence systems in financial institutions, is increasing.

Retaining all employees and customers will be key to the successful implementation of all the Group's plans, which must be accompanied by a clear policy and communication to increase the prices of the solutions and services provided for all areas in the Group's portfolio.

Table 11: Financial results of the Financial Industry segment for the period 2022-2024.

Financial industry				
in thousand euros				
Year/Change	2024	2023	2022	2024 vs 2023
Segment revenue	8 174	8 048	6 575	1.57%
Material costs	-19	-26	-41	-24.00%
External service costs	-1,812	-528	-669	243.08%
Personnel costs	-4,972	-6 155	-3,436	-19.23%
Depreciation	-622	-343	-197	81.49%
Others	-102	-183	-404	-44.13%
Operating profit	647	813	1 827	-20.44%

Source: Sirma

The Manufacturing segment operates in two main markets - that of software and hardware solutions in the field of industrial measurements 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 in the packaging industry. The segment works with packaging and display manufacturers worldwide, served by a developed and expanding network of distributors and partners.

The Group's activity in the segment is concentrated in the subsidiary EngView Systems AD.

Geographically, sales in 2024 and the first half of 2025 are focused on Europe and the USA.

The issuer expects an increase in customers in the segment in 2025, which will also increase sales volume.

Table 12: Financial results of the Production segment for the period 2022-2024.

Production				
in thousand euros				
Year/Change	2024	2023	2022	2024 vs 2023
Segment revenue	2 259	2 251	N/A	0.36%
Material costs	-99	-129	N/A	-23.32%
External service costs	-295	-237	N/A	24.14%
Personnel costs	-1 162	-1 102	N/A	5.48%
Depreciation	-495	-452	N/A	9.50%
Others	-69	-159	N/A	-56.91%
Operating profit	140	172	N/A	-18.45%

Source: Sirma

The Strategic Development segment offers IT solutions, consulting and IT services for clients in the fields of transport and logistics, insurance and healthcare. **The Strategic Development**

segment includes various primarily cost units that cannot be directly linked to any of the other segments, but are important to the operations of all.

The geographic focus of the segment's sales is diverse - from an almost complete focus on Bulgaria (insurance companies), through the USA (medicine), to global penetration of IT services for transport and logistics.

In the first half of 2025, the segment generated almost 13% of total consolidated revenues for the Group and realized a loss of EUR 653 thousand due to its specificity of covering cost units.

Although the nature of most of the elements included in the segment is that of cost centers, some of the sub-segments generate revenue. In the first half of 2025, the Strategic Development segment includes sales in the following sub-segments:

- Software and IT services for insurance companies;
- Software and IT services for transport and logistics companies;
- Software and IT services for medicine;
- Software and IT services for human resources management.

In the first half of 2025, the leading sub-segment is “IT services for transport and logistics” (42% of sales of “Strategic development”). The subsegment is already self-sustaining, generates profit and has the closest prospect of growing to the level of an independent segment.

The segment contributes 14.83% of the Group's consolidated revenue for 2024. The rich palette of clients in this segment contributes to the diversification and sustainability of sales in the Company, as well as creates prerequisites for further development in the future.

Table 13: Financial results for the Strategic Development segment for the period 2022-2024.

Strategic development				
in thousand euros				
Year/Change	2024	2023	2022	2024 vs 2023
Segment revenue	7 585	6 070	N/A	24.96%
Material costs	-41	-152	N/A	-73.06%
External service costs	-2,036	-3 156	N/A	-35.48%
Personnel costs	-6,839	-4,572	N/A	49.56%
Depreciation	-291	-610	N/A	-52.31%
Others	-464	-520	N/A	-10.82%
Operating profit	-2,086	-2,940	N/A	-29.07%

Source: Sirma

7.7 Revenue structure by subsidiaries

7.7.1 Daticum AD (<https://www.daticum.com/>)

Daticum AD is a subsidiary of Sirma Group Holding AD with capital of 405,869 euros (793,810 leva). The issuer owns 46,834 shares or 59% of the capital.

Daticum's main markets are Bulgaria, North and South America, and Europe. The company's main clients are from the following industries - insurance, ICT, utilities, media and information services, industrial production, wholesale and retail trade, transport and courier services.

The company's main business model is building an infrastructure to provide computing resources for processing and storing data and providing these resources for use against payment

to many different clients who prefer not to maintain such infrastructure or have a temporary need for these resources.

Daticum is focused on implementing and expanding its IaaS and PaaS cloud services, as well as Remote Backup as a Service, which enables data archiving in the company's data center of data from client servers and end-user devices, regardless of their geographical location. As the trend of customer preferences for using leased computing resources on a monthly consumption basis develops, a similar trend is observed on the part of the company's suppliers to move to business models for providing licenses and services on a monthly consumption basis.

Daticum is taking advantage of the fact that Bulgaria continues to establish itself as a technology hub in Central and Eastern Europe, with a growing role in the fields of artificial intelligence and deep technologies.

Daticum has seen steady growth in cloud services, which offset declines in colocation services and physical hardware rental. A new functionality has been introduced in the virtual resource orchestration and management platform that allows customers to independently activate the desired resources in archive mode when needed. In the first half of 2025 Daticum successfully implements and launches a new Instant Recovery Backup service - a high-performance backup and recovery service based on NVMe flash technologies. The solution offers near-instant data recovery, immunity to ransomware attacks, and isolated recovery zones ensuring complete business continuity.

The company's revenues in the first quarter of 2025 exceeded those in the first quarter of 2024 by 5.23%, with cloud services growth amounting to 4.19%.

Growth in demand for cloud and hybrid infrastructure solutions is expected, especially from the small and medium-sized enterprise sector in Bulgaria. The company expects growth of over 10% in core revenues for 2025.

Table 14: Financial results of Daticum AD

<i>in thousand euros</i>	<i>30.6.2025</i>	<i>31.3.2025</i>	<i>2024</i>	<i>2023</i>	<i>2022</i>	<i>2024 vs 2023</i>	<i>2023 vs 2022</i>
Revenue	926	462	1 776	1 707	1 804	4.01%	-5.38%
EBITDA	398	192	764	647	564	18.10%	14.69%
Depreciation	-151	-75	-314	-194	-151	61.84%	28.38%
Net profit	246	115	402	405	369	-0.63%	9.85%
EBITDA margin	42.96%	41.64%	43.02%	37.89%	31.26%	13.55%	21.21%
Net profit margin	26.56%	24.92%	22.66%	23.72%	20.43%	-4.47%	16.10%
ROE	20.98%	11.05%	43.41%	43.56%	22.15%	-0.36%	96.67%
Total assets	1 854	1 743	1 698	1 805	2 091	-5.95%	-13.67%
Intangible assets	511	547	583	727	144	-19.83%	406.05%
Equity	1 172	1 042	927	930	1 664	-0.28%	-44.15%
Debt	130	139	148	184	219	-19.44%	-16.08%
Debt/Equity	11.08%	13.35%	16.00%	19.80%	13.18%	-19.22%	50.25%
ROA	13.27%	6.60%	23.70%	22.43%	17.63%	5.65%	27.24%

Source: Sirma

7.7.2 EngView Systems AD (<http://www.engviews.com>)

EngView Systems AD is a subsidiary of Sirma Group Holding AD with a registered capital of 35,068 euros (68,587 leva). Sirma Group Holding AD owns 50,000 shares or 72.9% of the company's capital.

EngView Systems operates in two main markets: software and hardware solutions in **the field of industrial measurements and quality management** in the production of metal products and **software for video measuring** machines in partnership with manufacturers and complete solutions for automation and production process management in the packaging industry. The company works with packaging and display manufacturers worldwide. The company is served through a developed and expanding network of distributors and partners, as well as its own offices in Germany and the USA.

EngView Systems successfully develops its products in its two main areas for the packaging and video measurement industries. In recent years, the company has invested in the development of new products based on the solutions it has already implemented and the expertise it has accumulated in individual niches, which meet the latest trends in the sector, as well as customer requirements for high-quality software capable of accelerating production rates and increasing sales through optimizations and maintenance of additional processes.

The company continues to develop its core product for the packaging industry, Packaging Suite. Like many other software companies, EngView has successfully promoted its subscription model. In the first half of 2025, there is a doubling of subscription revenues compared to those in 2024.

EngView develops all of its products in Bulgaria, and the company has its own offices in the USA, Germany, and Brazil, as well as a developed and expanding network of distributors and partners worldwide. The majority of packaging industry software sales are still generated in Europe, but the US market is also successfully expanding.

EngView expects customer growth in 2025, which will increase sales volume and revenue.

Table 15: Financial results of EngView Systems AD

EngView							
<i>in thousand euros</i>	30.6.2025	31.3.2025	2024	2023	2022	2024 vs 2023	2023 vs 2022
Revenue	902	470	1 955	2 018	2 158	-3.12%	-6.49%
EBITDA	234	167	607	478	797	27.19%	-40.05%
Depreciation	-230	-132	-471	-428	-407	10.04%	5.02%
Net profit	3	29	121	42	348	184.34%	-87.81%
EBITDA margin	25.89%	35.58%	31.07%	23.66%	36.91%	31.29%	-35.89%
Net profit margin	0.34%	6.09%	6.17%	2.10%	16.13%	193.48%	-86.97%
ROE	0.11%	1.05%	4.49%	1.66%	13.01%	171.51%	-87.28%
Total assets	3 194	3 234	3 110	2 918	3 044	6.55%	-4.13%
Intangible assets	2 380	2 338	2 319	2 089	1 759	11.02%	18.75%
Equity	2 689	2 715	2 685	2 564	2 676	4.73%	-4.18%
Debt	126	136	86	90	147	19.77%	-3.75%
Debt/Equity	4.68%	5.01%	3.20%	3.51%	5.48%	14.36%	0.45%
ROA	0.10%	0.89%	3.88%	1.45%	11.44%	166.85%	-87.29%

Source: Sirma

7.7.3 Sirma Group Inc.

Sirma Group Inc. develops business in the healthcare and automotive retail sectors.

In the Healthcare sector, the company is making tremendous progress in applying artificial intelligence technology and generative large language models for practical applications in medical information systems, managing to develop the ability to describe workflows using

understandable language and automatically generate and configure ready-to-run healthcare mini-applications built on the BoCore platform.

In car sales, retail dealers among the leaders in the field use highly recognized and increasingly popular real-time analytics solution systems developed by the company.

Table 16: Financial results of Sirma Group Inc.

Sirma Group Inc.							
<i>in thousand euros</i>	<i>30.6.2025</i>	<i>31.3.2025</i>	<i>2024</i>	<i>2023</i>	<i>2022</i>	<i>2024 vs 2023</i>	<i>2023 vs 2022</i>
Revenue	1 307	600	1 899	3 466	4 236	-45.20%	-18.17%
EBITDA	69	26	-326	-162	555	101.90%	-129.10%
Depreciation	-2	-1	-4	-2	-3	75.00%	-33.33%
Net profit	67	25	-339	-169	548	100.91%	-130.81%
EBITDA margin	5.28%	4.26%	-17.17%	-4.66%	13.11%	268.42%	-135.56%
Net profit margin	5.16%	4.09%	-17.85%	-4.87%	12.93%	266.61%	-137.65%
ROE	1.77%	0.60%	-8.00%	-3.91%	11.80%	104.62%	-133.14%
Total assets	5 412	5 816	6 133	5 356	5 438	14.52%	-1.50%
Intangible assets	996	1 079	1 123	856	887	31.16%	-3.46%
Equity	3 819	4 094	4 238	4 316	4 642	-1.81%	-7.03%
Debt	10	11	15	18	5	-19.44%	300.00%
Debt/Equity	0.27%	0.26%	0.35%	0.43%	0.10%	-17.96%	330.23%
ROA	1.25%	0.42%	-5.53%	-3.15%	10.07%	75.44%	-131.28%

Source: Sirma

7.7.4 Sirma ICS AD (<http://sirmaics.com>)

The company has a capital of 153,388 euros (300,000 leva). Sirma Group Holding AD owns 279,000 shares or 93% of the capital.

Sirma ICS AD concentrates the technological and business knowledge of Sirma Group in the insurance sector in Bulgaria. The company operates with target clients insurance brokers and insurance companies. Both segments are seeing revenue growth due to an increased number of insured persons, as well as an increase in insurance premiums.

The company offers a product that serves all processes in the structure of an insurance broker – Sirma Insurance Enterprise Platform. There is also a developed opportunity for customers to integrate through the Sirma Insurance Enterprise MTPL API and embed the policy issuance and bill payment service into any system and application.

Regarding the online presence of brokers, the company offers Sirma Insurance Enterprise Web Calculator. Through this product, users of insurance websites can calculate their price and place insurance orders. Overall, the online market in Bulgaria remains underdeveloped due to the restrictions on the mandatory Third Party Liability Insurance sticker.

The company also creates individual solutions and custom developments such as websites, web portals for end customers, administrative portals, and mobile applications.

The company also offers services to other companies in the Group, primarily "body rent" of programmers. The company continues to rely on a stable and sustainable model of selling services and products with a monthly license fee, rather than relying on large one-time deals.

Table 17: Financial results of Sirma ICS AD

Sirma ICS							
<i>in thousand euros</i>	30.6.2025	31.3.2025	2024	2023	2022	2024 vs 2023	2023 vs 2022
Revenue	299	147	510	540	487	-5.68%	11.03%
EBITDA	52	32	63	104	89	-38.92%	16.00%
Depreciation	-20	-10	-42	-49	-48	-14.58%	3.23%
Net profit	32	22	18	48	35	-62.77%	36.23%
EBITDA margin	17.47%	21.88%	12.44%	19.21%	18.38%	-35.24%	4.48%
Net profit margin	10.62%	14.93%	3.51%	8.89%	7.25%	-60.53%	22.70%
ROE	5.77%	4.08%	3.46%	9.62%	7.81%	-64.05%	23.12%
Total assets	650	637	606	624	616	-2.87%	1.24%
Intangible assets	405	412	418	443	468	-5.66%	-5.36%
Equity	549	539	517	500	451	3.58%	10.65%
Debt	19	23	27	42	57	108.43%	-25.23%
Debt/Equity	3.54%	4.27%	5.22%	8.50%	12.57%	101.23%	-32.42%
ROA	4.88%	3.45%	2.95%	7.70%	5.73%	-61.67%	34.56%

Source: Sirma

7.7.5 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 services sector.

Sirma Tech has accumulated vast expertise in the banking industry and developing technology solutions for some of the world's largest banks. This enables the company to better understand the challenges customers face, identify areas where it can provide innovative solutions, and seamlessly integrate specific solutions within a broader delivery program.

Sirma Tech specializes in providing IT consulting services, products and services in the software ecosystem of one of the most common core banking systems – Temenos T24.

Table 18: Financial results of Sirma Tech

Sirma Tech					
<i>in thousand euros</i>	30.6.2025	31.3.2025	2024	2023	2024 vs 2023
Revenue	749	191	1 235	1 055	17.01%
EBITDA	-10	-222	-56	137	-141.04%
Net profit	-10	-224	-65	94	-169.02%
EBITDA margin	-1.37%	-116.62%	-4.55%	12.98%	-135.08%
Net profit margin	-1.37%	-117.43%	-5.26%	8.91%	-158.99%
ROE	-6.02%	290.84%	-43.79%	28.09%	-255.89%
Total assets	339	102	335	469	-28.65%
Equity	170	-39	187	335	-55.73%
ROA	-3.02%	-219.00%	-19.39%	20.04%	-196.74%

Source: Sirma

7.7.6 Sirma Medical Systems AD

Sirma Medical Systems AD has a registered capital of 51,129 euros (100,000 leva), with Sirma Group Holding AD owning 66% of the capital.

In 2025, the global digital health sector continues its upward trend, driven by the integration of artificial intelligence (AI), personalized health solutions, remote patient tracking, and increased regulatory support.

Tech giants, startups and traditional pharmaceutical companies are increasingly turning to strategic partnerships, acquisitions and the development of internal innovation hubs to meet the needs of a growing audience of corporate clients, medical organizations, pharmaceutical companies and medical device manufacturers. 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 encouraging integration between 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, the company's strategic focus is on chronic diseases, such as diabetes, and Sirma Medical Systems is striving to strengthen its positions by developing specialized technological solutions such as the Diabetes:M platform, and by directing its efforts towards corporate clients and brands seeking White Label solutions. In 2025, upon successful completion of clinical trials and FDA approval for Diabetes:M, Sirma Medical Systems expects significant new opportunities for partnerships and distribution in the US and other international markets.

Another product of the company is the digital health platform Medrec:M, for which only supportive marketing is planned, without large-scale expansion of functionalities or activities.

Sirma Medical Systems' 2025 strategy focuses on attracting corporate clients and expanding the product ecosystem at Diabetes:M. With a clear framework, an optimally allocated budget, and a focus on high-value partnerships and communication channels, the company aims to strengthen its market share, increase the interest of external investors, and expand opportunities for future sustainable growth.

In the long term, after establishing the company as a provider of high-quality solutions for end users, expanding the partner network, and stabilizing and strengthening the positions of Diabetes:M, it is possible to resume more active activities around the digital health platform Medrec:M.

Table 19: Financial results of Sirma Medical Systems AD

Sirma Medical Systems AD							
<i>in thousand euros</i>	30.6.2025	31.3.2025	2024	2023	2022	2024 vs 2023	2023 vs 2022
Revenue	41	20	109	132	227	-17.76%	-41.53%
EBITDA	-36	-18	-79	-114	48	-30.63%	-336.17%
Depreciation	-11	-5	-19	-19	-22	-2.63%	-13.64%
Net profit	-48	-24	-98	-150	3	-34.81%	-5960.00%
EBITDA margin	-88.75%	-92.31%	-72.30%	-85.71%	21.22%	-15.65%	-503.95%
Net profit margin	-116.25%	-120.51%	-89.67%	-113.13%	1.13%	-20.73%	-10123.09%
ROE	19.14%	8.64%	48.72%	145.77%	5.43%	-66.57%	2582.19%
Total assets	810	770	736	681	774	8.11%	-11.96%
Intangible assets	751	726	700	639	656	9.60%	-2.65%
Equity	-248	-278	-200	-103	47	95.02%	-318.48%
Debt	0	0	0	128	128	-100.00%	0.00%
Debt/Equity	0.00%	0.00%	0.00%	-124.38%	271.74%	-100.00%	-145.77%

ROA	-5.87%	-3.12%	-13.26%	-22.00%	0.33%	-39.70%	-6756.29%
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Source: Sirma

7.7.7 Saifort EAD

Saifort EAD has been a subsidiary of Sirma Group Holding AD since 2008, with the main goal of concentrating the knowledge and expertise of Sirma Group Holding AD in the field of artificial intelligence and, in the last year, its application in the field of cybersecurity. The company's activities are oriented towards specialization in the field of corporate cybersecurity and the application of artificial intelligence to achieve the main goals.

The company aims to modernize the cybersecurity system of the group of companies owned and/or controlled by Sirma Group Holding AD, as well as to attract external clients in need of a comprehensive solution in the same area.

The company provides a full package of services in the field of cybersecurity, corporate security, auditing according to modern cybersecurity standards, and drafting policies and procedures in this area. In 2025 Saifort EAD and its Israeli subsidiary Saifort Ltd continues to develop its business of providing comprehensive services in the field of cybersecurity, with the strategic focus being:

- Main target markets – Israel, Middle East, Romania, Greece, Bulgaria, Scandinavian countries.
- Development of a strategy for entering the US market through the subsidiaries of Sirma Group Holding AD.
- Improving the processes of using the "Sirma Cyber Security Management Platform" by implementing artificial intelligence (AI).

The Company is in a development phase, and the Issuer expects sales to increase significantly in the coming years.

7.7.8 Roweb Development SA

Roweb Development SA has been part of Sirma Group since October 21, 2024, with its head office in Pitesti (Romania) and branches in Craiova and Bucharest. The company provides software services for complex projects and global clients. Dedicated teams of experienced software professionals implement projects for clients in over 30 countries. We develop web, desktop and mobile applications, scalable websites with a focus on user experience.

The company operates in the following industries:

- E-commerce: The global e-commerce market continues its steady growth, supported by the even wider use of mobile devices, expanded integration of artificial intelligence, and growing expectations for personalized user experiences. Companies are looking for more flexible and adaptable platforms, with Magento e-Commerce remaining a leading choice thanks to its reliability, scalability, and customization capabilities. Roweb Development is strategically positioned to meet these needs with its comprehensive solutions.
- Information Technology: The IT sector is demonstrating steady growth, with an emphasis on cloud architectures, low-code/no-code platforms, AI integrations, and enhanced security.
- Telecommunications: The first quarter of 2025 saw accelerated deployment of 5G solutions and a focus on automation of network processes. Companies in the sector need software tools for infrastructure management, real-time data analysis, and improved customer service. Roweb Development offers scalable, reliable, and high-performance solutions that meet these requirements.

- **Financial Services:** The Financial Services segment is developing rapidly, and regulations around security and personal data protection are becoming increasingly strict. The first quarter of 2025 saw a surge in demand for secure online portals, mobile payment applications, and automated regulatory compliance systems (RegTech). With a focus on UX and security, Roweb Development provides effective solutions adapted to the needs of banks and financial institutions.
- **Healthcare:** The digitalization of the healthcare sector continues - especially in the direction of telemedicine, integration of electronic health records, and digital planning of healthcare services. In the first quarter of 2025, healthcare organizations are looking for partners who can build secure, intuitive, and personalized platforms. Roweb Development meets these requirements with its experience in creating patient-centric applications.
- **Education:** Technology in education is penetrating even deeper – with an emphasis on hybrid learning, adaptive learning environments, and mobile solutions. In early 2025, there is increased interest in interactive platforms, integrations with LMS systems, and scalable websites. Roweb Development is ready to support this transition with its experience in developing personalized online educational portals.

Roweb Development expects to continue the positive dynamics from the beginning of the year and realize revenue growth on current and new projects. Up to 10% increase in revenue from strategic long-term customers is forecasted as a result of expanding existing contracts and implementing additional services. Synergy is actively sought with the portfolio of Sirma Group Holding, with the goal of expanding offerings in areas such as artificial intelligence, business analytics, cloud services and cybersecurity. The share of revenue from the Romanian market, which represents around 10% of the company's total revenue, is expected to increase, with a trend for further growth through localized campaigns and new business opportunities. In addition, the company will focus on expanding project activity in Western Europe and North America, with a priority on sectors such as financial services, healthcare and e-commerce. These forecasts confirm the positive development trajectory of Roweb Development in 2025, with a focus on sustainable growth, technological enrichment and market expansion.

Table 20: Financial results of Roweb Development SA

Roweb Development		
<i>in thousand euros</i>	30.6.2025	31.3.2025
Revenue	3 422	1 715
EBITDA	507	262
Depreciation	-21	-9
Net profit	413	213
EBITDA margin	14.82%	15.30%
Net profit margin	12.06%	12.43%
ROE	28.88%	11.53%
Total assets	2 972	3 259
Intangible assets	5	8
Equity	1 429	1 849
Debt	0	0
Debt/Equity	0.00%	0.00%
ROA	13.88%	6.54%

7.7.9 Sirma Group Holding AD – individual report

Table 21: Financial results on an individual basis

Sirma Group Holding – individual report							
<i>in thousand euros</i>	30.6.2025	31.3.2025	2024*	2023	2022	2024 vs 2023	2023 vs 2022
Revenue	23 614	13 336	16 878	2 673	7 007	531.41%	-61.85%
EBITDA	1 169	625	2 431	1 143	1 146	112.66%	-0.27%
Depreciation	-676	-330	-578	-315	-308	83.14%	2.49%
Net profit	445	275	1 665	772	1 090	115.84%	-29.19%
EBITDA margin	4.95%	4.69%	14.40%	42.77%	16.36%	-66.32%	161.43%
Net profit margin	1.88%	2.06%	9.87%	28.86%	15.55%	-65.82%	85.62%
ROE	1.16%	0.71%	4.32%	2.07%	2.82%	109.09%	-26.71%
Total assets	53 447	53 623	55 296	46 056	45 758	20.06%	0.65%
Intangible assets	5 596	5 730	5 476	2 160	3 352	153.49%	-35.56%
Equity	38 502	38 819	38 544	37 339	38 644	3.23%	-3.38%
Debt	3 973	4 156	3 623	125	4 628	2791.84%	-97.29%
Debt/Equity	10.32%	10.71%	9.40%	0.34%	11.98%	2701.46%	-97.20%
ROA	0.83%	0.51%	3.01%	1.68%	2.38%	79.77%	-29.65%

Source: Sirma

* The revenues and expenses, assets and liabilities also include those of the companies that on 08.10.2024 merge into Sirma Group Holding AD. According to the instructions of the Financial Supervision Commission, dividend income is included in the income from the main activity of Sirma Group Holding AD.

7.8 Operational and financial review

This section presents information that management believes is essential for understanding the financial position and results of operations of Sirma Group Holding AD. for the financial years ending 31.12.2022, 31.12.2023 and 31.12.2024

The review of the financial position and activities presented below is based on audited annual consolidated financial statements as of 31.12.2022, 31.12.2023 and 31.12.2024, as well as an unaudited consolidated financial statement as of 30.06.2025, 31.03.2025 and 30.06.2024. The audited consolidated annual financial statements as of 31.12.2022 and 31.12.2023, as well as of 31.12.2024, have been prepared in accordance with IFRS.

When comparing financial information for different periods and when reviewing financial statements for those periods, investors should consider the following more important factors that have a material impact on the financial information for the relevant periods:

- On January 15, 2025, a contract was signed by Sirma Group Holding AD for the acquisition of a separate part of the commercial enterprise of "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 287,000 (two hundred eighty-seven thousand) BGN.
- On October 23, 2024, the procedure for acquiring a majority stake in the shares of the IT company Roweb Development SA, Romania, was completed.

- Following approval of 18.07.2024 by the Financial Supervision Commission and in implementation of the Decision of the General Meeting of Shareholders of Sirma Group Holding AD of 17.09.2024, on 08.10.2024, the Registry Agency registered a transformation by merger of "Sirma CI" EAD, "Sirma Insurtech" EAD, "Sirma Solutions" EAD, "Sirma Business Consulting" EAD, "Sciart" EAD and "HRM Solutions" EAD into "Sirma Group Holding" AD under Art. 262g of the Commercial Code.
- On 21.08.2024, Sirma Solutions EAD (a subsidiary of Sirma Group Holding AD) purchased a minority stake of 49% of the capital of the company S&G Technology Services LTD, London (a subsidiary of Sirma Solutions AD). With this acquisition, Sirma Solutions EAD became 100% owner of S&G Technology Services LTD, London.
- On 23.10.2023, in accordance with a decision of the General Meeting of Shareholders, the capital of Sirma Solutions AD was reduced pursuant to Art. 200, p. 2, in connection with Art. 187 of the Commercial Code through the invalidation of a total of 703,589 shares with a nominal value of 5.11 euros each, of which: 15,000 shares are class A, 62,172 shares are class B and 626,417 shares are ordinary, owned by Sirma Solutions AD. The shares were acquired by the company through a buyback by shareholders. The company's capital was reduced from 19,107,387 euros (35,370,800 leva) to 14,487,409 euros (28,334,910 leva). In this way, Sirma Group Holding AD now owns 100% of the capital of the company "Sirma Solutions" EAD.
- On 03.04.2023, a deal was concluded to purchase the remaining shares in the subsidiary of Sirma Group Holding AD - "Sciart" AD, as follows:
 - ✓ Subsidiary whose shares are subject to redemption: "Sciart" AD;
 - ✓ Size of the minority stake, subject to purchase: 22.20% of the capital of "Sciart" AD, distributed into 57,000 shares;
 - ✓ As a result of the above transaction, Sirma Group Holding AD now owns 100% of the capital of the company "Sciart" EAD.
- On 30.03.2023, all actions regarding the sale of shares of the capital of Sirma AI AD, which remained the property of the subsidiary Sirma Solutions AD, were finalized, in accordance with a decision of the General Meeting of Shareholders of the majority owner Sirma Group Holding AD dated 15.02.2023, as follows:
 - ✓ Subsidiary whose shares are subject to disposition: "Sirma AI" AD;
 - ✓ Subsidiary owner of the minority share package: Sirma Solutions AD;
 - ✓ Size of the minority stake, subject to disposal: 23.80% of the capital of Sirma AI AD;
 - ✓ Transaction value: 9,460,000 euros;
 - ✓ After the transaction, Sirma Solutions AD does not own any shares in the capital of Sirma AI AD.
- On 01.09.2022, the actions regarding the sale of shares from the capital of "Sirma AI" AD to "New Frontier Technology Invest" SARL were finalized, in accordance with a decision of the General Meeting of Shareholders of the majority owner Sirma Group Holding AD dated 24.06.2022, as follows:
 - ✓ Valuation of the entire company "Sirma AI" AD: 28,500,000 euros;
 - ✓ Sellers and percentage of shares sold: Sirma Group Holding AD – 100% of the shares owned, Sirma Solutions AD – 76.20% of the shares owned and Ontotext AD – 100% of the shares owned;
 - ✓ The total sale price for the shares is EUR 19,538,500, with the proceeds by company being as follows: Sirma Group Holding AD – EUR 6.6 million; Sirma Solutions AD – EUR 7.5 million and Ontotext AD – EUR 5.4 million. "Sirma Solutions" AD retains a 23.80% share of the capital of "Sirma AI" EAD, and the remaining 76.20% of the capital belongs to "New Frontier Technology Invest" SARL.

7.8.1 Income and expenses

Table 22: Income statement of the Issuer for the period 2022 – 30.06.2025.

in thousand euros						
	30.6.2025	30.6.2024	2024	2023	2022	2024 vs 2023
Consolidated revenues						
Revenue from contracts with customers	29 291	23 046	50 580	41 173	40 147	22.85%
Gain on sale of non-current assets	11	1	2	10	5	-84.21%
Other income	205	191	553	393	798	40.89%
TOTAL REVENUE	29 507	23 237	51 134	41 576	40 950	22.99%
including						
Software services	14 955	10 028	22 290	18 710	19 833	19.13%
IT equipment sales	10 060	8 133	18 806	13 628	11 496	38.00%
Subscriptions	2 198	1 474	2 925	2 905	2 560	0.67%
Consulting services		923	1 611	1 072	1 807	50.33%
Licenses	630	596	1 486	1 455	811	2.18%
Support	446	630	1 467	1 099	1 258	33.55%
Cloud services	487	497	944	841	711	12.35%
System integration	0	189	189	213	237	-11.27%
Other income	515	577	861	1 252	1 435	-31.25%
Total revenue from customer contracts	29 291	23 046	50 580	41 173	40 147	22.85%
Consolidated costs						
Material costs	-229	-279	-496	-800	-941	-38.02%
External service costs	-4,423	-3,446	-7,243	-6 248	-6,301	15.92%
Personnel costs	-13,366	-10,843	-22,511	-19,941	-19,214	12.89%
Depreciation expenses	-1,090	-1,059	-2 150	-1,940	-2,537	10.83%
Cost of goods sold and other current assets	-8,927	-7,047	-16,961	-11,881	-10,268	42.76%
Other expenses	-457	-431	-1,007	-1,059	-748	-4.88%
TOTAL COSTS	-28,491	-23 104	-50,369	-41,869	-40,009	20.30%
Financial costs	-431	-101	-154	-484	-7 228	-68.08%
Financial income	5	73	146	41	557	257.50%
Net Financial income	-426	-29	-8	-443	-6,671	-98.15%
Profit before taxes	590	104	757	-736	-5,729	-202.85%
Tax expenses	-74	0	-188	-11	196	1568.18%
Net profit after taxes	516	104	570	-748	-5,533	-176.20%
Minority participation	299	32	308	196	360	57.44%
Net profit for the period	217	73	261	-943	-5,894	-127.70%

Source: Sirma

The main revenues that the Group generates are related to sales of services and goods, interest income, participation income, financing income and other income.

To determine whether and how to recognize revenue, Group companies use the following 5 steps:

- 1) Identification of the contract with a client.
- 2) Identification of performance obligations.
- 3) Determining the transaction price.
- 4) Allocation of transaction price to performance obligations.
- 5) Revenue recognition when performance obligations are satisfied.

Revenue is recognized either at a point in time or over time, when or until the Group satisfies performance obligations by transferring promised goods or services to its customers.

Sirma's consolidated operating revenues mainly include revenues from the provision of software services, sale of IT equipment, subscription revenues, provision of consulting services, licenses, support, provision of cloud services, system integration and others. During the historical period under review 2022-2024, the Company's operating income increased by 26%. In 2024, consolidated customer revenue increased by 22.99%. The highest growth rates were achieved in the following categories: software services (19.13%), IT equipment sales (38%), consulting services (50.33%), support (33.55%).

A certain stagnation in revenue is observed in the categories of subscriptions (0.67% growth), licenses (2.18% growth) and system integration, where a decline of 11.27% is reported in 2024 compared to the results of the previous year.

By mid-2025, consolidated revenues had grown by 26.9% compared to the results of the previous period. This is due to realized growth in the segments "System Integration" (29%), "IT Services" (171%) and others.

The table below presents the distribution of revenue from customer contracts by geographic region for the period 2023-2024.

Table 23: Geographical distribution of customer revenue

<i>in thousand euros</i>	2024	2023
Bulgaria	28 455	22 860
USA	5 823	6 329
United Kingdom	5 296	5 412
Other countries	11 560	6 975
Total	51 134	41 576

Source: Sirma

In 2024, the Group's consolidated operating expenses increased by EUR 8,500 thousand or by 20.30%. The largest share in consolidated operating expenses is accounted for by personnel costs (44.69%), followed by costs for external services (14.38%).

Table 22 presents the Company's expenses by economic elements. Sirma's largest expense item is remuneration costs, as companies in the sector are characterized by expensive human capital. Sirma Group Holding registered an increase in remuneration costs by 12.89% compared to the previous year's data, the reason being both the widespread growth in wages, outpacing inflation and productivity, observed worldwide, and the increase in the number of employees.

Cost of goods sold and other current assets represent the second largest expense item in Sirma's statement. It registered an increase of 42% compared to the previous year's data, which is also due to an increase in operating revenues .

External service costs are the third largest expense item in the company's statement. They mark a minimal growth of 0.84% compared to the amount of external service costs for 2023. In 2024, they include expenses for software services (EUR 2.6 million), consulting services (EUR 828

thousand), subcontractor services (EUR 903 thousand), marketing and advertising (EUR 623 thousand).

Net profit after tax on a consolidated basis reaches EUR 261 thousand for 2024, which represents an improvement over the results for the previous year, when the group realized a loss after tax of EUR 943 thousand. In 2022 The Group realized a net loss after taxes of EUR 5,894 thousand as a result of a one-time write-off of investments made in the amount of EUR 6.1 million. Based on an assessment prepared by an independent licensed appraiser for the value of "SAI" AD (Ontotext AD) as of 31.12.2022, the company's management decides to depreciate the investment by 30%.

On 1.09.2022. Sirma Group Holding AD, Ontotext AD and Sirma Solutions AD are selling their shares in the capital of Sirma AI AD to New Frontier Technology Invest SARL, as follows:

- "Ontotext" AD sells 2,124,961 shares with a reporting value of BGN 21,249,610.
- Sirma Group Holding AD sells 517,971 shares with a reporting value of BGN 5,179,010.
- Sirma Solutions AD is selling 1,210,000 ordinary shares and 345,906 class A shares with a book value of BGN 15,559,060.

By the Minutes of the Extraordinary General Meeting of Shareholders of Sirma AI AD dated 04.08.2022, an increase in the company's capital was voted through the issuance of a total of 1,923,695 new shares with a nominal value of BGN 10 to New Frontier Technology Invest SARL, as follows:

- Number of new ordinary shares 1,799,760 with a nominal value of BGN 10 per share for a total nominal value of BGN 17,997,600.
- Number of new class A shares 123,935 with a nominal value per share of BGN 10, total nominal value of BGN 1,239,350 and total issue value of BGN 3,027,572.50.

"Sirma Solutions" AD retains a 23.80% share of the capital of "Ontotext" AD ("Sirma AI" AD), and the remaining 76.20% of the capital already belongs to "New Frontier Technology Invest" SARL.

On 23.12.2022, at a meeting of the Board of Directors of Sirma Group Holding AD, the decision of the Board of Directors of Sirma Solutions AD to dispose of the entire minority stake in the company Ontotext AD (Sirma AI AD) in the amount of 23.80% of the capital of Ontotext AD (Sirma AI AD) through sale was approved. A preliminary contract has been signed for the sale of 1,913 thousand shares at the agreed purchase price of EUR 9,460 thousand. The cost of the investment in Sirma Solutions AD upon acquisition is EUR 10,487 thousand. The Company has made an impairment loss of EUR 1,025 thousand on the investment as of December 31, 2022 to the amount of its recoverable amount (EUR 9,460 thousand).

As a result of the sale of Ontotext AD in 2022, Sirma realized a loss from the transaction of EUR 4.7 million, of which EUR 2.9 million represents written-off Goodwill.

The improvement in results in 2024 is mainly due to the disproportionate growth in revenue from customer contracts relative to the cost of sales.

7.8.2 Consolidated assets and liabilities

Consolidated assets grew by EUR 11.8 million or 24.08% in 2024. The largest share of them is occupied by reputation and intangible assets. Non-current assets increase by EUR 9.2 million or 30.70% in 2024.

Table 24: Consolidated balance sheet for the period 2022 – 30.06.2025

<i>in thousand euros</i>	30.6.2025	30.6.2024	2024	2023	2022
Non-current assets					
Reputation	20 338	13 422	20 185	13 422	13 336
Property, plant and equipment	7 842	5 337	7 391	5 205	5 052
Intangible assets	11 196	10 222	11 151	10 424	10 587
Long-term receivables from related parties		151	0	151	0
Long-term financial assets	0	0	0	0	172
Investments in associates	0	0	0	0	9 460
Deferred tax assets	419	751	419	750	653
TOTAL	39 795	29 883	39 147	29 953	39 260
Current assets					
Inventory	596	768	852	1 076	286
Trade and other receivables	11 689	9 167	11 770	7 973	11 541
Prepayments and other assets	934	642	649	576	361
Receivables from related parties	230	94	242	51	214
Loans provided	0	0	0	0	77
Income tax receivables	10	20	9	14	0
Financial assets at fair value	161	1 713	160	1 683	0
Cash	4 397	5 098	7 771	7 513	10 812
TOTAL	18 015	17 501	21 453	18 885	23 290
TOTAL ASSETS	57 811	47 384	60 600	48 838	62 550
Equity					
Share capital	30 351	30 351	30 351	30 351	30 351
Own shares repurchased	-727	-1,166	-864	-920	-43
Reserves	4 845	4 735	4 906	4 580	3 601
Retained earnings	6 031	3 092	6 896	4 592	9 749
TOTAL	40 499	37 012	41 289	38 603	43 658
Minority participation	1 932	1 322	1 960	2 110	2 554
Non-current liabilities					
Pension and other obligations to personnel	644	305	379	305	205
Long-term loans	2 729	0	3 072	0	3 941
Obligations under leasing contracts	459	648	353	656	658
Long-term liabilities to related parties	125	168	125	168	0
Deferred tax liabilities	254	143	167	143	167
Financing	167	0	265	0	0
TOTAL	4 378	1 264	4 361	1 272	4 970
Current liabilities					
Provisions	39	39	39	39	39
Obligations to staff	2 290	2 728	2 811	2 590	2 031
Short-term loans	475	168	137	296	2 685
Obligations under leasing contracts	430	336	194	301	302
Commercial and other liabilities	5 230	2 385	7 821	2 394	5 997
Contract liabilities	1 256	1 273	1 206	932	

Short-term liabilities to related parties	1 232	844	753	272	254
Income tax liabilities	35	14	13	30	60
Financing	15	0	15	0	
TOTAL	11 002	7 786	12 990	6 854	11 369
TOTAL EQUITY AND LIABILITIES	57 811	47 384	60 600	48 838	62 550

Source: Sirma

Non-current assets

In 2024, the subsidiaries Sirma CI EAD, Sirma Insurtech EAD, Sirma Solutions EAD, Sirma Business Consulting EAD, Sciant EAD and HRM Solutions EAD are transformed by merging into the parent company Sirma Group Holding AD. The circumstance was registered with the Registry Agency on 08.10.2024. As a result, the aforementioned subsidiaries and their respective investments are included in the consolidation as separate companies until 08.10.2024.

The companies that are not included in the consolidation due to immateriality are the subsidiaries EngView Systems Latin America and Sirma ISG OOD.

In the fourth quarter of 2024, dividends were paid to the minority interest in the amount of EUR 172 thousand. (2023) – 206 thousand euros).

The main share in the company's non-current assets is occupied by the Reputation item, amounting to EUR 20.1 million as of the end of 2024.

The net carrying amount of goodwill is presented in the table below:

Table 25: Net book value of goodwill for 2023 and 2024 in thousand euros

Gross book value	2024	2023
Balance as of January 1	13 422	13 422
Reputation acquired as a result of a business combination	17 565	
Goodwill written off as a result of a business combination	-10,802	
Balance as of December 31	20 185	13 422
Carrying amount as of December 31	20 185	13 422

Source: Sirma

Table 26: Distribution of goodwill for the period 2023-2024 in thousand euros, distributed as a result of business combination and acquisition

<i>Goodwill resulting from a business combination (in thousands of euros)</i>	<i>2024</i>	<i>2023</i>
Sciant EAD (merged company)	7 089	0
Sirma Solutions EAD (merged company)	4 024	0
Sirma Insurtech AD (merged company)	821	0
Sirma Business Consulting AD (affiliated company)	546	0
Sirma CI (affiliated company)	28	0
TOTAL REPUTATION FROM BUSINESS COMBINATION	12 508	0
<i>Goodwill resulting from acquisition (in thousands of euros)</i>	<i>2024</i>	<i>2023</i>
Roweb Romania	5 056	0

Saifort EAD	1 514	1 514
Sirma Group Inc.	953	953
Sirma Tech (SNG Technology Services)	84	84
Saint Shpk.	63	63
EngView USA	7	7
Sirma Solutions EAD	0	6 010
Sciant EAD	0	4 408
Sirma Inshurtech AD	0	382
Sirma Business Consulting AD	0	2
TOTAL REPUTATION FROM ACQUISITION	7 677	13 422

Source: Sirma

The value of Reputation increases in 2024 mainly as a result of an increase in the book value of the merged company Saint EAD, as well as as a result of the acquisition of Roweb. Development SA.

The next most important item in the Group's balance sheet is Intangible Assets. These include products from development activities, software products, rights to software modules, costs for acquiring NMDA and others. In 2024, they recorded a growth of 7% compared to their value for the previous year.

The Group has no material contractual obligations to acquire intangible assets as of December 31, 2024 or December 31, 2023.

Current assets

The group's current assets mainly include trade and other receivables. All receivables are short-term. The net carrying amount of trade and other receivables is considered a reasonable approximation of their fair value.

All trade and other financial receivables of the Group are reviewed for occurrence of default events, and a simplified approach is applied to determine expected credit losses at the end of the period for all trade receivables. Short-term receivables increased by about 49% compared to 2023, reaching EUR 11.8 million.

Sirma's cash forms the second most important component of current assets. They reach 7.8 million euros, up from 7.5 million euros at the end of 2023.

Equity

The group's equity amounts to EUR 41.3 million, which represents an increase of 7% compared to the value of equity for the previous year. The issuer has repurchased its own shares. As of 30.06.2025, the number of treasury shares purchased by Sirma Group Holding AD is 1,421,694 shares with a nominal value of BGN 1,421,694. (2.4% of the share capital). The book value of the repurchased treasury shares as of 30.06.2025 is BGN 1,422 thousand.

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 0.51 euros (1.00 leva) per share for a total value of 204,517 euros. The shares represent 0.67% of the company's capital. The sale was made on an unregulated over-the-counter market in Bulgaria.

Non-current liabilities

The group's non-current liabilities increased, mainly due to the attraction of a bank loan in October 2024. At the end of the year, the remaining liability amounted to EUR 3.1 million. The

maturity of the loan agreement is 2032, and it is secured by a pledge of receivables, commercial enterprises and properties.

At the end of 2024, non-current liabilities amounted to EUR 4.4 million, compared to EUR 1.3 million at the end of the previous year.

Current liabilities

The Group's current liabilities amount to EUR 13 million and mark an increase of 89% compared to the data from the end of 2023. The main items include Trade and other payables, Payables to personnel and Contract liabilities (advances received).

Trade payables increased from EUR 2.4 million at the end of 2023 to EUR 7.8 million at the end of 2024. This also relates to the increased volume of activity in 2024.

The current portion of the liabilities to personnel represent liabilities to current employees of the Group, which should be settled in 2025. Short-term liabilities to personnel arise mainly in connection with accumulated unused vacation leave at the end of the reporting period and various pension payments. Since no employee is entitled to early retirement, pension obligations are considered long-term.

Equity

Sirma's equity increases in 2024 to EUR 41.3 million, compared to EUR 38.6 million (7% growth) in 2023. The main reason for this is an increase in retained earnings, as well as the sale of part of the treasury shares held.

7.8.3 Consolidated cash flows

The group has no liquidity problems and operates with available resources. Traditionally, the largest item in positive flows is receipts from customers, while payments to suppliers play the role of a negative item.

Table 2 7: Consolidated cash flows for the period 2022 – 30.06.2025.

Consolidated cash flows in thousand euros	30.6.2025	30.6.2024	2024	2023	2022
<i>Cash flows from operating activities</i>					
Customer receipts	32 449	25 109	54 014	43 288	44 696
Payments to suppliers	-20,410	-13,845	-27,793	-22,358	-23,891
Payments related to remuneration	-13,212	-10,468	-22,239	-18,897	-16,183
Taxes paid/refunded (excluding corporate income tax)	-78	-36	0	0	
Corporate taxes paid on profits	-108	0	-152	-180	-213
Other receipts/payments from operating activities	-153	-238	-489	-421	21
Net cash flow from operating activities	-1,513	522	3 340	1 432	4 430
<i>Cash flows from investing activities</i>					
Purchase of fixed assets	-1,228	-640	-1,604	-2 017	-2,280

Proceeds from sale of fixed assets	11		1	636	7
Loans provided			-36		-180
Repaid (paid) loans provided, including under financial leasing			15	84	391
Interest received on loans granted	2		3	3	
Purchase of investments	-1,816		-4,785	-1,963	-3 116
Proceeds from sale of investments				9 478	15 048
Exchange rate differences	-131		0		-43
Other receipts/payments from investment activities	-146	39	1 443	-1,657	
Net flow from investing activities	-1,494	-2,415	-4,962	4 564	9 825
<i>Cash flows from financing activities</i>					
Payments upon repurchase of securities	-98	-163	-378	-617	-1,391
Proceeds from loans	1		4 072	26	2 944
Paid loans	-3	-146	-1,159	-6,357	-8,584
Paid liabilities under leasing contracts	-116	-174	-299	-392	-428
Interest, fees, commissions paid on investment loans	-54	-12	-16	-64	-1,311
Dividends paid	-299		-808	-1,709	
Other receipts/payments from financial activities	201	-8	465	-106	-479
Net cash flow from financing activities	-367	-502	1 877	-9 220	-9 249
Changes in cash during the period	-3,374	-2,395	256	-3 223	5 007
<i>Cash at the beginning of the period</i>	7 771	7 513	7 513	10 812	5 805
<i>Cash at the end of the period</i>	4 397	5 098	7 769	7 589	10 812
cash on hand and in bank accounts	4 397	5 098	7 771	7 540	10 703
blocked funds	0	0	0	36	108

Source: Sirma

Cash flows from operating activities

Cash flows from operating activities increased by 133% in 2024 compared to 2023, reaching EUR 3.3 million. The improvement in the result is due to the increase in customer sales and, to a lesser extent, an increase in payments to suppliers and payments related to remuneration.

Cash flows from investing activities

Cash flows from investing activities are closely related to the Group's investment strategy. As a result of the company acquisitions made in 2024, the net cash flow from investing activities is negative and amounts to EUR 4.96 million. For comparison, in 2022 and 2023, net cash flow from investing activities is strongly positive and is a result of the sales made in those years. Given the Group's investment strategy, new company acquisitions can be expected in the coming years.

Cash flows from financing activities

As a result of the positive cash flows from investment activities during the period 2022-2023, The Group repaid a large portion of its liabilities during the same period, which was reflected in the realization of a negative net cash flow from financing activities. In 2024 The Group realized a positive net cash flow from financing activities of EUR 1.88 million, compared to a

negative one for the previous year of EUR (9.2) million. Over the past two years, Sirma has paid total dividends of EUR 808 thousand for 2024 and EUR 1.7 million for 2023.

Cash and liquidity management

The cash of the Group's operating units is managed centrally as part of an intra-group cash pooling mechanism. The company centrally controls the liquidity position of the group and manages its cash flows. The issuer has implemented a financial and payment management system, including for the larger companies in the group, as well as daily monitoring of cash flows and liquidity in all countries in which the group operates.

In addition, the company's liquidity management principles include:

- forecasting cash flows in major currencies;
- an estimate of the amounts required in these currencies;
- monitoring of liquidity ratios on the balance sheet, taking into account internal and external regulatory requirements.

At the end of 2024, cash on a consolidated basis amounted to EUR 7.8 million, compared to EUR 7.5 million at the end of 2023. The Group's liquidity position, as well as its low level of indebtedness, place it in a strong position to undertake an aggressive strategy of acquiring new companies in the coming years.

Information relating to significant factors, including unusual or rare events or new developments, that materially affect the Issuer's operating income

There are no significant factors, including unusual or rare events or new developments, except for those described in the *Company's Operations section*, that significantly affect the Issuer's operating income for the period under review. It is worth mentioning that Sirma's commercial activity is sustainable and even strategically growing, despite the military conflicts in Ukraine and the Middle East, as well as despite the US trade policy pursued since the beginning of the term of the administration of President D. Trump. The growth of the business against the backdrop of an unfavorable macroeconomic and geopolitical environment is due to the relatively strong growth of investments in the information technology sector over the past few years.

Significant changes in net sales or revenues disclosed in the financial statements

The Issuer's financial statements do not disclose significant changes in net sales or revenues beyond its usual organic growth. The company expects to maintain this sustainable growth in the organic development of its business in its future. Net sales may undergo significant changes as new company acquisitions are made in the second half of 2025.

Probable future development of the Issuer

The future development of the Issuer and its development activities are fully consistent with the set strategy and goals, presented in **the Strategy and Goals section**.

7.8.4 Alternative Performance Indicators (APE)

In addition to Sirma's IFRS reporting, the company uses certain financial indicators (alternative performance indicators) to track operating results and liquidity position.

- EBITDA
- EBITDA margin
- Net financial debt
- Net debt (including employee benefits)
- Leverage

- Order Intake
- Net Working Capital
- Others

APEs are not required nor presented in accordance with IFRS or other generally accepted accounting standards. They are presented because they are used both by the issuer for internal business monitoring, and by investors and other stakeholders when evaluating companies in the sector. They can contribute to a more complete understanding of the results of the activity.

Table 28: Alternative performance indicators

Indicator (in thousand euros)	30.6.2025	2024	2023	2022	2024 vs 2023
Operating income	29 507	51 134	41 576	40 950	22.99%
Cost of sales	-28,491	-49,362	-40,810	-39,261	20.95%
Gross profit	1 016	1 773	765	1 689	131.60%
Other operating expenses	0	-1,007	-1,059	-748	-4.88%
Operating profit	1 016	765	-293	942	-360.80%
Financial income	5	146	41	557	257.50%
Financial costs	-431	-154	-484	-7 228	-68.08%
Profit before taxes	590	757	-736	-5,729	-202.85%
Tax expenses	-74	-188	-11	196	1568.18%
Net profit	516	570	-748	-5,533	-176.20%
Dividend paid	887	762	1 839	1 038	-58.55%
Cash	4 397	7 771	7 513	10 812	3.43%
Inventory	596	852	1 076	286	-20.77%
Current assets	18 015	21 453	18 885	23 290	13.60%
Total assets	57 811	60 600	48 839	62 550	24.08%
Arithmetic average value of assets for five quarters	54 494	49 873	55 187	75 250	-9.63%
Short-term liabilities	11 002	12 990	6 855	11 369	89.50%
Interest-bearing liabilities	4 093	3 756	1 253	7 585	199.88%
Long-term liabilities	15 380	17 351	8 126	16 339	113.51%
Equity	42 431	43 249	40 712	46 212	6.23%
Equity arithmetic average for five quarters	41 587	39 987	43 432	54 542	-7.93%
Working capital	7 013	8 463	12 030	11 922	-29.65%
Number of shares issued	59 361	59 361	59 361	59 361	0.00%
Profit minority interest	299	308	196	360	57.44%
Interest expenses	-49	-52	-83	-170	-37.42%
Weighted average price from the last trading session	0.74	0.49	0.37	0	33.29%
Last share price from the last trading session	0.72	0.49	0.37	0	31.03%

Indicator (in thousand euros)	30.6.2025	2024	2023	2022	2024 vs 2023
EBITDA	2 105	2 915	1 646	5 195	77.08%
D&A	-1,090	-2 150	-1,940	-4 253	10.83%
EBIT	1 016	765	-293	942	-360.80%
FINANCIAL COSTS NET	-426	-8	-443	-6,671	-98.15%

EBT	590	757	-736	-5,729	-202.85%
EBITDA margin	7.14%	5.70%	3.96%	12.69%	43.98%
Debt/EBITDA (Leverage)	1.94	1.29	0.76	1.46	69.35%
Working capital	7 013	8 463	12 030	11 922	-29.65%
ROE	1.22%	1.32%	-1.84%	-11.97%	-171.73%
Debt/Equity	0.10	0.09	0.03	0.16	182.29%
Customer receipts	29 507	51 134	41 576	40 950	22.99%
Gross profit margin	3.44%	3.47%	1.84%	4.13%	88.30%
Operating profit margin	3.44%	1.50%	-0.71%	2.30%	-312.05%
Net profit margin before minority participation	1.75%	1.11%	-1.80%	-13.51%	-161.95%
Return on assets ROA	0.95%	1.14%	-1.35%	-7.35%	-184.32%
Return on equity ROE	1.22%	1.32%	-1.84%	-11.97%	-171.73%
Asset turnover	0.54	1.03	0.75	0.20	36.35%
Turnover of working capital	4.21	6.04	3.46	0.02	74.83%
Current liquidity	1.64	1.65	2.76	0.72	-40.05%
Fast liquidity	1.58	1.59	2.60	0.59	-38.96%
Absolute liquidity	0.40	0.60	1.10	0.15	-45.44%
Price/Earnings P/S	0.83	0.57	0.52	0.17	8.31%
Price/Earnings P/E	74.60	50.76	-29.03	-1.23	-274.83%
Dividend payout ratio	172.00%	133.84%	-246.03%	-18.76%	-154.40%
Dividend per share	0.03	0.03	0.06	0.02	-58.58%
Debt/Assets	0.07	0.06	0.03	0.12	141.68%
Debt/Equity	0.10	0.09	0.03	0.16	182.29%
Total assets/Equity	1.36	1.40	1.20	1.35	16.80%
Market capitalization	42 491	28 833	22 004	6 829	31.03%

Source: Sirma

The EBITDA indicator recorded a significant increase of 129.96% in 2024 compared to 2023. It is mainly due to the increased demand for the Group's services, as well as the realization of economies of scale as a result of the restructuring of the group and the merger of subsidiaries into the parent company in 2024.

This is also directly reflected in the improvement of the EBITDA margin, which reaches 5.79% for 2024.

The group's interest-bearing debt decreased compared to its levels at the end of 2022, reaching EUR 3.76 million at the end of 2024. Leverage levels remain at conservatively low levels, which is typical for companies in the sector in general.

Working capital continues to be at positive levels, amounting to EUR 8.46 million at the end of 2024, which represents a decrease compared to 2023, when it was at a level of EUR 12.03 million. This is due to the growth of the business in recent years and, above all, to an increase in short-term liabilities to suppliers and customers in 2024, which increased from EUR 1.9 million at the end of 2023 to EUR 7.8 million.

Non-financial key performance indicators

Sirma is one of the first Bulgarian companies to receive an ESG rating from LSEG with an impressive score of 51 points, which positions the company among the world leaders in the IT sector in terms of sustainability and corporate governance.

The company has identified its ESG rating as a primary non-financial key performance indicator. More information about the company's ESG rating is provided in section 7.1 of this prospectus.

Also, more information on non-financial indicators (social, environmental, governance) can be found in the company's consolidated sustainability report.²¹

7.9 Investments and capital expenditures

The Group's investments include capital expenditures, as well as payments for the acquisition of subsidiaries and equity interests. During the periods under review, the main sources of financing were net cash flow from operating activities, equity and borrowed funds.

The main investments for the period 2022-30.06.2025 include:

- On 09.06.2022, in implementation of the Strategy of "Sirma Group Holding" AD for concentration of ownership, the shareholders of the subsidiary "Sirma Solutions" AD, Bulgaria, who are also its employees, transformed their investments from shareholders of "Sirma Solutions" AD into shareholders of "Sirma Group Holding" AD. In parallel, Sirma Group Holding AD becomes the sole owner of Sirma Solutions AD.
- On 05.07.2022. The Group acquires control over TBI Info AD, Bulgaria and its subsidiary HRM Solutions EAD, Bulgaria by purchasing 55% of its equity and voting rights in the company. On 02.09.2022. "TBI Info" AD changes its name to "Sirma Insurtech" AD. The total acquisition price amounts to BGN 913,914.
- On September 30, 2022, the subsidiary of Sirma Group Holding AD - Sirma Business Consulting AD acquires the commercial enterprise Empiriu EAD in Bulgaria. The total acquisition price amounts to 150,000 BGN.
- On October 18, 2022, the subsidiary of Sirma Group Holding AD - "Sciant" AD acquired 100% of its foreign partner - the company "ReSolutions Shpk", registered in Albania.
- On 03.04.2023, a deal was concluded to purchase the remaining shares in the subsidiary of Sirma Group Holding AD - "Sciant" AD, Bulgaria as follows: Size of the minority stake, subject to purchase 22.20% of the capital of "Sciant" AD, distributed into 57,000 shares. As a result of the above transaction, Sirma Group Holding AD now owns 100% of the capital of the company "Sciant" EAD.
- On October 23, 2024, the procedure for acquiring a majority stake in the IT company Roweb Development SA, Romania, will be completed. The deal was financed both through own funds and through bank financing, with the bank financing accounting for over 70% of the deal value.
- On January 15, 2025, a contract was signed by Sirma Group Holding AD for the acquisition of a separate part of the commercial enterprise of Duo Soft EOOD, Bulgaria, 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

²¹ <https://investors.sirma.com/bg/reports-filings/annual-reports/management-consolidated-report-for-the-activity-for-2024>

transfer of the separate part, for a price of EUR 147 thousand. The deal was financed with the company's own funds.

As of the date of the prospectus, the Group has not made any new significant investments other than those mentioned above.

As of the date of the prospectus, the Group is not in the process of implementing any new significant investments, nor has it made any firm commitments for new significant investments either in Bulgaria or in other countries.

The Issuer does not participate in joint ventures.

The group's plans until the end of 2026 include:

- Continuation of investments in development activities with a budget of 560 thousand euros.
- Investment with a budget of 36 thousand euros to double the capacity of the photovoltaic plant.
- Acquisition of a new company with a deal budget of 10 million euros.

The tangible and intangible fixed assets acquired or internally created are as follows:

Table 29: Acquired or internally created fixed tangible assets and intangible assets in thousand euros

	2024	2023	2022
Intangible fixed assets	341	1 613	2 174
Tangible fixed assets	1 596	1 253	914
Total	1 937	2 866	3 088

Source: Sirma

The issuer does not identify any potential environmental issues that may affect the use of fixed assets. Sirma upholds and complies with its commitments in accordance with national environmental protection legislation. The company implements measures for separate waste collection, minimization, recovery and recycling of electronic waste.

7.10 Quantitative and qualitative disclosures regarding financial risks

In the course of its normal operations, the company is exposed to various financial risks, including interest rate risk, credit risk and liquidity risk. Sirma monitors and manages these risks as part of its overall risk management system.

Risk management is an essential element of corporate governance and business processes. It includes basic components of corporate planning, such as: interim review, risk and opportunity management, internal control system and compliance management system.

The following section briefly describes the main financial risks to which the issuer is exposed. This description does not cover other risks to which the company is exposed in the course of its normal business, such as operational risks.

More information can be found in the notes to the audited consolidated financial statements for 2024.

The Group does not actively trade financial assets for speculative purposes, nor does it issue options. The most significant financial risks to which the Group is exposed are described below.

Currency risk

The majority of the Group's transactions are carried out in Bulgarian leva. The Group's foreign transactions, denominated primarily in US dollars and British pounds, expose the Group to currency risk.

To reduce currency risk, the Group monitors cash flows that are not in Bulgarian leva. The Group has implemented risk management procedures for short-term (up to 6 months) and long-term cash flows in foreign currency. In cases where the amounts to be paid and received in a particular currency are expected to offset each other, then no additional hedging is required.

Despite the small amount of financial instruments in foreign currency, an unexpected change in the US dollar could affect the Group's financial results in the future.

Interest rate risk

The Group's policy is aimed at minimizing interest rate risk in long-term financing. In the first quarter of 2025 The Group is not exposed to a significant risk of changes in market interest rates under the investment loan agreement, as the interest rate did not change during the year. All other financial assets and liabilities of the Group have fixed interest rates.

Credit risk analysis

Credit risk is the risk that a counterparty will not pay its obligation to the Group. The Group is exposed to this risk in connection with various financial instruments, such as when granting loans, arising from receivables from customers, and others. The Group's exposure to credit risk is limited to the carrying amount of financial assets recognized at the end of the reporting period, as set out below:

Table 30: Financial assets in thousand euros

	30.6.2025	2024
Financial assets at fair value through profit or loss:		
Short-term financial assets	160	160
Trade and other financial receivables	11 689	11 770
Receivables from related parties	230	242
Cash	4 397	7 771
Total	16 476	19 943

Source: Sirma

The Group regularly monitors the default of its customers and other counterparties, identified individually or in groups, and uses this information to control credit risk. When costs are not excessive, credit rating data from external sources and/or financial statements of customers and other counterparties are obtained and used. The Group's policy is to conduct transactions only with counterparties with a good credit rating. The Group's management believes that all of the above-mentioned financial assets that were not impaired or past due during the reporting periods presented are financial assets with a high credit rating.

The Group's management has performed an analysis of the settlements with its counterparties as well as the potential effect on their credit quality, including from the point of view of forming a reasonable amount of expected credit losses according to the adopted model for their determination in accordance with IFRS 9. Based on the analysis performed and taking into account the collection rate of its receivables, the management believes that in the short term there are no indications of deterioration in the credit quality of the counterparties and that at present there are no grounds for changing the model for calculating expected credit losses, including due to the lack of sufficiently reliable data. The long-term prospects and potential

effects on the collectability and credit quality of the estimates are subject to constant monitoring and updating by the management.

The Group has not provided its financial assets as collateral for transactions.

With respect to trade and other receivables, the Group is not exposed to significant credit risk to any single counterparty or to a group of counterparties that have similar characteristics. Trade receivables consist of a large number of customers in various industries and geographic areas. Based on historical indicators, the Issuer's management believes that the credit rating of trade receivables that are not past due is good.

The credit risk on cash and cash equivalents is considered insignificant as the counterparties are banks with a good reputation and a high external credit rating.

Liquidity risk

Liquidity risk is the risk that the Group will be unable to repay its obligations. The Group meets its liquidity needs by carefully monitoring payments under the repayment plans of long-term financial liabilities, as well as cash inflows and outflows arising from operating activities. Liquidity needs are monitored for various time periods on a daily and weekly basis, as well as based on 30-day forecasts. Long-term liquidity needs – for periods of 180 and 360 days – are determined monthly. Cash needs are compared with available borrowings to identify surpluses or deficits. This analysis determines whether the available borrowings will be sufficient to cover the Group's needs for the period. The Group holds cash and publicly traded securities to meet its liquidity needs for periods of up to 30 days. Funds for long-term liquidity needs are provided through loans in the appropriate amount and the sale of long-term financial assets.

As of 30.06.2025, the maturities of the Group's contractual liabilities (containing interest payments, where applicable) are summarized as follows:

Table 31: Maturities of the Group's contractual liabilities as of 30.06.2025

Maturities of contractual obligations as of 30.6.2025				
in thousand euros	Current		Non-current	
	up to 6 months	between 6 and 12 months.	1 to 5 years	over 5 years
Loans	238	238	2 729	
Obligations under leasing contracts	215	215	459	
Commercial and other liabilities	5 230			
Liabilities to related parties	1 231			
Total	6 914	453	3 188	0

Source: Sirma

8. MAIN TRENDS

MAIN CURRENT TRENDS IN PRODUCTION, SALES AND INVENTORIES AND COSTS AND SALES PRICES FROM THE END OF THE LAST FINANCIAL YEAR TO THE DATE OF THE PROSPECTUS

Apart from those specified in Section 7 (p. 7.5.2. to item 7.5.7, item 7.6, item 7.7, item 7.8, item 7.9) of this Document, there are no other significant trends that the Issuer believes would have an impact on its operations after the end of the last financial year up to the date of this Document.

SIGNIFICANT CHANGE IN THE FINANCIAL POSITION OF THE GROUP SINCE THE END OF THE LAST FINANCIAL PERIOD FOR WHICH FINANCIAL INFORMATION HAS BEEN PUBLISHED UNTIL THE DATE OF THIS PROSPECTUS

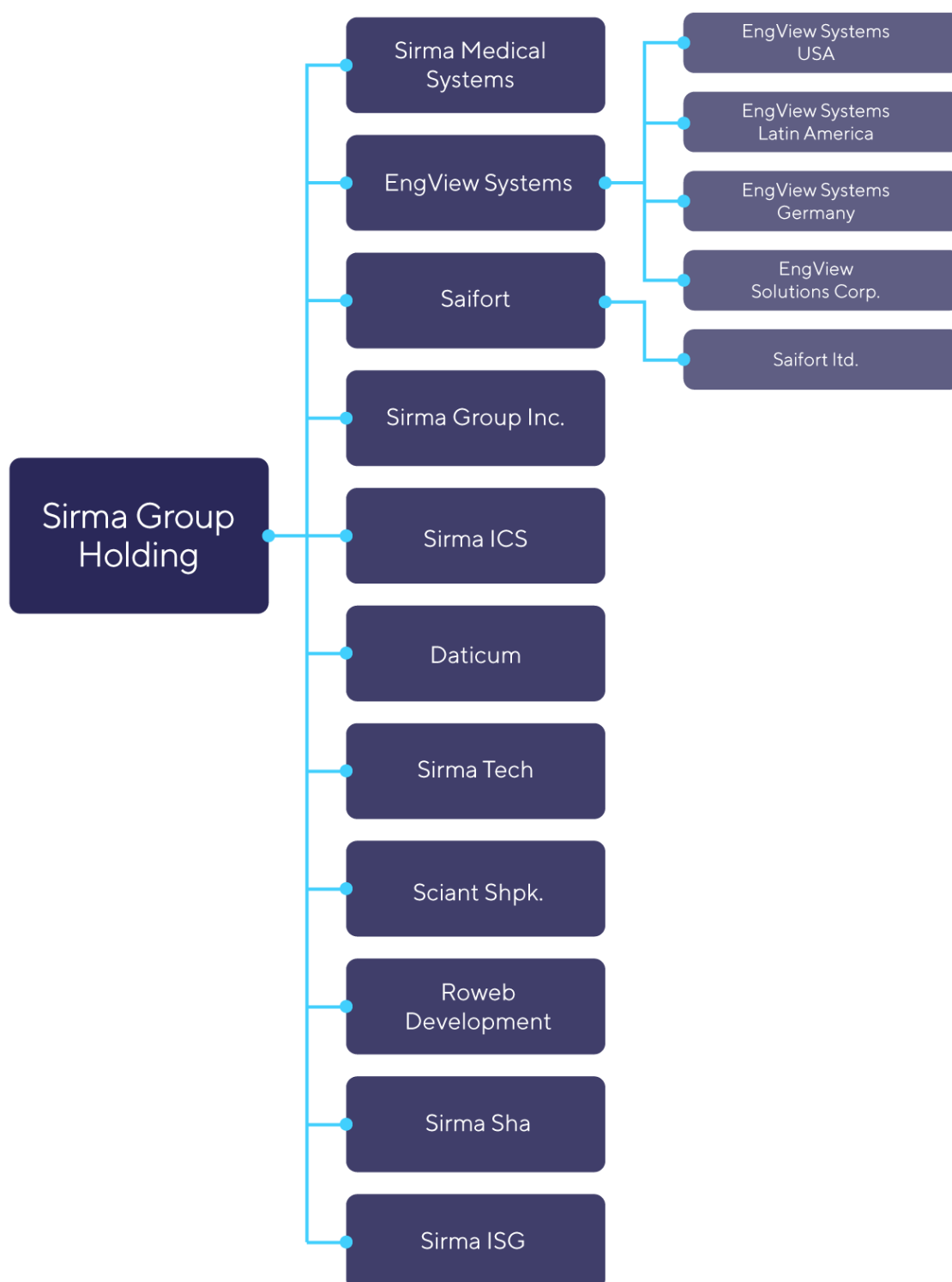
For the purposes of this Prospectus, Sirma Group Holding AD presents consolidated financial information according to audited consolidated data for 2022, 2023 and 2024, as well as unaudited consolidated data as of 30.06.2024 and preliminary consolidated unaudited data as of 30.06.2025. Apart from what is mentioned in Section 7 (p. 7.7 data on subsidiaries, etc. 7.8 consolidated data for Sirma Group Holding) from this Document, the characteristic interim fluctuations in working capital, the funds utilized under credit lines for working capital and investment financing, as well as the capital expenditures against the background of the Issuer's investment program, as of the date of preparation of the Prospectus, there has been no significant change in the financial position of the Group.

KNOWN TRENDS, FLUCTUATIONS, REQUIREMENTS, COMMITMENTS OR EVENTS THAT ARE LIKELY TO HAVE A SIGNIFICANT EFFECT ON THE ISSUER'S PROSPECTS FOR AT LEAST THE CURRENT FINANCIAL YEAR

Apart from those specified in Section 7 (p. 7.5.2. to item 7.5.7, item 7.6, item 7.7, item 7.9) of this Document, there are no other known trends, fluctuations, requirements, commitments or events that are likely to have a significant effect on the prospects of Sirma Group Holding AD for the current financial year.

9. COMPANY ACTIVITY

9.1. Organizational structure



9.2 History and development of the Issuer

The main activity of the parent company Sirma Group Holding AD is the acquisition, management, evaluation and sale of participations in Bulgarian and foreign companies,

acquisition, evaluation and sale of patents, assignment of licenses for the use of patents to companies in which the holding company participates, financing of companies in which the holding company participates, organization of accounting and preparation of financial statements in accordance with the Accounting Act. The company develops mainly in the information technology sector. The company Sirma Solutions, UIC: 040529004, part of the Group and subsequently merged into the Issuer, was registered in 1992. In 2015 The issuer is listed for trading on the Bulgarian Stock Exchange after the successful public offering of shares.

The company uses granted patents and licenses from suppliers such as Microsoft, Oracle, Temenos, Apple, IBM and others. However, it does not consider its activity to be dependent on patents or licenses, industrial, commercial and financial contracts or on new production processes. Any loss of patents or licenses granted by suppliers would have a minimal impact on the Group's consolidated revenues.

In 2024, the company has an annual average of over 700 employees in its companies, offices in 8 countries, and sales in 170 countries. More information about employees can be found in 9.5 of the Prospectus.

The Company's capital has changed over the years as follows:

Date	Capital amount
30.10.2015	30,350,551 euros
23.10.2014	25,481,333 euros
22.10.2010	37,498,565 euros
15.10.2008	39,498,565 euros
25.4.2008	25,565 euros

The company's capital is 100% paid up.

Sirma Group companies offer the following technological solutions and related services:



Sirma's six main verticals of specialization are:

Financial vertical

- Services for the banking sector in system integration and implementation of various solutions based on Oracle Corporation's "FlexCube" and Temenos' "T24 Core Banking";
- Cloud-based platform provider for financial institutions;
- Software services and solutions for financial institutions.

Insurance vertical

- Provider of a cloud-based platform for insurance brokers;
- Software services and solutions for insurance companies.

Industrial vertical

- Provider of CAD/CAM solutions for the packaging industry;
- Supplier of products and solutions for the measurement industry;
- OEM partner (factory software for machines) for supplying machines for the measurement industry;
- An online platform for connecting users and manufacturers in the packaging industry, based on the proprietary product EngView Package Designer Suite.

Healthcare and Life Sciences Vertical

- Software applications for the management and control of chronic diseases;
- A product for monitoring a chronic disease – diabetes (Diabetes M);
- Analysis of reports from clinical drug studies and data integration for pharmaceutical companies and health insurers.

Hospitality vertical

- Custom software development;
- System integration.

Vertical logistics and transport

- Custom software development;

- System integration.

The Group's main services are:

- ✓ Knowledge management and artificial intelligence;
- ✓ Business, IT consulting and system integration;
- ✓ Cybersecurity for applications;
- ✓ Cloud services and infrastructure;
- ✓ Next-Gen cloud applications;
- ✓ DevOps.

The Group carries out its activities at the parent company level and through its subsidiaries.

The geographical focus of the Company's sales is the markets in Europe, the United Kingdom and North America. The Middle East and Africa are also expected to increase their importance in the Group's sales structure.

Following approval of 18.07.2024 by the Financial Supervision Commission and in implementation of the Decision of the General Meeting of Shareholders of Sirma Group Holding AD of 17.09.2024, on 08.10.2024, the Registry Agency registered a transformation by merger of Sirma CI EAD, Sirma Insurtech EAD, Sirma Solutions EAD, Sirma Business Consulting EAD, Sciant EAD and HRM Solutions EAD into Sirma Group Holding AD under Art. 262g of the Commercial Code. Following a decision of the Board of Directors of Sirma Group Holding AD, approval by the Financial Supervision Commission of 18.07.2024 and a decision of the General Meeting of Shareholders of Sirma Group Holding AD of 17.09.2024, the subsidiaries: Sirma CI EAD, Sirma Insurtech EAD, Sirma Solutions EAD, Sirma Business Consulting EAD, Sciant EAD and HRM Solutions EAD are transformed by merging into the parent company Sirma Group Holding AD. The circumstance was registered with the Registry Agency on 08.10.2024.

The desired effect of these infusions includes:

- Reducing administration and related costs.
- Vertical specialization and full focus on the relevant sector or segment.
- Overcoming internal competition between different subsidiaries.
- Greater transparency of operations, revenues and profits.

As a result of the consolidation, the holding activity of Sirma Group Holding AD is also enriched with operational activity in providing IT services and related product solutions to its clients.

9.3 Development products

The company develops its own products as a result of its research and development activities. All products listed below have been introduced into commercial activity by the issuer. Regardless of its launch, Sirma strives to continuously develop its software products and related services, depending on changes in market demand, regulatory environment, competition, new trends, and more.

Development products include the following assets:

Sirma Enterprise AI Platform

Sirma Enterprise AI Platform is a platform for creating and managing an enterprise AI ecosystem (core) and managing cloud environments. The platform was developed and put into operation in September 2025 and represents an important solution in Sirma's product range.

The Sirma Enterprise AI platform is built on another Sirma asset – Sirma Cloud and is a high-tech enterprise AI system that allows organizations to create, deploy, and scale intelligent AI agents and autonomous workflows while maintaining full control over their data.

The key competitive advantage of Sirma Enterprise AI Platform is the ability for full on-premise deployment using local AI models. This means that an organization's sensitive data never leaves its network - a critically important advantage in sectors where data security and regulatory compliance are paramount.

The platform supports both cloud models (OpenAI, Google, Anthropic) and on-premises open-source LLM solutions, giving customers the flexibility to choose the optimal approach for each specific use case. For example, local models can be used to process personal data or confidential business information, while a cloud solution can be chosen for more general tasks.

The platform integrates Knowledge Base - RAG (retrieval-augmented generation), process automation technologies, AI agents, MCP and integration tools, and multi-LLM support. The platform's capabilities are most fully revealed when it is implemented by a team with extensive expertise in a given industry.

Combining decades of experience in developing AI solutions with deep knowledge of a number of strategic industries, Sirma generates tremendous added value for its clients.

Customer Intelligence Platform (CIP)

The centralization of transactional processes from CIP into a database, as well as the use of semantic technologies in the extraction, analysis and interpretation of data from all sources, allows for a 360° view and various analyses that facilitate individual behavioral targeting and extraction of additional value from the data. Built-in intelligent algorithms, analytical tools, as well as the possibility of personalized solutions tailored to the individual needs of the merchant, provide valuable insights and information. A focus on data, a deep understanding of customer behavior and motivation, along with seamless management of deliveries to end customers, help marketers personalize communication, improve the user experience, and manage the loyalty of their customers. CIP is fully integrated with Sirma Enterprise AI Platform.

Packaging Suite

A complex product, it is based on developed functionalities that are part of a multifunctional CAD software system for the packaging industry. Some of these functionalities are also provided as online services through a specially developed API (application programming interface), which allows various online systems to visualize, calculate and model data or drawings. Various integrations or shaping of new products through such functionalities already separated into components provide new opportunities for developing various online products, platforms or portals. This is the example of embedded basic functionalities of the CAD system, its libraries and models in a specialized platform for services in the field of packaging and printing.

The CAD system, which has been developed over many years, covers several main stages of preparation for mass production of packaging from sheet materials (cardboard, corrugated cardboard, etc.) and is offered as a basic tool in the production departments of packaging manufacturing companies.

The target market for this component is global. Customers can be any packaging companies around the world, as the trends towards digitalization of production and the use of digital printing machines, as well as combined machines for digital printing and mass production of packaging, suggest a future expansion of the market niche for it.

Measurement Suite

This is a software product that has been invested in many years of development and experience in this industry, generating several applications with common technology and code. The technology allows the software to work with various devices for measuring, quality checking, and processing a scanned image, which may be a profile, shaft, or other element significant to the quality of the overall production.

Specialized functionality has been developed for collaborative internet and mobile-based applications, as well as PC. Based on the automation and optimization of some specific activities in Quality Control of serial production, in measurements with manual tools such as calipers, micrometers, altimeters, etc., the measurement process, transmission of measurement data and their storage and subsequent processing are covered. Both traditional methods of data transmission in handheld measuring instruments (manual data entry, transmission via cable) and the most modern technologies are covered - Bluetooth connection between the measuring instrument and a mobile device. The technology can be offered as a cloud-based subscription service or as a solution installed on the client's servers.

Sirma Management Reporting

The product includes processes, tools and technologies necessary to transform data into information, and information into knowledge and plans that imply fast and effective business actions and support the decision-making process.

It is through the developed reporting system that companies receive secure, consistent, understandable, easy-to-process and timely information, which creates the prerequisites for an informed decision or:

- Supports effective and informed decision-making;
- Turns huge volumes of data into valuable business insights;
- Allows access, sharing, processing and analysis of data by the right people at the right time and in their preferred way;
- Provides a single version of the truth;
- Preserves knowledge within the company;
- It saves time and effort for key figures in companies.

Sirma Management Reporting allows organizations to collect data from internal and external sources, prepare it for analysis, create and query this data, and create reports, dashboards, and data visualizations.

PSD2/2FA –2FA

PSD2/2FA – 2FA is a software solution created as a result of a European regulatory requirement under REGULATION (EC) No. 910/2014 on electronic identification and trust services for electronic transactions to reduce fraud, increase the security of online payments and protect identity.

It is a software authentication solution in which a user of an electronic device or program is granted access only after successful two-factor authentication. The product was created as a result of the expanded European Union Payment Services Directive PSD2 Directive (EU) 2015/2366 and the Payment Services and Payment Systems Act, providing:

- PSD2 listener back end server – connection to the outside world for the bank and implements the requirements of BISTRA (Bank Interfaces for Standardized Payments). Server services are available 24x7.

- PSD2 module for consent management – a module for registering client accounts for working with PSD2 services and, respectively, BISTRA, which is integrated with the OBS (Main Banking System).
- PSD2 module for transactions processing – a module for processing transactions under PSD2 and BISTRA, respectively, which is integrated with the OBS (Main Banking System).

Diabetes:M

The product is a mobile application for tracking the condition of people suffering from all types of diabetes or prediabetes. By significantly developing patient self-monitoring and self-control, it reduces the risks of complications related to the disease and allows treating specialists to make quick and informed decisions about the patient's therapy. Diabetes:M has versions in Bulgarian for mobile devices with iOS and Android, as well as a web version.

The app allows users to track every aspect of their illness. This allows them to make better decisions in their daily lives, which leads to better control of blood sugar levels and significantly reduces the risk of critical situations.

Diabetes:M is a detailed electronic diary in which users enter all the data important for tracking their current condition - blood sugar checks, medications taken, insulin doses, food, physical exercise, weight, blood pressure and laboratory test results. With continued use, the collected data is analyzed and shows in detail the condition and possible problem periods in the patient's daily life.

Additional features, such as using artificial intelligence to track the user's daily routine and the powerful reminder system, significantly help avoid problematic situations caused by distraction and/or forgetting to take insulin or medication. These remedies have an extremely beneficial effect on improving discipline in adhering to prescribed therapy.

The application supports multiple Bluetooth connected devices such as glucose meters, sensors, etc., offering full or partial automation in data recording.

The relationship with treating specialists is of vital importance for the successful management of the condition of diabetic patients. Diabetes:M is designed to provide healthcare professionals with the best possible summary of data collected in the form of a report for a selected period.

Additionally, a web-based module (Diabetes:M Monitor) has been developed, which allows doctors, nurses and other expert personnel to monitor the condition of multiple patients in full detail in real time without the need for specialized hardware.

Medrec:M

The product is an integrated health management platform designed to meet the urgent need for next-generation healthcare providers in the modern world.

Medrec:M offers a unique combination of user-centric mobile self-monitoring applications, both for basic health tracking and for managing chronic conditions (diabetes and heart disease), connected to the Medrec:M medical platform. The application helps patients and clinics to remotely monitor and communicate in a single unified way.

Medrec:M is a cloud-based health management platform that helps clinics and doctors connect with patients and communicate through one integrated system, using comprehensive telemedicine functionalities such as chat and video, as well as the ability to access shared patient data.

A mobile app has also been created for users to record their health data, create medication plans, store documents, track their symptoms, and can use a range of doctors and clinics to book appointments for remote consultations, as well as receive health advice and news.

The app helps people with heart disease or other cardiovascular problems track their blood pressure, medication intake, and other vital information.

Sirma ICS Platform

The platform has an open architecture and modular structure, which allows for flexible and adaptive product management in the insurance sector. It allows calculating and issuing insurance policies in real time:

- "Motorists' Third Party Liability" - Integration with 9 companies.
- Casco - Integration with 1 company (Group).
- "Property" – Integration with 3 companies (Allianz Insurance Bulgaria, Groupama).
- "Travel Assistance" - Integration with 4 companies (Unika Life, Groupama, DZI and ZAD Bulgaria).
- Accident Insurance (Travel) with ZAD Bulgaria.

RISK SCORE TOOLBOX (RSTBOX)

Sirma creates its own innovative solution to support risk units in banks by providing them with a tool with which they can manage and monitor: CPM (credit portfolio model), Expected Default (PD), LGD (loss given default), EAD (exposure amount given default) and counterparty identifier for each transaction.

CEGATE solution

CEGATE is an integrated software solution with a web-based interface for managing and delivering client information from various publicly and regulated government sources that provide specialized information to individuals or companies. Data sources are not limited to the National Social Insurance Institute, Bulgarian National Bank, National Revenue Agency, Bulgarian Taxpayer Registration Service, RegiX, etc. The system is developed based on a three-layer architecture and provides end users with the opportunity for fully functional data management for clients of the financial institution. The solution implements all good practices in managing and processing personal data and their protection. In addition, it provides capabilities for REST communication and implementation of all messages. **CEGATE** is a modular-based solution and provides the ability, in addition to working through a user interface, to implement communication and execute operations, requests, and transactions through APIs.

DiGiBANK solution

DiGiBANK is an integrated software solution with a web-based interface for managing various banking services and operations remotely and based on the global Internet environment (www). The system is developed based on a three-layer architecture and provides end customers with a (single page) interface. The solution implements all good practices in implementing processes for remote end-user work, ensuring the full level of security and authentication of end-users, creation and reporting of reporting forms. **DiGiBANK** is a modular-based solution and provides the ability, in addition to working through a user interface, to implement communication and execute operations, requests and transactions through APIs.

REXPRESS solution

REXPRESS is an integrated software solution with a web-based interface for managing bank statutory reports to the BNB and the ECB. The system is developed based on a three-layer

architecture and implements all good practices in the implementation of the processes for creating and reporting forms. When exchanging reports, all guidelines and current regulations valid for financial institutions in the European Union and the Republic of Bulgaria are used. **REXPRESS** is modularly based and provides complete information and reporting forms by codes and inherent requisites or attributes that are established by the regulator in the approved formats and periodicity.

SCARDS solution

SCARDS is an integrated software solution with a web-based interface for bank card management. The system is implemented based on a three-layer architecture and implements all good practices in the implementation of the processes in the life of the bank card as a payment instrument and the related financial transfers (transactions). When exchanging transactions, ISO 8583 is used.

UBXPAYMENTS solution

UBXPAYMENTS is an integrated software solution with a web-based interface for managing bank payments, services and operations. The system is developed based on a three-layer architecture and provides end users with the opportunity for full functional management of the payment process. The solution implements all good practices in managing and processing payment instructions based on file-based message exchange in various formats: MTMXXML ISO20022. In addition, it provides capabilities for REST communication and implementation of all messages.

sHRedy

sHRedy is an information system for the creation and storage of electronic documents in the employee's employment file, meeting the requirements of the National Agency for the Protection of the Rights of the Child and the Family. After its completion, the information system will be offered as a subscription software product to insurers who wish to maintain their employees' employment records in the form of electronic employment records.

Through the information system, all types of electronic documents can be created, signed with an electronic signature, exchanged between the parties to the employment relationship and stored in accordance with the legislation.

The information system will allow documents submitted on paper to be uploaded and stored by capturing an electronic image of them with a scanning device in a form and manner that allows them to be read and stored.

Sirma InSuite

Sirma InSuite is a comprehensive insurance business management solution based on the "no-code" platform of the global technology company for low-code/no-code CRM systems and business process management Creatio. It uses Creatio's standard directly integrated CRM functionalities related to customer service, marketing and sales, upgrading them with additionally developed ones related to the administration and management of basic insurance processes.

This is the company's first independently developed product, which integrates the professional expertise of the Sirma Insurtech team in terms of creating and implementing modern technological corporate solutions and many years of experience in the non-banking financial sector, especially the insurance sector.

The product aims to help insurance companies easily integrate a CRM solution with existing insurance systems, which will lead to automation of some business processes and increase their efficiency, while simultaneously improving the customer experience and increasing satisfaction.

Sirma InSuite is fully integrated with Sirma Enterprise AI Platform.

CIM Software Platform – Customer Intelligence and Monetization (B2B and B2C)

The main functionalities of CIM are based on a cognitive software platform that includes B2B and B2C sales, the ability to create online stores, mobile applications for online commerce (Mobile commerce, an intelligent chat bot trained both for customer service and for increasing sales (Chatbot commerce) - an agent from Sirma Enterprise AI Platform , real-time monitoring of unregistered site visitors and marketing tools to attract customers at the moment Sales Force Speed (SFS), as well as self-service solutions (Kiosk commerce). CIM is fully integrated with Sirma Enterprise AI Platform.

Loyax

The Loyax system consists of various modules, functions and components. It operates in an integrated infrastructure that includes a core system that hosts the Loyax website, a loyalty management system, and a mini customer relationship management system.

Loyax is aimed at business customers as a place to set up loyalty programs and advertising, as well as at individuals as a place to search for business locations or subscribe to event notifications. The system is fully integrated with the Sirma Enterprise AI Platform .

9.4 Strategy and goals

Since 1992, Sirma has been providing complete solutions – from concept and architecture, to development and implementation.

The solutions created are intelligent from the start: early forms of artificial intelligence, complex systems for critical businesses, and numerous difficult cases.

For over three decades, the Group has been building expertise, accumulating knowledge, achieving success and winning partners in the following key areas:

Verticals:

1. Banking, Finance, Insurance (BFSI)
2. Hospitality
3. Transport and logistics
4. Healthcare
5. Measurement and packaging

Horizontals:

1. BPO and system integration
2. Research and development and products
3. Software development (IT and business consulting, outsourcing)
4. Artificial Intelligence, Data Management and Analytics

Over the next five years, Sirma plans to focus on:

- Building and deploying Enterprise AI cores – central intelligence that continuously learns everything about the organization – people, processes, data, and systems. It not only supports employees, but also proactively generates tasks, suggests process changes and stimulates optimization, becoming a strategic force for flexibility, efficiency and competitiveness.
- Offering AI services for modernization of outdated systems and their integration into architectures driven by artificial intelligence.
- Establishing ourselves as a pan-European leader in AI consulting, through vertical expertise, proprietary technology and methodological advantage.
- Steady organic growth, strategic acquisitions, and innovative AI solutions, supporting a transformative corporate culture that fosters innovation and operational excellence.

The future organization is a symbiosis between human and artificial intelligence. Sirma's mission is to lead this transformation – through example, through technology, and through strategic consulting.

Main financial goals:

- Achieving organic growth of 15% per year, gradually reaching 20% through the results of newly acquired companies.
- Achieving EBITDA margin of 15%.
- Increasing the share of recurring revenue to 65% by 2030.

Today, artificial intelligence is no longer just a trend—it is the defining force shaping the future of every organization. Sirma believes that in the future, every enterprise will become a symbiotic system of people and intelligent agents — AI that understands the organization in depth, defines and executes tasks, optimizes processes, and increases human productivity.

At the same time, years of investment in digital transformation have left many organizations locked into rigid and closed software systems—systems that are not designed to integrate seamlessly with the AI “brains” that are now entering the fold.

Sirma is entering a key phase of its development — returning to its original mission, namely to transform the world through artificial intelligence.

With over 30 years of experience in developing cutting-edge software, deep industry knowledge, and a strong culture of innovation, Sirma believes he is in an excellent position to lead large enterprises through the next inevitable transformation: their transformation into organizations with deep-rooted artificial intelligence.

Strategic vision (2025) – 2030)

Sirma aims to become a leader in transforming businesses through artificial intelligence.

By 2030 Sirma will strive to be recognized as a global technology leader — with a solid base in Europe, an expanding international presence, and a strong FSE position. The company plans to pursue sustainable organic growth, strategic acquisitions, and cutting-edge AI solutions, while maintaining a transformative corporate culture that fosters innovation and operational excellence.

The Issuer's ambition is to become a trusted and capable AI consulting partner in Europe. Sirma does not plan to limit itself to its current verticals. The Group's methodology, tools, and platform approach are designed to be universally applicable — making Sirma the preferred partner for any organization in the age of AI. transformation.

Corporate values

To realize its mission and achieve its vision, Sirma will adhere to the following values:

Innovation and entrepreneurship

Sirma fosters a culture where new ideas are welcomed and experimentation is valued. Through innovation and entrepreneurial thinking, the company creates creative solutions, adapts to market changes, and maintains a competitive advantage.

Customer focus

The customer is at the center of every decision. Sirma strives to understand and anticipate customer needs, building long-term relationships and increasing satisfaction and loyalty.

Employee development and teamwork

Investment in people is key to success. Sirma offers opportunities for skill development, learning, and career growth, while encouraging collaboration and knowledge sharing in a supportive environment.

Trust and integrity

Trust and ethics are the foundation of success. Sirma acts with transparency, honesty and responsibility, building strong and sustainable relationships with customers, partners, investors and employees.

Strategic positioning

Main business and market

- B2B IT services – an IT company strongly focused on serving other businesses and organizations.
- Main activity: IT services for providing intelligent design of intelligent systems.
- Market: The geographic focus of sales is Europe, the UK and North America, with the Middle East and Africa being the next target regions.

In recent decades, and despite numerous global crises, the IT sector has established itself as a major growth driver. With global IT spending growth significantly outpacing GDP growth, IT is becoming a major driver of productivity gains and progress.

The IT Services segment within the ICT industry significantly outperforms other segments (hardware, telecommunications, software, etc.), maintaining a CAGR of 8–10%. In 2024, this segment surpasses all others in spending volume, reaching over 1.5 trillion US dollars. This dominance is expected to continue.

Technological innovations and organizations' drive for higher efficiency will be the main drivers of the IT services segment in the coming years, with no visible market limitations. A key prerequisite for growth is the implementation of AI technologies in business.

Competitive advantage

Sirma accumulates, develops and expands its knowledge in specific industry verticals - banking, insurance, hospitality, logistics, etc.

Over the years, the Issuer has accumulated significant technological expertise, which is kept up-to-date through R&D programs and a culture of "lifelong learning" among employees.

Combining the latest technological innovations with detailed knowledge of clients' business processes, Sirma offers not ready-made solutions, but an individual approach tailored to specific needs.

Sustainability and business resilience

Sirma has always had at least 5 verticals of specialization, selling services all over the world. This diversification provides resilience in times of market turmoil—when one vertical weakens, the others compensate.

The company integrates sustainability into its business strategy, putting economic sustainability first. The remaining ESG topics are not seen as a cost, but as a way to reduce risk, increase innovation and productivity:

- E (Environment): Producing your own solar electricity reduces your carbon footprint and the risk of energy crises or price spikes.
- S (Social Responsibility): Caring for employees and investing in their working conditions and skills strengthen the motivation and resilience of the team.
- G (Governance): Transparency attracts investors, employees, and partners, reduces turnover, and creates an environment for success.

The issuer collects data on the carbon footprint of its activities during the year, on recycled IT equipment, on water use in the company's offices, and on the production of its own renewable electricity. In 2023 Sirma is putting into operation its own photovoltaic system, built on the company's central building. The system generates 73 MWh of renewable energy per year, which provides 27.50% of the energy needs of the company's central building. Sirma intends to increase capacity by installing new photovoltaic systems.

Strategic guidelines

A. Organic growth and market expansion

Strengthening core competencies:

- Investing in R&D with a focus on AI, machine learning and emerging technologies to ensure the product portfolio stays ahead of market trends.
- Expanding the customer base in established industry verticals through deeper relationship management and customized solutions.
- Adding new vertical expertise through acquisitions or partnerships with established players in relevant sectors.
- Positioning as a significant player in the Middle East technology market.

Operational excellence:

- Optimize internal operations through lean management, advanced analytics, and scalable IT infrastructure.
- Increased attention to attracting, developing and retaining talent to support growth and innovation.
- Introducing effective AI techniques at all levels of delivery and management. Development of Sirma's Enterprise AI core.

Result: A stronger, self-sustaining foundation that prepares the business for scalable operations post-acquisition and creates internal market momentum.

B. Strategic acquisitions and integration

Targeted acquisition:

- Identifying a software company compatible with the group's strategic vision.
- Using a thorough due diligence process that assesses cultural compatibility, technological compatibility, and synergy potential.

Integration Roadmap:

- Extracting synergies – realizing the potential for cross- and up-sell. Facilitate interaction between teams and deliveries.
- If necessary – create a specialized integration team with clear KPIs aimed at unifying operations, systems, and cultures.
- Planning knowledge transfer and retention of key talent to ensure a smooth transition and accelerated building of market competence and revenue growth.

Result: An expanded portfolio of capabilities that strengthens market position and provides the technological advantage needed for leadership in the AI-driven market landscape.

As of the date of this prospectus, Sirma has not yet identified a software company for acquisition that meets its strategic vision. The Company has no significant investments in progress, nor has it made a firm commitment to make significant investments.

C. Financial stability and capital strategy

Continued and sustainable financial results:

- Consistent dividend payments, growth, profitability and generation of stable cash flows.

Dual listing of the Prime Standard segment of the Frankfurt Stock Exchange (FSE) and the EuroBridge Market segment of the Bulgarian Stock Exchange in 2026:

- Strengthening corporate governance and accountability frameworks to meet dual listing requirements, increasing investor confidence and increasing trading liquidity.
- Conducting marketing activities to build brand recognition and trust among potential customers in the DACH region (Germany, Austria, Switzerland).

Capital raising (early 2028):

- Organizing a capital raising round of EUR 50–100 million, which will be aimed at additional acquisitions and stimulating organic growth.

Result: A strong financial foundation that supports both organic and inorganic growth, ensuring that the company remains well capitalized at every phase of its development.

Strategic roadmap and timeline

Five-year milestones and goals:

2025: Fundamentals and Internal Transformation

- Preparatory phase for dual listing:
 - ✓ Review and strengthen corporate governance, financial reporting and investor relations.
 - ✓ Continuing the search for acquisition targets and initiating preliminary due diligence processes.

- Full implementation of Sirma Enterprise AI Platform (Sirma AI Core) within Sirma Group Holding, covering:
 - ✓ Human resources, legal department, finance, operations, project management.
- Creating a specialized AI consulting practice:
 - ✓ Forming teams of AI engineers, data scientists, and AI project managers.
 - ✓ Standardizing tools, protocols, and frameworks for client projects.
- Launching pilot implementations of Sirma Enterprise AI Platform at key strategic customers.
- The stage is expected to be financed mainly with own funds.

2026: Commercialization and vertical integration

- Dual listing on the Prime Standard segment of the Frankfurt Stock Exchange (FSE) and the EuroBridge Market segment of the Bulgarian Stock Exchange:
 - ✓ Successful listing on the Frankfurt Stock Exchange and using increased market visibility to drive organic growth.
- Launch of the commercial version of Sirma Enterprise AI Platform with flexible architecture.
- Launching AI services to modernize outdated systems:
 - ✓ Integration via API, agent protocols, semantic layers.
- Focus on the existing customer base in:
 - ✓ Finance, insurance, healthcare, public services.
- Development of industry-specific templates for rapid implementation of Sirma Enterprise AI Platform .
- Development of SaaS solutions (integrated with Sirma Enterprise AI Platform) in the field of transport and logistics, hospitality, financial industry.
- Finalizing the acquisition and integration of a target software company.
- The stage is expected to be financed with own and borrowed funds. The borrowed funds are expected to be used to finance part of a possible acquisition deal for a target software company.

2027: Ecosystem expansion and automation

- Preparation for raising capital:
 - ✓ Preparing to raise €50–100 million through the FSE (early 2028).
 - ✓ Using the funds from the capital increase for new acquisitions, developing our own software products and paying off bank debts.
- Goal: revenues of around 100 million euros and over 1,000 employees.
- Sirma Enterprise AI Platform coverage in client organizations:
 - ✓ Supply chain, product development, customer service, compliance.
- Offering ready-made AI agents:
 - ✓ Examples: HR agent, legal assistant, financial planner.

- Deep integration with ERP, CRM and industry platforms.
- Implementing self-directed and adaptive AI management frameworks.

2028: Regional expansion and strategic partnerships

- Consolidation and optimization:
 - ✓ Integration of acquired assets and optimization of operations.
- Expanding AI consulting services in Western Europe:
 - ✓ DACH, Nordic countries, Benelux.
- Creating partnerships with:
 - ✓ Cloud providers (hyperscalers), LLM platforms, universities and AI research centers.
- White-label launch and licensing of Sirma Enterprise AI Platform .
- Acquisition of companies compatible with the group's strategy, financed through the company's increased capital.

2029–2030: Market leadership and thought leadership

- Establishing Sirma as a recognized European leader in AI transformation.
- Launch of an “AI Ecosystem-as-a-Service” model.
- Entering new verticals:
 - ✓ Energy, automotive industry, manufacturing, etc.
- Organizing an annual Sirma AI Forum:
- Publication of Sirma AI Maturity Index and sector ratios.
- Sustainable global leadership:
 - ✓ Strengthening the group's position as a European technology leader.
 - ✓ Preparing strategic initiatives for growth beyond 2030
- Achieving a market capitalization of 1 billion euros.
- The stage is expected to be financed with the company's own funds.

9.5. Employees

For the Group, employees play a key role in the development of the business and in achieving the overall corporate goals. The Issuer pays special attention to the development of a common strategy and policies regarding human resources management. Sirma's policies in this regard are aimed at stimulating the responsibility and motivation of the staff for the fulfillment of the assigned tasks and goals. The company and the enterprises in the group apply certain criteria for personnel selection and believe that they have an ambitious team of professionals capable of pursuing the set strategic and operational goals. Sirma Group Holding AD invests in various training programs for its employees and provides its employees with opportunities for professional development.

As of the date of the prospectus, there are no agreements for employee participation in the Issuer's capital.

Table 32: Group employee data as of the end of 2024

Indicator	2024
Number of employees	694
Including number of employees with civil service contracts	44 (5.9%)
Including number of employees with employment contracts and part-time work	2 (0.3%)
Including number of managers	26
Including number of employees with employment contract and full-time work	622
Average number of employees and managers during the year	714
Male/female ratio	66% / 34%
Share of employees with disabilities out of the total number of employees	2%
Employees under 30 years of age (% of all)	30%
Employees between the ages of 30 and 50. (% of all)	56%
Employees over 50 years old. (% of all)	14%
Average length of service in the company	5 years
New employees during the year – men	53 (64%)
New employees during the year – women	31 (36%)
Employees who left during the year – men	69 (76%)
Employees who left during the year – women	22 (24%)
Ratio – number (male / female) – Albania	45 (51%/49%)
Ratio – number (male / female) – Bulgaria	518 (64%/36%)
Ratio – number (male / female) – Romania	131 (89%/18%)

Source: Sirma

As of the date of the prospectus, there is no change in the number of employees of the group.

9.6 Legal proceedings

In the ordinary course of its business, the Company is a party to legal proceedings in connection with its operating activities, but Sirma Group Holding AD is not aware of the existence of any administrative, civil, arbitration or criminal proceedings against the Issuer and the Group of which the Issuer is a part (including pending or threatened proceedings that may be initiated by and against the Issuer and the Group of which the Issuer is a part) for the last 12 months and as of the date of the prospectus, which could significantly affect the financial position or profitability of the Company and its subsidiaries.

9.7 Forecast information

The Issuer has not prepared any forward-looking information for the purposes of this Prospectus.

10. FINANCIAL INFORMATION ABOUT THE ASSETS AND LIABILITIES, FINANCIAL POSITION, PROFITS AND LOSSES OF THE ISSUER

FINANCIAL INFORMATION FOR PAST PERIODS

Audited financial information for past periods

The audited consolidated annual financial statements of the Company (containing the statement of financial position, statement of comprehensive income, statement of cash flows, statement of changes in equity and explanatory notes), together with the auditors' reports and the management reports for the financial years 2022, 2023 and 2024, as well as the unaudited interim consolidated financial statements for the first and second quarters of 2025 and the second quarter of 2024 have been duly disclosed and are available on the Issuer's website (<https://investors.sirma.com/bg/reports-filings>), as well as Appendices to this Prospectus (see *APPENDICES section*).

Change of reference balance sheet date

The issuer has not changed its reference balance sheet date during the period for which historical financial information is required.

Accounting standards

The audited consolidated financial statements of Sirma Group Holding AD for 2022, 2023 and 2024, as well as the unaudited interim consolidated financial statements for the second quarter of 2025, have been prepared in accordance with IFRS.

The issuer prepares financial statements on an individual and consolidated basis. Given the holding structure of the group, the consolidated financial statements are essential for the overall presentation of the Group.

Expiration of financial information

The latest financial information presented in this Prospectus is from the Company's unaudited consolidated interim financial statements for the second quarter of 2025. The latest audited financial information is from the Company's annual consolidated financial statements for 2024.

Interim and other financial information

This Prospectus uses information from interim consolidated financial statements for the first quarter and second quarter of 2025, as well as for the second quarter of 2024.

Significant change in the Issuer's financial condition

There has been no significant change in the financial position of the Issuer and the Group, of which the Issuer is a part, that has occurred since the end of the last financial period for which the audited financial statements were published as of 31.12.2024 or as of the date of the Prospectus.

11. MATERIAL AGREEMENTS

The Company and the members of the Company's Group have not entered into any significant contracts other than contracts entered into in the ordinary course of business for the two years immediately preceding the date of this document. The Company and the members of the Company's Group have not entered into any contracts (other than contracts entered into in the ordinary course of business) which contain provisions under which, as of the date of this document, the Company or a member of the Group has a material obligation or right to the Group.

12. REGULATORY ENVIRONMENT

The activities of Sirma Group Holding AD are subject to a number of laws, rules and regulations at the EU and national levels. This section presents an overview of some aspects of the regulatory and legal framework within which the Company operates. The aim is to provide a brief description of the main regulatory acts applicable to its activities. The overview is not intended to be an exhaustive or complete statement of all regulatory and legal requirements.

12.1 Provisions on economic sanctions

The European Union's sanctions regime against Russia for the provision of IT services includes a ban on the provision of certain services to Russia, Russian citizens, or persons and entities associated with them. Among the sanctioned services are: IT consulting services; software for enterprise management and for industrial design and production; technical support, brokerage and financial assistance related to technologies and goods subject to sanctions; etc. This regime is updated when there are changes in EU policy towards Russia.

12.2 Public procurement

The regulation of public procurement is regulated by the Public Procurement Act and the subordinate legislation. The law regulates the terms and conditions for awarding public contracts for construction, supplies and services (including IT services) with the aim of effective spending of public funds, including those from European funds, as well as funds related to activities in sectors such as water supply, energy, transport and postal services, etc. The basic principles of awarding contracts are: publicity and transparency, free and fair competition, equality and non-discrimination. It is prohibited to include conditions or requirements that unreasonably restrict competition or give an advantage to certain participants. The law sets out various award procedures, requirements for drawing up documentation, qualification requirements, criteria for evaluating bids, and participation and performance guarantees. Public procurement authorities should ensure fair competition and effective control over the spending of funds by applying the principles arising from the European Union treaties, such as the free movement of goods and services.

12.3 Protection of personal data

When processing personal data, Sirma Group Holding AD is subject to Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data ("GDPR") and the relevant implementing legislation within the national legislation of the EU Member States, which in Bulgaria is the Personal Data Protection Act. Regulation (EU) 2016/679 significantly changed the legal framework for data protection in Europe and required additional efforts and costs from economic operators to achieve compliance. Violation of the obligations under this Regulation may constitute an administrative offence, which may lead to fines and/or investigation by the competent data protection authority.

12.4 Cybersecurity

According to national and international regulations, Sirma Group Holding AD is obliged to take cybersecurity measures. The Republic of Bulgaria is in the process of transposing Directive (EU) 2022/2555 of the European Parliament and of the Council of 14 December 2022 concerning measures for a high common level of cybersecurity across the Union, amending Regulation (EU) No 910/2014 and Directive (EU) 2018/1972 and repealing Directive (EU) 2016/1148 (NIS Directive 2) due to incomplete compliance with the current legislation and regulations in this area. For this purpose, amendments to the Bulgarian Cybersecurity Act have been proposed. They expand the scope of regulation to include new technologies such as the Internet of Things (IoT), artificial intelligence and blockchain, expand key definitions and the law will now cover all sectors of the economy and society, including healthcare, transport, energy and finance. Further strengthening of personal data protection is also envisaged, as well as increasing the security of critical infrastructure, education and awareness, and international cooperation.

12.5 Employee Health and Safety

According to national and international regulations, Sirma Group Holding AD is obliged to take measures related to preserving the health and safety of employees at their workplace. Bulgarian legislation establishes a system of rules and regulations in this regard, which are largely shaped by the requirements of EU law, which contains numerous guidelines on the various technical and social aspects of occupational health and safety. In particular, the general obligations of employers and protection and prevention services are set out in Council Directive 89/391/EEC on the introduction of measures to encourage improvements in the safety and health of workers at work ('Directive 89/391/EEC'). In the Republic of Bulgaria, the provisions of the Directive

have been implemented by the Health and Safety at Work Act. EU Member States are free to maintain or introduce stricter protection measures than those provided for in Directive 89/391/EEC. In principle, compliance with occupational safety regulations is subject to regulatory oversight. Law enforcement agencies have broad powers, including the right to enter offices, search documents, and examine work equipment, as well as employees' personal protective equipment. They also have the power to impose sanctions and fines. In Bulgaria, the overall control over compliance with the provisions of the Directive is exercised by the Ministry of Labor and Social Policy, and the specialized control activity over the implementation of the Health and Safety at Work Act, as well as other regulatory acts, is carried out by the Executive Agency "General Labor Inspectorate" through its structures.

12.6 ESG disclosures and human rights

In Bulgaria, the Sustainability Report (a non-financial report including environmental, social and governance information – ESG) must be prepared by large enterprises and public interest entities that have over 1,000 employees at the end of the reporting period, small and medium-sized enterprises whose transferable securities are admitted to trading on a regulated market in a member state of the European Union, with the exception of microenterprises, etc. The obligation comes into effect for the reporting year 2025, with the requirements being expanded in stages until 2028 for other categories of enterprises. The sustainability report includes social, environmental and economic aspects of the company's activities, presents resource management, measures to limit negative impacts and long-term sustainable development goals. As of 2024 Sirma Group Holding AD provides the public and regulatory authorities with a voluntary sustainability report.

13. MAJOR SHAREHOLDERS

13.1 Shareholder structure

Table 33: Major shareholders owning over 3% of the capital

As of the date of the prospectus, the main shareholders, i.e. the persons who directly or indirectly own 3% or more of the share capital and voting rights of the Company, according to the latest data disclosed by the Issuer, are:

Shareholders	Number shares to 30.06.2025	% of capital	% of voting rights*
Georgi Parvanov Marinov	5 461 898	9.20%	9.43%
Tsvetan Borisov Alexiev	5 025 153	8.47%	8.67%
Chavdar Velizarov Dimitrov	4 817 386	8.12%	8.31%
Vesselin Anchev Kirov	4 767 386	8.03%	8.23%
Ognyan Plamenov Chernokozev	3 741 620	6.30%	6.46%
Krasimir Nevelinov Bozhkov	2 534 161	4.27%	4.37%
Vladimir Ivanov Alexiev	2 177 583	3.67%	3.76%
Rosen Vassilev Varbanov	2 156 687	3.63%	3.72%
Rosen Ivanov Marinov	2,307,900	3.89%	3.98%
Emiliana Ilieva Ilieva	1 996 209	3.36%	3.45%
Deyan Nikolov Nenov	1 814 748	3.06%	3.15%

Source: Sirma

*Percentage of voting rights represents the participation in the company's capital, net of repurchased treasury shares.

The total percentage of shareholders holding over 3% of the company's capital (free float) is 61.32%.

As of the date of the prospectus, no subsidiary owns shares of Sirma Group Holding AD.

Table 34: Shares held by members of the Board of Directors

As of the date of the prospectus, the members of the Board of Directors who directly or indirectly own shares in the Company's capital are:

Shareholders	Number shares	% of capital	% of voting rights*
Georgi Parvanov Marinov	5 461 898	9.20%	9.43%
Tsvetan Borisov Alexiev	5 025 153	8.47%	8.67%
Chavdar Velizarov Dimitrov	4 817 386	8.12%	8.31%
Vesselin Anchev Kirov	4 767 386	8.03%	8.23%
Atanas Kostadinov Kiryakov	1,555,287	2.62%	2.70%
Yavor Lyudmilov Djonev	1,068,046	1.80%	1.85%
Martin Veselinov Paev	126 920	0.21%	0.22%
Yordan Stoyanov Nedev	3,433	0.01%	0.01%
Peyo Vassilev Popov	100	0.00%	0.00%

Source: Sirma

*Percentage of voting rights represents the participation in the company's capital, net of repurchased own shares.

There are no other persons who directly or indirectly own 3% or more of the share capital and voting rights in the Company.

None of the above-mentioned shareholders holds different voting rights in the General Meeting of the Issuer.

13.2 Controlling interest

The issuer is not owned/controlled directly or indirectly.

As of the date of the Issuer's prospectus, there are no known arrangements, the effect of which may at a later date result in a change in control over the Issuer.

14. GENERAL INFORMATION ABOUT THE COMPANY AND THE GROUP

14.1 Establishment and registration. Trade name, registered office, LEI

Name and legal form:	Sirma Group Holding JSC
Headquarters and address of management:	Bulgaria, Sofia (capital) region, Stolichna municipality, city Sofia, Mladost district, Blvd. "Tsarigradsko Shosse" No. 135
Phone:	+359-2-976-8310;
Fax:	+359-2-974-3988;
Website:	http://www.sirma.com
Email:	office@sirma.com
UIC:	200101236
LEI:	8945007AD80FTJTEGH37

The company is public and operates in accordance with Bulgarian legislation, the Public Offering of Securities Act, the Commercial Act, the relevant by-laws, and in accordance with the provisions of the Articles of Association and other internal acts, as well as in accordance with applicable European legislation. The company is a holding company.

14.2 Financial year, duration of the company and scope of activity

The financial year is from 01.01. to 31.12. of the respective year. The existence of the Company is not limited by a term as provided for in the Articles of Association. The scope of activity of the Company, specified in Art. 4 of the Articles of Association, is: acquisition, management, evaluation and sale of participations in Bulgarian and foreign companies, acquisition, evaluation and sale of patents, assignment of licenses for the use of patents to companies in which the holding company participates, financing of companies in which the holding company participates, organization of accounting and preparation of financial statements in accordance with the Accounting Act. The company may also carry out its own commercial activities that are not prohibited by law.

The main objectives of the Company's investment activities, specified in Article 6 of the Articles of Association, are: accumulation of expertise; acquisition of know-how, licenses, patents and implementation of inventions and their use in the activities of the Company and those related to it; creation of technologies and products; creation of new ones and participation in other companies.

The current Articles of Association of the Issuer are announced under the Issuer's account in the Bulgarian Commercial Register with entry number: 20250122152939.

The Issuer's Articles of Association do not contain any conditions whose effect is to delay, postpone or prevent a change in control of the Issuer.

The general regime specified in Art. 145 et seq. of the POSA regarding the disclosure of shareholdings applies to the Issuer (for more information, see item 15.11.3 "Information

Disclosure Requirements" of this Prospectus).

14.3 Statutory auditors

Grant Thornton OOD, Sofia 1421, sq. "Lozenets", Blvd. "Cherni Vrah" 26, Republic of Bulgaria, registered under number 032 in the public register of audit firms at the Institute of Certified Public Accountants in Bulgaria.

15. DESCRIPTION OF THE COMPANY'S SHARE CAPITAL AND APPLICABLE REGULATIONS

15.1 Share capital of the company

As of the date of the Prospectus, the company's capital amounts to BGN 59,360,518 (30 350 551 euros), distributed into 59,360,518 registered dematerialized shares. The existing shares of the Company are ordinary registered shares with a nominal value of 1 lev (0.51 euro). The share capital is fully paid up.

15.2 History of changes in share capital

15.2.1 General provisions regarding changes in share capital

The share capital may be increased in accordance with the Public Offering of Securities Act - each shareholder has the right to acquire new shares in proportion to the number of existing shares he owns before the increase. This right is ensured by issuing rights to persons registered as shareholders 5 business days after the publication of the announcement of the offer (exception in the case of a capital increase in which only workers or employees or members of the Board of Directors have the right to participate, as well as in the case of a capital increase in which certain persons have the right to subscribe, but only for the purpose of a merger, a tender offer for the exchange of shares or for securing the rights of holders of warrants or convertible bonds).

The right of each shareholder, upon issue of warrants or convertible bonds, to acquire financial instruments of the issued class that correspond to his share in the capital before the issue.

A reduction in capital occurs by decision of the general meeting of the Company in accordance with the statutory procedure, by reducing the nominal value of the shares or by invalidating shares. The Company's capital cannot be reduced by forced cancellation of shares.

15.2.2 General provisions regarding subscription rights for shares in the event of a capital increase

Upon a capital increase, each shareholder has the right to acquire and subscribe for new shares, in proportion to the number of existing shares he owns before the increase. This right is provided by issuing rights to persons registered as shareholders 5 business days after the publication of the announcement of the offering.

15.2.3 Exclusion of minority shareholders

According to the applicable Bulgarian legislation, there is no procedure for the exclusion of minority shareholders.

15.2.4 History of changes in the capital of Sirma Group Holding AD

– The company was established with a capital of 50,000 leva (25,656 euros) .

On 15.10.2008, after accepting three triple appraisals by experts, the share capital was increased from 50,000 leva (25 656 euros) to 77,252,478 leva (39 498 565 euros) through non-cash contributions and issuance of 77,202,478 new shares. The non-monetary contributions are as follows:

- 1) 29 software modules worth 31,473,000 euros;
- 2) In-kind contribution, representing real estate worth 2,000,000 euros:
 - ✓ Office building – offices, floor. 3rd and floor. 5 of an office building located in the city. Sofia, Blvd. "Tsarigradsko Shose" No. 135, owned by Sirma Group AD, a company

registered in the Commercial Register with the Registry Agency UIC 040529004, with its registered office and management address in the town of Sofia, Mladost district, Blvd. "Tsarigradsko Shose" No.135, accepted as a shareholder in "SGH" AD by decision of the General Meeting of "SGH" AD dated 10.07.2008.

3) In-kind contribution, representing shares worth EUR 6,000,000:

- ✓ Contribution of 81,690 shares with a total value of 6,000,000 euros from the capital of Sirma Group AD - a company registered in the Commercial Register with the Registry Agency with UIC, 040529004.

On 22.10.2010, as a result of the decision of the regular annual general meeting of the shareholders of the Company, a decrease in the capital of Sirma Group Holding AD of 77,252,478 leva (39 498 565 euros) to 73,340,818 leva (37,498,565 euros) through the cancellation of 3,911,660 shares with a nominal value of 0.51 euros each. The Company's capital has been reduced pursuant to Art. 200, para. 2, in connection with Art. 187e, para. 1, item 2 of the Commercial Code.

In the transformation carried out and entered in the Commercial Register on 23.10.2014, the capital of the Company was reduced to 49,837,156 BGN (25,481,333 EUR) through the cancellation of 23,503,662 shares. This decrease is a result of the calculated fair value of the shares of Sirma Group Holding AD by two independent appraisers.

On 30.10.2015, after a successful initial public offering, the capital was increased to 59,360,518 BGN (30,350,551 EUR) through the issuance of 9,523,362 new shares with a nominal value of one share of 0.51 EUR and an issue price of 0.61 EUR.

The shares are ordinary, registered, dematerialized, freely transferable shares, with voting rights, dividend rights and the right to a liquidation share commensurate with their nominal value.

15.3 Legislation under which the Issuer's shares were issued

The shares are issued in accordance with Bulgarian law.

15.4 Shareholders' Rights

Right to vote

Each share entitles you to one vote at the general meeting of shareholders. All shares provide **equal voting rights**. There are no restrictions on voting rights and the main shareholders do not have different rights. The right to vote at the General Meeting of Shareholders is exercised by persons registered as such with the right to vote in the central register of securities, kept by the Central Depository as shareholders 14 days before the date of the General Meeting. Shareholders participate in the General Meeting in person or through a representative authorized by an explicit written power of attorney prepared in accordance with the requirements of Art. 116, para. 1 and 2 of the POSA.

Dividend rights and liquidation share rights

Each share gives full dividend rights, proportional to its nominal value. The Company distributes dividends in accordance with the procedure and under the conditions provided for in the Commercial Code, the Public Offering of Securities and the Articles of Association of the Company. The General Meeting of Shareholders decides on the distribution of dividends after approval of the annual financial report, respectively the six-month financial report and in accordance with the provisions of the Commercial Code and the Public Offering of Securities Act. The Company's Articles of Association provide that the Issuer may distribute an interim

dividend based on a six-month financial report under the terms and conditions of Art. 115c of the POA and the respective application of the provisions of Art. 247a of the Commercial Code and the Articles of Association.

The right to receive dividends is granted to persons registered in the central securities register as shareholders entitled to dividends on the 14th day after the day of the general meeting at which the annual, respectively 6-month financial report was adopted and a decision was made to distribute the profit. The Central Depository provides the Company with a list of shareholders as of the above date. The presence of the person on this list is a sufficient condition for him to receive a dividend after his due identification. The expenses for paying the dividend are at the expense of the Company. The company is obliged to ensure the payment to shareholders of the dividend voted at the general meeting within 60 days of its holding. The dividend payment is made with the assistance of the Central Depository. Persons entitled to dividends may exercise this right until the expiration of the general 5-year limitation period, after which the right is extinguished and the unreceived dividends remain in the Company.

Right to liquidation share

Upon liquidation of the Company, all proceeds will be distributed among the shareholders **in proportion to their share** in the share capital. This right arises and may be exercised only in the event that (and to the extent that) upon the liquidation of the Company, after the satisfaction of the claims of all creditors, there is property remaining for distribution among the shareholders and up to the amount of this property. Only persons registered in the Central Depository's registers as shareholders at the time of the Company's dissolution are entitled to a liquidation share.

Additional rights of shareholders

- The right of each shareholder, upon a capital increase, to acquire shares corresponding to his/her share in the capital prior to the increase, which is ensured by issuing rights to persons registered as shareholders 5 working days after the publication of the announcement of the offer (exception in the case of a capital increase in which only workers or employees or members of the Board of Directors have the right to participate, as well as in the case of a capital increase in which certain persons have the right to register, but only for the purpose of a merger, a tender offer for the exchange of shares or to ensure the rights of holders of warrants or convertible bonds).
- The right of each shareholder, upon issue of warrants or convertible bonds, to acquire financial instruments of the issued class that correspond to his share in the capital before the issue.
- The right to participate in management, by resolving issues within the competence of the general meeting, including electing and being elected to management bodies.
- Right to information, including the right to prior familiarization with the written materials on the announced agenda of the general meeting and to freely receive them upon request; right to ask questions at the general meeting.
- Protective rights, including the right to request from the district court at the registered office of the Company the annulment of a decision of the General Meeting of Shareholders, contrary to mandatory provisions of the law or the articles of association, the right to sue for protection of the right to membership and individual membership rights in the event of their violation by bodies of the Company, the right to request the appointment of registered auditors by the Registry Agency in the absence of such elected ones.

Minority shareholders' rights

Persons owning together or separately at least five percent of the capital of a public company, in the event of inaction of its management bodies, which endangers the interests of the Company, may bring the Company's claims against third parties before the court. The Company itself is also called as a party to the case. The persons referred to in the previous sentence may:

- to file a claim with the district court at the registered office of the Company for compensation for damages caused to the Company by actions or inactions of the members of the Board of Directors and the procurators;
- to request from the general meeting or the district court the appointment of auditors to examine all accounting documentation of the Company and prepare a report on their findings;
- to request from the district court the convening of the general meeting of the Company or the authorization of their representative to convene the general meeting according to an agenda determined by them;
- to request the inclusion of issues and propose solutions on issues already included in the agenda of the general meeting in accordance with Art. 223a of the Commercial Law.
- if the Company has a joint venture agreement – to file a claim with the district court at the registered office of the Company for compensation for damages caused to the Company by actions or inactions of the persons managing the joint venture.

Redemption clauses

The company may repurchase its own shares based on a decision of the General Meeting of Shareholders and in accordance with the requirements of the law and the procedure provided for therein. The issuer may acquire during one calendar year more than 3 percent of its own shares with voting rights in cases of capital reduction through cancellation of shares and buyback only under the terms and conditions of a tender offer under Art. 149b of the POSA.

15.5 Form and certification of shares

The shares are dematerialized, and the shareholders' book is kept in a central securities register by a central securities depository in accordance with Regulation (EU) No. 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories - Central Depository AD (<https://www.csd-bg.bg/index.xhtml>) with address: city of Sofia, post office 1000, st."Tri Ushi" No. 6, fl. 4, Republic of Bulgaria.

15.6 Currency of issue

The shares are denominated in **leva, and after Bulgaria's entry into the European Monetary Union, they will be denominated in euros.**

ISIN and trading symbol

- **International Securities Identification Number (ISIN): BG1100032140**
- **Trading symbol: SGH**

1 5.7 Transferability of shares

The shares are freely transferable in accordance with the legislative requirements for registered dematerialized shares. There are no imposed prohibitions or restrictions on the transferability of shares, subject to compliance with the rules of the central securities depository where the shares are registered (i.e. Central Depository, as of the date of the Prospectus).

Purchases and sales of shares are carried out both on a regulated market through an investment intermediary and outside a regulated market, subject to compliance by the investment

intermediary mediating the conclusion or registering the transactions with the requirements regarding disclosure of information. The transfer of shares is effective from the moment of registration with the Central Depository.

To buy or sell shares on a regulated market, investors submit "buy" or "sell" orders to the investment intermediary whose clients they are. After concluding a transaction on a regulated market, the investment intermediary performs the necessary actions to register the transaction with the CD. After settlement (execution of the concluded transaction), the shares are transferred from the seller's account to the buyer's account.

The transfer of shares outside a regulated market is carried out in compliance with the restrictions and requirements set out in Art. 23 of Regulation 600/2014 and the disclosure requirements under Art. 20 of the same Regulation.

The registration of the transfer of shares, according to a previously concluded contract for the purchase and sale of securities directly between the parties, is carried out by an investment intermediary acting as a registration agent. The investment intermediary registers the transaction in the CD. In a similar manner, through an investment intermediary acting as a registration agent, the transfer of shares in cases of donation and inheritance is carried out. The transfer of shares is considered completed from the moment of registration of the transaction in the Central Depository.

According to Regulation No. 38 on the requirements for the activities of investment intermediaries, the Investment Firm is not entitled to execute an order to sell shares if the shares are not available in the client's account or are blocked in the depository institution, as well as if a pledge has been established on them or a lien has been imposed. Therefore, shareholders who own shares that are subject to a lien or seizure, or are otherwise blocked, will not be able to sell them until this obstacle is removed. The prohibition under the previous sentence in the case of an established pledge shall not apply if the acquirer has been notified of the established pledge and has expressed explicit consent to acquire the pledged shares, and there is explicit consent of the pledgee in the cases provided for in the Special Pledges Act. The prohibition on the transfer of pledged shares does not apply in the event that the pledge is established on an aggregate within the meaning of the Special Pledges Act.

The conclusion of transactions with the Company's shares is carried out in accordance with the procedure and under the terms of the Markets in Financial Instruments Act, Regulation No. 38 and other subordinate legislation implementing the Markets in Financial Instruments Act, the Rules of the Bulgarian Stock Exchange and the Rules of the Central Depository AD.

15.8 Tender offers

A statement regarding the existence of national legislation applicable to the Issuer regarding tender offers, which may potentially thwart such tender offers.

The national legislation applicable to the Issuer governing tender offers does not contain provisions that could potentially thwart these tender offers. Nevertheless, it should be noted that there are specific regulatory requirements regarding the principles of implementing a tender offer, the content of the offers and the determination of the price, as the tender offers are subject to review by the FSC and accordingly their publication may be prohibited in case of non-compliance with the requirements of the law or infringement of the interests of the shareholders.

A brief description of the rights and obligations of shareholders in the event of a mandatory tender offer, as well as the rules for the removal of minority shareholders (squeeze-out) or forced buy-out (sell-out) in relation to the securities.

The Company's shares may be subject to both mandatory and voluntary tender offers. According to the applicable national legislation, an obligation to make a tender offer arises in the event of a direct acquisition, in the event of an acquisition through related parties (within the meaning of Art. 148h POSA) and/or acquisition/possession in the event of Art. 149, para. 2 of the Public Offering of Securities Act (persons who have concluded an agreement for a common management policy through the joint exercise of voting rights or the ownership of shares with voting rights by one person at the expense of another) of more than (1) 1/3 of the votes in the general meeting of the Company (provided that there is no person or persons holding directly or through related persons more than 50 percent of the votes in the general meeting); (2) 1/2 of the votes in the general meeting of the Company, or (3) 2/3 of the votes in the general meeting of the Company, unless subsequently, within the relevant period for submitting a tender offer, the obligated person transfers the necessary number of shares so as to hold directly or through related persons votes below the threshold thus exceeded. The obligation is fulfilled within 14 days of the acquisition (conclusion of the agreement or acquisition of the shares on behalf of the person), respectively within one month of the entry in the commercial register of the transformation or reduction of the capital, when the threshold is crossed as a result of transformation or as a result of invalidation of shares. In addition, a person holding in any of the above-mentioned cases more than 1/3, but not more than 2/3 of the votes in the general meeting of the Company, is not entitled to acquire, within one year, shares with voting rights in an amount greater than three percent of the total number of shares of the Company, except as a result of a tender offer under Art. 149b of the POSA, unless the threshold is exceeded upon an increase in capital with rights. At the same time, the POSA also provides for certain hypotheses in which an obligation to make a tender offer does not arise, regardless of whether a threshold has been crossed (mainly related to a previously implemented tender offer or crossing the threshold as a result of a tender offer, as well as when crossing the threshold of 2/3 of the votes as a result of a capital increase with a rights issue, if before the capital increase the person held more than 50 percent of the votes in the general meeting).

The Company's shares may be subject to a voluntary tender offer made by a person who acquired them directly, through related parties or indirectly in the cases under Art. 149, para. 2 of the POSA more than 90 percent of the votes in the general meeting of the Company (Art. 149a of the Public Offering of Securities Act), or by a person holding at least 5 percent of the votes in the general meeting of the Company and wishing to acquire (directly, through related parties or indirectly) more than 1/3 of the votes in the general meeting of the Company (Art. 149b of the POSA).

Shareholders to whom a mandatory or voluntary tender offer has been made may accept or reject the same, entirely at their discretion. The tender offer is accepted by an explicit written declaration of intent and by depositing the certification documents for the shares with an investment intermediary or the central securities depository where they are registered, as well as by performing other necessary actions in connection with the transfer. The acceptance of the offer may be withdrawn until the expiry of the period for acceptance of the tender offer.

The shares of the Company may be subject to compulsory purchase in the event of Art. 157a of the POSA. According to this provision, a person who, as a result of a tender offer made to all shareholders with voting rights, acquires directly, through related parties or indirectly in the cases under Art. 149, para. 2 of the POSA at least 95% of the votes in the general meeting of the public company, has the right, within three months from the deadline of the tender offer, to buy out the voting shares of the remaining shareholders without their consent being required.

Analogously to what is provided for in Art. 157a of the POSA, the provision of Art. 157b of the POSA gives minority shareholders the right to exit. According to this provision, each minority

shareholder has the right to request the person who acquired at least 95% of the Company's voting shares as a result of a tender offer to redeem his shares within three months of the completion of the tender offer. The majority shareholder, having acquired at least 95% of the voting shares, is obliged to buy the shares of the minority shareholder within 30 days of receiving the request, and the sale price cannot be lower than the price of the tender offer.

Tender offers from third parties

To date, the Company has not been subject to any tender offers, including offers from third parties for a public purchase of a controlling stake in the share capital.

15.9 Information on other trading venues where the issuer's shares are already admitted to trading

As of the date of this Prospectus, the Issuer's shares are not admitted to trading on any other trading venue, except on the regulated market organized by the Bulgarian Stock Exchange.

15.10 Buyback of own shares

At the meeting held on 08.04.2025. An Extraordinary General Meeting of Shareholders of Sirma Group Holding AD adopted a decision for the company to repurchase its own shares under the following conditions:

- The maximum number of shares subject to repurchase is 5,300,000.
- Minimum price 0.43 euros (0.85 leva) per share and maximum price 2.05 euros (4 leva) per share. Maximum total price for share buyback – no more than 10 839 388 euros.
- The redemption period is until 31.12.2028.

As of 30.06.2025, the total amount of the Group's repurchased own shares is 1,422,244 shares (2.40% of the capital of Sirma Group Holding AD), distributed as follows:

- Sirma Group Holding AD owns 1,421,694 shares (31.03.2025 – 1,689,236 shares) or 2.40% of the share capital.

15.11 Shareholders Notification Requirements

15.11.1 Basic requirements

According to the POSA, any shareholder who acquires or transfers directly and/or indirectly (in the cases under Art. 146 of the POSA) the right to vote in the general meeting of the Company, is obliged to notify the FSC and the Company when:

1. as a result of the acquisition or transfer, its voting rights reach, exceed or fall below 5 percent or a multiple of 5 percent of the number of votes in the general meeting of the Company;
2. his voting rights exceed, reach or fall below the thresholds under item 1 as a result of events that lead to changes in the total number of voting rights based on the information on changes in capital disclosed by the Company.

The notification obligation also applies to persons who directly or indirectly own:

1. financial instruments which, under a written contract, give the persons holding them on the maturity date an unconditional right to acquire shares or a right of discretion regarding their right to acquire shares with voting rights, which are issued by the company whose shares are admitted to trading on a regulated market;
2. financial instruments not included in item 1, but are related to those specified in item 1 shares and have an economic effect similar to the effect of the financial instruments referred to in item

1, regardless of whether they provide a right to settlement by delivery of the underlying securities.

The notification obligation does not apply to voting rights relating to:

1. shares acquired solely for the purpose of clearing and settlement within the normal settlement cycle, which cannot be longer than three business days from the conclusion of the transaction;
2. shares held by trustees in their capacity and provided that they may exercise the voting rights attached to the shares only upon the client's order given in writing or electronically.

Notification is not required from a market maker acting in that capacity whose voting rights reach, exceed or fall below 5 percent of the number of votes in the general meeting of the company, provided that:

1. has received a license to carry out activities as an investment intermediary under the applicable law of a Member State and has initial capital of not less than EUR 750,000;
2. does not participate in the management of the company and does not exercise influence on the company for the purchase of shares or maintenance of their prices.

The notification obligation does not apply to voting rights related to shares held in the trading portfolio within the meaning of Art. 102 of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and amending Regulation (EU) No 648/2012 (OJ, L 176/1 of 27 June 2013), of a credit institution or an investment firm, provided that:

1. the voting rights held in the trading portfolio do not exceed 5 percent of the number of votes in the general meeting of the company, and
2. the voting rights associated with shares held in the trading portfolio are not exercised or otherwise used to interfere in the management of the company.

The notification obligation does not apply to voting rights attached to shares acquired for stabilization purposes in accordance with Commission Regulation (EC) No 2273/2003 of 22 December 2003 implementing Directive 2003/6/EC of the European Parliament and of the Council as regards the exemptions for buy-back programs and the stabilization of financial instruments, provided that the voting rights attached to those shares are not exercised or otherwise used to intervene in the management of the company.

The notification obligation does not apply to the parties to repo transactions for the relevant volumes entered in the relevant repo register in cases where there is no transfer of voting rights.

15.11.2 Transactions by those holding management positions

Obligations under Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC ('MAR')

The persons with management functions, as well as persons closely related to them, shall notify the Issuer and the FSC of any transaction carried out for their own account, related to shares or debt instruments of this issuer, or to the derivatives or other financial instruments related to them. Such notifications shall be made promptly and no later than three business days after the date of the transaction.

The notification obligation applies once the total amount of transactions reaches the threshold of a total value of EUR 20,000 within a calendar year. The EUR 20,000 threshold is calculated by adding all transactions without netting.

15.11.3 Disclosure requirements

The Issuer discloses the information both in Bulgarian and in English after the Admission of the Shares to the Frankfurt Stock Exchange. The issuer shall disclose regulated information to the public in a manner that ensures its rapid dissemination to the widest possible range of persons in all Member States and in a manner that does not discriminate against them.

The issuer is obliged to disclose the regulated information to the public through a news agency or other media that can ensure its widest possible and simultaneous distribution in the Republic of Bulgaria and in Germany after the admission of the shares to the Frankfurt Stock Exchange.

Financial statements

The issuer is obliged to publicly disclose the annual financial report for its activities within 90 days of the end of the financial year, respectively the consolidated financial report - within 120 days of the end of the financial year.

The issuer is obliged to ensure that the annual financial report and the annual consolidated financial report remain available to the public for a period of no less than 10 years.

The issuer is obliged to publicly disclose a 6-month financial report for its activities, covering the first 6 months of the financial year, within 30 days from the end of the six-month period, respectively a 6-month consolidated financial report for its activities, covering the first 6 months of the financial year, within 60 days from the end of the six-month period.

The issuer is obliged to ensure that the 6-month financial report and the 6-month consolidated financial report on the activity remain available to the public for a period not shorter than 10 years.

The issuer is obliged to disclose a public notice of its financial position within 30 days from the end of the first, third and fourth quarters, respectively a public notice on a consolidated basis of its financial position within 60 days from the end of the first, third and fourth quarters. The issuer is required to ensure that the notifications remain available to the public for a period of no less than 5 years.

The Issuer does not carry out any activity that requires disclosure of information about payments to the executive authorities in the Republic of Bulgaria, to a national, regional or local authority of a Member State or a third country or to other persons controlled by such authorities.

Obligations under MAR

Inside information, insider listings, market research and insider dealings

An issuer shall, at the earliest opportunity, publicly disclose inside information that directly affects it. The Issuer ensures that inside information is disclosed in a manner that facilitates rapid access and full, accurate and timely assessment of the information by the public. The Issuer does not combine the disclosure of inside information to the public with the offering of its activities on the market. The issuer shall publish and maintain on its website for a period of at least five years all internal information that it is obliged to disclose publicly.

The issuer may, at its own risk, delay the disclosure of inside information if the following conditions are cumulatively met:

(a) immediate disclosure is likely to harm the legitimate interests of the issuer;

- (b) the delay in disclosure is not likely to mislead the public;
- (c) the issuer can guarantee the confidentiality of this information.

If the issuer has delayed the disclosure of inside information, it shall inform the FSC that the disclosure of the information has been delayed and provide a written explanation of how the conditions set out in this paragraph will be met, immediately after the public disclosure of the information.

The issuer shall maintain and promptly update a list of all persons who have access to inside information and who work for it under an employment contract or otherwise perform duties through which they have access to inside information, such as consultants, accountants or credit rating agencies. The issuer shall provide the list of persons with access to inside information to the competent authority as soon as possible upon request.

The issuer shall take all reasonable measures to ensure that each person on the list of persons with access to inside information accepts in writing the resulting legal and regulatory obligations and is aware of the sanctions applicable to the misuse of inside information and unlawful disclosure of inside information. The issuer shall keep its list of persons with access to inside information for a period of at least five years after its preparation or update.

Article 11 of MAR sets out the rules on the communication of information prior to the announcement of a transaction (market sounding) by an issuer or by a secondary offeror of financial instruments or a third party acting on their behalf.

Market research involves the communication of information prior to the announcement of a transaction to assess the interest of potential investors in a possible transaction and the terms and conditions associated with it, such as its potential size or price, to one or more potential investors by the issuer or a third party acting on behalf of or for the account of the issuer.

Furthermore, the disclosure of inside information by the Issuer, when it intends to make a tender offer or to merge with a company, to parties having rights to the securities also constitutes market research, provided that:

- (a) the information is necessary to enable parties with rights to the securities to form an opinion as to whether they wish to offer their securities; and
- (b) the willingness of the parties holding rights to the securities to offer their securities is reasonably necessary for the decision to make a tender offer or merger.

The disclosure of inside information made in the course of market research shall be deemed to have been made in the ordinary course of the person's work, profession or duties, when the disclosing market participant complies with certain procedural, communication and documentation requirements, as set out in Art. 11 of MAR, Commission Implementing Regulation (EU) 2016/959 and Commission Implementing Regulation (EU) 2016/960.

According to Art. 19, para. 3 of MAR, the Issuer guarantees that the transactions for which it has been notified in accordance with Art. 19, para. 1 of MAR by persons holding managerial positions or by persons closely associated with them (so-called managers' transactions) shall be disclosed publicly in a timely manner and no later than two business days after the transaction. Publication must be carried out in a manner that allows rapid access to this information on a non-discriminatory basis.

The issuer shall notify its persons holding management positions of their obligations related to the managers' transactions in writing (including their notification obligations, a ban on trading in the relevant financial instruments during a period of 30 calendar days prior to the

announcement of an interim financial report or annual report, respectively, and consolidated reports, which the issuer is obliged to make public under the rules of the stock exchange or national legislation (closed periods), as well as their obligation to instruct persons closely associated with them regarding the managers' transactions and to keep a copy of this instruction).

Publication of information on transactions in shares and related instruments

The Issuer is obliged, without delay and at the latest within three business days, to publicly disclose the notifications of voting rights and notifications of holding instruments that the Issuer receives from the shareholders and holders of other financial instruments, respectively, according to the information in this section.

16. DESCRIPTION OF THE GOVERNING BODIES

16.1 Overview

Sirma Group Holding AD is a joint-stock company with a single-tier management system. The company's management bodies are the General Meeting of Shareholders and the Board of Directors.

16.2 Board of Directors

As of the date of preparation of this Prospectus, the Board of Directors consists of 9 individuals:

- TSVETAN BORISOV ALEXIEV
- VESELIN ANCHEV KIROV
- CHAVDAR VELIZAROV DIMITROV
- YAVOR LYUDMILOV DJONEV
- GEORGI PARVANOV MARINOV
- ATANAS KOSTADINOV KIRYAKOV
- YORDAN STOYANOV NEDEV
- PEYO VASILEV POPOV
- MARTIN VESELINOV PAEV

The term of office of the current members is until 05.07.2026. The official address of all members of the Board of Directors is: city. Sofia, District Mladost, Blvd. Tsarigradsko Shosse No. 135. The current members of the Issuer's Board of Directors held this position throughout 2024, which is the last full financial year for the Issuer.

The members of the Board of Directors of the Issuer:

- have not been convicted of fraud and do not have a final conviction for fraud;
- are not related to bankruptcy, liquidation or receivership in their capacity as a member of an administrative, management or supervisory body or a senior manager;
- have not been officially publicly incriminated and/or sanctioned by legal or regulatory authorities (including certain professional bodies);
- have not been deprived by the court of the right to be members of the administrative, management or supervisory bodies of an issuer or from holding positions in the management or carrying out the activities of any issuer;

- have no family ties with the other members of the Board of Directors and any other senior manager of the Company.

16.3 Shareholding of the members of the Board of Directors. Conflicts of interest of administrative, management and supervisory bodies and senior management.

Chavdar Velizarov Dimitrov – member of the Board of Directors

Data on activities carried out outside the issuer:

- Has not participated as a general partner in companies in the last 5 years.
- There has been no participation in other companies as a partner in the last 5 years.
- Has not participated in the management of companies as a procurator in the last 5 years.
- Manager/member of a management/supervisory body for the last 5 years: member of the Board of Directors of “Sirma Medical Systems” AD from 2016 to the present; “Daticum” AD from 2009 to 2022; “Sirma Solutions” AD from 2005 to 2017.
- Education and relevant professional experience: While still a student, he participated in the founding of the company “Sirma Solutions” AD in 1992 and has been working in this company since then, which subsequently became part of the Issuer's group. Over the years, he has held various positions related to programming - programmer, team leader, project manager.
- In 2005, he became Administrative Director and then Human Resources Director at “Sirma Group Holding” AD. He held this position until August 2009. Since February 2009, he has been serving as Executive Director of Sirma Solutions AD. He held this position until June 2017.
- Mr. Dimitrov graduated with a Master's degree in Computer Science from the Faculty of Mathematics and Informatics of Sofia University “St. St. Clement Ohridski”.

Tsvetan Borisov Alexiev – Executive Member of the Board of Directors

Data on activities carried out outside the issuer:

- Has not participated as a general partner in companies in the last 5 years.
- There has been no participation in other companies as a partner in the last 5 years.
- Has not participated in the management of companies as a procurator in the last 5 years.
- Manager/member of a management/supervisory body for the last 5 years: Executive Director and Chairman of the Board of Directors of Sirma Solutions AD until 2024, Chairman of the Board of Directors of Sirma Business Consulting AD from 2008 to 2024 and member of the Board of Directors of Ontotext AD from 2008 to 2023, Daticum AD from 2009 to the present, EngView Systems AD from 2014 to the present, Cyant EAD from 2022 to 2024.
- Education and relevant professional experience: Mr. Alexiev started working at Sirma Solutions AD as a software engineer in 1993. He held various positions in the company - team leader, project manager, department head. Since 2002, he has been the Executive Director of Sirma Solutions AD. Since 2008, Mr. Alexiev has been the Executive Director of Sirma Group Holding AD. Mr. Alexiev is responsible for the overall management of the holding structure and the business development of the group. Mr. Alexiev graduated with a Master's degree in “Computer Systems” from the Technical University of Sofia.

Atanas Kostadinov Kiryakov – Member of the Board of Directors

Data on activities carried out outside the issuer:

- Has not participated as a general partner in companies in the last 5 years. There has been no participation in other companies as a partner in the last 5 years.
- Has not participated in the management of companies as a procurator in the last 5 years.
- Manager/member of a management/supervisory body for the last 5 years at: Sirma Solutions AD, member of the Board of Directors from 2012 to 2024; EngView Systems AD, member of the Board of Directors from 2014 to present; Ontotext AD, member of the Board of Directors from 2013 to present; Saifort EAD, member of the Board of Directors from 2008 to 2023.
- Education and relevant professional experience: Atanas Kiryakov is the founder and CEO of Ontotext AD – a market leader in the field of semantic databases and text analysis technologies. Ontotext's clients include the BBC, Financial Times, EuroMoney, Oxford University Press, AstraZeneca, the British Museum, the UK Parliament, the US National Gallery, the Getty Trust and Korea Telecom. In the period 2001-2004, Mr. Kiryakov was a member of the Management Board of BASCOM. Member of the board of directors of Sirma Group Holding AD and three of the companies in the group, as well as of the Linked Data Benchmarking Council - an international organization for testing NoSQL databases. Mr. Kiryakov began his career at Sirma as a software engineer in 1993 and a few years later became a partner and member of the Board of Directors. In 2018, he became the Executive Director of Ontotext. Ontotext has invested over 400 man-years in research and product development and has won a number of innovation awards: Pythagoras from the Ministry of Education and Science in 2010, BAIT in 2013, and Washington Post in 2014. (for the product OpenPolicy), Innovative Enterprise of the Year Award 2014. Mr. Kiryakov completed his Master's degree in Computer Science at Sofia University "St. Kliment Ohridski". Today he is a leading expert in the field of semantic databases and the author of more than 20 Scientific publications with over 3,000 citations.

Georgi Parvanov Marinov – Chairman of the Board of Directors

Data on activities carried out outside the issuer:

- Has not participated as a general partner in companies in the last 5 years.
- There has been no participation in other companies as a partner in the last 5 years.
- Has not participated in the management of companies as a procurator in the last 5 years.
- Manager/member of a management/supervisory body for the last 5 years: Executive Director and Chairman of the Board of Directors of EngView Systems AD, as well as member of the Board of Directors of Sirma Business Consulting AD from 2008 to 2024; member of the Board of Directors and Executive Director of Pirina Technologies AD from 2014 to the present.
- Education and relevant professional experience: Mr. Marinov has worked at Sirma Solutions AD since its establishment in 1992. Over the years, he has held various positions within the company - software engineer, quality control, team manager, project manager, marketing and sales manager, and business development manager. Since 2010, Mr. Marinov has held the position of Executive Director of EngView Systems AD. Mr. Marinov graduated from the Technical University of Sofia with a Master's degree in Computer Science and International Business.

Yordan Stoyanov Nedev – Member of the Board of Directors

Data on activities carried out outside the issuer:

- Has not participated as a general partner in companies in the last 5 years.
- He has participated in the following companies as a partner in the last 5 years: Suzana and Vesko-SV OOD – 75% of the capital from 2012 to present.
- Has not participated in the management of companies as a procurator in the last 5 years. Manager/member of a management/supervisory body for the last 5 years in: Sirma Insurtech EAD - member of the Board of Directors from 2022 to 2024; member of the Board of Directors of the Association of Graduates of the Faculty of Economics of Sofia University St. Kliment Ohridski – 2020 to 2021; member of the Board of Directors of "Sports Club Hanshi" Association from 2022 to the present; Saifort EAD member of the Board of Directors from 2023 to the present.
- Education and relevant professional experience: Yordan Nedev is a financier and expert with extensive management and consulting experience. Yordan Nedev began his experience in the Bulgarian office of the German consulting firm Roland Berger, where he worked on the privatization of Bulgarian enterprises. After returning to Bulgaria, Mr. Nedev worked as a financial consultant on the initial public offering of shares on the Bulgarian Stock Exchange of the company Investor.bg, after which he worked as its executive director. He was the manager of the licensed investment firm CEE Securities before joining the MMD Partners team in 2005, where he led the financial consulting practice. In 2011, after two successful consulting projects in the field, he took over the management of BDZ Holding EAD, implementing a massive restructuring of the activity, increasing financial and operational control and improving commercial practices. Yordan Nedev holds a Bachelor's degree in Economics from the Faculty of Economics, Sofia University "St. Kliment Ohridski", and in 2002 he obtained a Master of Finance at the London Business School, Great Britain.

Vesselin Anchev Kirov – Member of the Board of Directors

Data on activities carried out outside the issuer:

- Has not participated as a general partner in companies in the last 5 years.
- No participation in other companies as a partner in the last 5 years:
- Has not participated in the management of companies as a procurator in the last 5 years.
- Has not participated in a management/supervisory body in the last 5 years.
- Education and relevant professional experience: Electronics and Automation Engineer, Technical University, Sofia. Master's degree in Electronics and Automation, 22 years of experience in IT, Expertise in project management, requirements and business analysis; Design of complex IT solutions, software/hardware, design of complex architectures; Knowledge of modern technologies, strategies, hardware and software in the field of ICT; Experience in creating complex databases, information monitoring; Expertise in the field of IT strategies, global business solutions; Practical experience and expertise in the design, assessment, valuation, development, implementation of comprehensive and complex information systems. Mr. Kirov holds the position of Head of Development, Project Manager, System Architect, and is responsible for coordinating Sirma Solutions' research efforts across all various ongoing projects, developing system architecture for projects, architecture design, monitoring project implementation, implementing technological and management standards and norms in the company, and IT infrastructure projects. The scope includes both Sirma Solutions and other units of Sirma Group.

Martin Veselinov Paev – independent member of the Board of Directors

Data on activities carried out outside the issuer:

- Has not participated as a general partner in companies in the last 5 years.
- Participated as a partner in the last 5 years: sole owner of the capital of "Sortis Group" EOOD from 2014 to the present; sole owner of the capital of "Sortis Invest" EOOD from 2007 to the present; indirect owner of "Sortis VENTURES" EOOD; "Sortis REAL ESTATE" EOOD; "BPH BULGARIA 3" EOOD; "BPH Bulgaria 2" EOOD; "Sortis.BG" EOOD; indirect partner in "Sortis Hospitality" EOOD.
- Has not participated in the management of companies as a procurator in the last 5 years.
- Participated in the management/supervisory body in the last 5 years: manager of "Sortis Group" EOOD, "Sortis Invest" EOOD; "Sortis Ventures" EOOD; "Sortis Real Estate" EOOD; "BPH BULGARIA 3" EOOD; "BPH Bulgaria 2" EOOD; "Sortis.BG" EOOD; "Sortis Hospitality" EOOD
- Education and relevant professional experience: Having received his higher education in Bulgaria, the Netherlands and Germany, Martin Paev holds a Master's degree in Finance and Banking and a Bachelor's degree in Business Administration. Mr. Paev holds a Chartered Financial Analyst® (CFA®) diploma, has served two consecutive terms as a member of the board of directors of the Bulgarian Association of Financial Analysts – the Bulgarian branch of the CFA Institute (USA) and is a member of the CFA Institute (USA). He is a licensed appraiser of businesses and receivables and of real estate by the Chamber of Independent Appraisers in Bulgaria. Martin Paev is the founder of SORTIS GROUP. He has over 20 years of experience in the areas of investment banking, mergers and acquisitions, private equity investments and asset management. He began his professional career at the investment bank ING Barings (Frankfurt am Main, Germany) after which he worked at ETEBA (the investment bank of the National Bank of Greece) and Balkan Consulting Company (an investment consulting firm operating in Southeastern Europe). Mr. Paev is one of the first financial analysts on the Bulgarian stock market and a proponent of the development of the capital market in the country. He structured and managed the first Joint Stock Company with a Special Investment Purpose for real estate investments – “TBI – BAK – Real Estate” REIT, after which he was the Executive Director of Address Invest, the investment division of AG Capital, the largest real estate consulting firm in Bulgaria.

Peyo Vassilev Popov – independent member of the Board of Directors

Data on activities carried out outside the issuer:

- Has not participated as a general partner in companies in the last 5 years.
- No participation in other companies as a partner in the last 5 years:
- Has not participated in the management of companies as a procurator in the last 5 years.
- Has not participated in a management/supervisory body in the last 5 years.
- Education and relevant professional experience: Harvard Business School Online (2018) – Leadership with Finance; Negotiation, Master of Laws – Sofia University “St. Kliment Ohridski” (1999 – 2004).

Yavor Lyudmilov Djonev – independent member of the Board of Directors

Data on activities carried out outside the issuer:

- Has not participated as a general partner in companies in the last 5 years.

- Has participated in other companies as a partner in the last 5 years: sole owner of "Mirabo Adventures" EOOD; "Djonev Consulting" EOOD
- Has not participated in the management of companies as a procurator in the last 5 years.
- Participated in a management/supervisory body in the last 5 years: manager of "Mirabo Adventures" EOOD; "Djonev Consulting" EOOD; "PRIVATE PRIMARY SCHOOL PROGRESSIVE EDUCATION 3 - SOFIA" EOOD; "PRIVATE PRIMARY SCHOOL "PROGRESSIVE EDUCATION" EOOD; "PRIVATE PRIMARY SCHOOL "PROGRESSIVE EDUCATION - PLOVDIV" EOOD; "PRIVATE PRIMARY SCHOOL PROGRESSIVE EDUCATION 5 - BURGAS" EOOD; "PRIVATE PRIMARY SCHOOL PROGRESSIVE EDUCATION 2 - VARNA" EOOD; "PRIVATE SPECIALIZED HIGH SCHOOL "PROGRESSIVE EDUCATION - SOFIA" EOOD (from 2021 to 2023); founder and representative of the "FOUNDATION FOR EDUCATIONAL TRANSFORMATION" Foundation; member of the Board of Directors of "SG Investment" AD (from 2014 to the present);
- Education and relevant professional experience: The Open University 2018 – 2020 MSc Systems Thinking in Practice, McGill University – Executive Institute 1997 – 2000, Executive Development Course. Mr. Djonev is the founder of the Foundation for Educational Transformation, Sofia. He was Executive Director for the period 2008 - 2017, Deputy Chairman of BASSCOM, Sofia in the period 2010 - 2016, as well as Executive Director, Member of the Board of Directors of Sirma Solutions AD from 1992 to 2009. Member of the Board of Directors of the Issuer from 2008 to 2009 and subsequently again a member of the Board of Directors of the Issuer from 2022 to the present.

The members of the Board of Directors have declared to the Issuer that they have no potential conflicts of interest between their obligations to the Issuer as members of the Board of Directors and their private interests and/or other obligations.

The Issuer is not aware of any arrangements or agreements between shareholders, customers, suppliers and others, in accordance with which a member of the Board of Directors has been elected as such.

According to Regulation (EU) No. 596/2014, members of the Board of Directors may not dispose of the Issuer's securities held by them until 30 calendar days before the publication of a financial statement by the Issuer or after explicit permission of the relevant management body in the cases specified by the Regulation.

16.4 Remuneration of the members of the Board of Directors

By decision of the Issuer's annual general meeting of 03.06.2025, a decision was adopted for the maximum allowable amount of the permanent remuneration of the members of the Board of Directors to be the following:

- for an executive member of the Board of Directors, the gross monthly remuneration cannot exceed the amount of 30,000 leva/15,339 euros;
- for a non-executive member of the Board of Directors, the gross basic monthly remuneration cannot exceed the amount of 4,000 BGN/2,045 EUR.

The shareholders have decided to pay short-term variable remuneration for 2024 to the members of the Board of Directors as follows:

- To the executive director in the amount of 64,679 leva/33,070 euros.
- To the Chairman of the Board of Directors in the amount of 14,335 leva/7,329 euros.

- To the members of the Board of Directors Chavdar Velizarov Dimitrov, Atanas Kostadinov Kiryakov, Yavor Lyudmilov Djonev, Martin Veselinov Paev; Veselin Anchev Kirov; Peyo Vassilev Popov in the amount of 9556 leva/ 4886 euros each.

For 2024, the total value of the basic remuneration accrued and paid by the Company amounts to:

- Georgi Parvanov Marinov as Chairman of the Board of Directors – 22,326 BGN;
- Chavdar Velizarov Dimitrov as Deputy Chairman of the Board of Directors - 20,309 BGN;
- Tsvetan Borisov Alexiev as Executive Director – 199,530 BGN;
- Atanas Kostadinov Kiryakov as a member of the Board of Directors - 22,326 BGN;
- Yordan Stoyanov Nedev as a member of the Board of Directors - 22,326 BGN;
- Vesselin Anchev Kirov as a member of the Board of Directors - 22,326 BGN;
- Martin Veselinov Paev as a member of the Board of Directors - 22,326 BGN;
- Peyo Vassilev Popov as a member of the Board of Directors - 22,326 BGN;
- Yavor Lyudmilov Djonev as a member of the Board of Directors - 22,326 BGN;

For the financial year 2024, the members of the Board of Directors were charged and paid remuneration by other persons belonging to the Company's group as follows:

- Georgi Parvanov Marinov as Executive Director of EngView Systems AD - 133,200 BGN. Member of the Board of Directors of Sirma Business Consulting AD – 4,630 BGN, Member of the Board of Directors of "Cifort" EAD ("SAI" EAD) – 1,200 BGN;
- Yordan Stoyanov Nedev as Member of the Board of Directors of "Saifort" EAD - 1,200 BGN;
- Chavdar Velizarov Dimitrov as Senior Programmer under an employment contract at EngView Systems AD – 69,680 BGN, Member of the Board of Directors of Sirma Medical Systems AD - 1,084 BGN;
- Tsvetan Borisov Alexiev as Project Manager under an employment contract at Sirma Solutions EAD – 88,334 BGN, Executive Director under a management and control contract of Sirma Solutions EAD – 64,826 BGN, Member of the Board of Directors of "Sciart" EAD – 4,500 BGN, Member of the Board of Directors of Sirma Business Consulting EAD – 9,260 BGN, Member of the Board of Directors of EngView Systems AD - 600 BGN;
- Atanas Kostadinov Kiryakov as Member of the Board of Directors of EngView Systems AD - 600 BGN, Member of the Board of Directors of Sirma Solutions EAD - 4,167 BGN;
- Vesselin Anchev Kirov as Project Manager under an employment contract at EngView Systems AD – 129,405 BGN.

Upon each accrual or payment of the relevant remuneration, the Companies have withheld and paid into the relevant budgets any and all public obligations (including, but not limited to: tax, state social security contributions, additional mandatory insurance and health insurance) in the manner in which these obligations are established by law.

The payment of the Remuneration is carried out in accordance with the Remuneration Policy for the members of the Board - the payment of 40% of the variable remuneration is deferred for a period of 3 years, and the deferred part is paid proportionally.

There are no amounts set aside for pensions or other similar benefits for the members of the Board of Directors of Sirma Group Holding AD, as well as its subsidiaries.

A Scheme for the provision of long-term variable remuneration in the form of shares for 2024 has also been approved and the amount of remuneration in shares for each member of the Board of Directors for the reporting period 2024 has been approved:

The maximum number of shares of the Company's capital to be granted as remuneration to the members of the Board of Directors is 496,982 shares in total, which as of the date of approval of this Scheme do not exceed the maximum permissible amount of 1% of the Company's registered capital. The shares are granted depending on the fulfillment of the criteria for the achieved results, set out in the Remuneration Policy for the members of the Board of Directors. Based on the results achieved, the general meeting voted the following remuneration in shares:

Table 35: Shares granted as remuneration to members of the Board of Directors of Sirma in 2024.

Position on the Board of Directors	Name	Number of shares
Chairman of the Board of Directors	Georgi Parvanov Marinov	42 661
Executive Director	Tsvetan Borisov Alexiev	118 017
Member of the Board of Directors	Vesselin Anchev Kirov	28 441
Member of the Board of Directors	Peyo Vassilev Popov	28 441
Member of the Board of Directors	Atanas Kostadinov Kiryakov	28 441
Member of the Board of Directors	Yavor Lyudmilov Djonev	28 441
Member of the Board of Directors	Chavdar Velizarov Dimitrov	28 441
Member of the Board of Directors	Martin Veselinov Paev	28 441
Member of the Board of Directors	Yordan Stoyanov Nedev	28 441
Total		359 765

Source: Sirma

16.5 General Meeting of Shareholders

The General Meeting of the Issuer is held at its registered office in the city of Sofia, Bulgaria. The regular general meeting is held by the end of the first half of the year following the end of the reporting year. In case the losses exceed one-half of the capital, a general meeting shall be held no later than three months from the establishment of the losses. The General Meeting may be convened at any time by the Board of Directors - an extraordinary general meeting. A general meeting may also be convened at the request of shareholders holding at least 5 percent of the Company's capital.

The convening of the General Meeting of Shareholders is carried out by invitation pursuant to Art. 223, para. 3 sentence one of the Commercial Code announced in the Commercial Register and disclosed to the public at least 30 (thirty) days before its opening. Within the period referred to in the previous sentence, the invitation, together with the materials for the general meeting under Art. 224 of the Commercial Code are sent to the FSC, to the regulated market(s) on which the Company's shares are admitted to trading and are published on the Company's website in Bulgarian and English. In accordance with the preceding sentence, the forms for voting by proxy or by correspondence, if applicable, shall also be published.

The content of the invitation to convene the General Meeting is determined according to the requirements of Art. 223, para. 4 of the Commercial Code and Art. 115 para. 2 of the POSA. Shareholders holding at least 5 percent of the Company's capital may request a supplement to the agenda announced in the invitation in accordance with the procedure and under the conditions of Art. 223a of the Commercial Code. In the cases under the previous sentence, the shareholders shall submit to the FSC and to the Company no later than the next business day after the announcement of the issues in the commercial register the materials under Art. 223a, para. 4 of the Commercial Code. The company is obliged to update the invitation and publish

it together with the written materials under the terms and conditions of Art. 100t, para. 1 and 3 of the POSA immediately, but no later than the end of the business day following the day of receipt of the notification for the inclusion of the issues on the agenda.

The right to vote at the General Meeting is exercised by the persons entered in the registers of Central Depository AD 14 days before the date of the General Meeting, according to the list of shareholders provided by Central Depository AD as of that date.

Written materials related to the agenda of the General Meeting must be made available to the shareholders no later than the date of publication of the invitation to convene a General Meeting in the Commercial Register.

When the agenda includes the election of members of the Board of Directors, the written materials shall also include data on the names, permanent address and professional qualifications of the persons proposed as members.

A quorum of at least half of the issued shares is required for a general meeting. In the absence of a quorum, a new meeting shall be scheduled no earlier than 14 days and shall be legal regardless of the capital represented at it. The decisions of the general meeting are taken by a majority of more than half of the shares presented to it, with the exception of: decisions to amend and supplement the articles of association, increase and decrease the capital, dissolve the Company, determine the number, elect and dismiss the members of the Board of Directors, which are decided by a majority of 2/3 of the shares with voting rights presented to the meeting; or decisions for which the articles of association or the applicable law provides for another larger majority.

16.6 Corporate governance

The company is managed by a single-tier management system – the Board of Directors. The members of the Board of Directors are elected for a term of up to 2 years, but can be re-elected without restrictions. The members of the Board of Directors are required to provide a guarantee for their management in the amount of their quarterly gross remuneration.

The members of the Board of Directors are jointly and severally liable for any damages caused to the Company. Any member of the Board of Directors may be released from liability if it is established that he or she is not at fault for the damages that occurred.

The members of the Board of Directors of the Company are obliged to:

1. to perform their duties with the care of a good trader in a manner that they reasonably believe is in the interest of all shareholders of the Company and by using only information that they reasonably believe to be reliable and complete;
2. to demonstrate loyalty to the Company by:
 - a) prefer the interest of the Company over their own interest;
 - b) avoid direct or indirect conflicts between their interest and the interest of the company, and if such conflicts arise – promptly and fully disclose them in writing to the relevant body and do not participate, nor influence the other members of the board in making decisions in these cases;
 - c) do not disseminate non-public information about the Company even after they cease to be members of the relevant bodies, until the public disclosure of the relevant circumstances by the Company.

The Issuer follows the adopted "Sirma Group Program for Good Corporate Governance" (last updated in January 2022), applicable in "Sirma Group Holding" AD and its subsidiaries, unless "Sirma Group Holding" AD is explicitly mentioned (for example, in relation to the company's

publicity). The program has been developed in compliance with all provisions contained in the Articles of Association of the Group companies and the applicable laws and regulations.

The program is consistent with the recommendations of the National Corporate Governance Code of July 1, 2021, which in turn correspond to the internationally accepted and implemented corporate governance principles of the Organization for Economic Cooperation and Development of corporate governance and provides the framework within which the Company's goals are set, the means for achieving these goals are determined and the methods for tracking the results achieved are determined.

For 2024, there are no contracts concluded between the members of the Board of Directors of the Issuer with the Issuer itself or its subsidiaries that provide for severance pay clauses upon termination of employment.

Company Committees

Sirma Group Holding AD establishes the following internal committees, which are assigned to manage the relevant activities at an operational level, as well as to propose decisions to the Board of Directors of the Company:

1. Investment, Risk and Sustainability Committee composed of:

Yordan Nedev – Chairman

Stanislav Tanushev – member

Georgi Marinov – member

The current composition of the Committee was determined at a meeting of the Board of Directors of Sirma Group Holding AD on March 20, 2024 and has an indefinite mandate.

The Committee carries out the following main activities:

- Defining, updating and controlling the investment policy of "Sirma"

Group Holding AD and its subsidiaries;

- Analysis of the existing risks facing Sirma Group Holding AD and its subsidiaries companies, and proposals for their minimization and/or complete elimination;

- Development, control and update of the sustainability strategy of "Sirma"

Group Holding AD and its subsidiaries.

2. Remuneration Committee composed of:

Georgi Marinov – Chairman

Martin Paev – member

Yordan Nedev – member

The current composition of the Committee was determined at a meeting of the Board of Directors of Sirma Group Holding AD on 01.08.2022 and has an indefinite mandate.

Responsibilities:

- Development of remuneration schemes for all members of the Board of Directors directors, taking into account specific responsibilities and aiming to

aligning their interests with the strategic goals of Sirma Group Holding.

- Development of remuneration schemes for all key employees of Sirma Group Holding, aligning their interests with the achievement of specific desired key performance indicators (KPIs).
- Developing a common framework for the remuneration of all key employees in the subsidiaries of Sirma Group Holding.
- Implementation control and proposals for corrections to the approved schemes for reward.

3. Disclosure Committee composed of:

Tsvetan Alexiev – Chairman

Stanislav Tanushev – member

Chavdar Dimitrov – member

Atanas Kiryakov – member

The current composition of the Committee was determined at a meeting of the Board of Directors of Sirma Group Holding AD on 01.11.2024 and has an indefinite mandate.

Responsibilities:

- To develop a Disclosure Policy for Sirma Group Holding in full compliance with the National Corporate Governance Code.
- In accordance with the above Policy, the Committee should develop an operational Information Disclosure System that ensures: completeness of the disclosed information, timely disclosure of information, accuracy of the disclosed information, understandability of the disclosed information, equal treatment of all beneficiaries of information.
- To develop and control the implementation of internal rules for the preparation of annual and interim reports and their disclosure by Sirma Group Holding.

To monitor the implementation and propose changes to the adopted Information Disclosure Policy and the relevant System for its implementation.

4. Audit Committee composed of:

Angel Kraychev – Chairman

Alexander Todorov Kolev – member

Vesselin Anchev Kirov – member

The current composition of the Committee was determined at a meeting of the Board of Directors of Sirma Group Holding AD on 03.06.2025 and has a mandate until 03.06.2028.

The main functions of the Audit Committee include:

- informs the management bodies of the Company about the results of the statutory audit and explains how the statutory audit has contributed to the reliability of financial

reporting and sustainability reporting, as well as the role of the Audit Committee in this process;

- monitors the financial reporting and sustainability reporting process, and presents recommendations and suggestions to ensure the credibility of the reports prepared and issued;
- monitors the effectiveness of the internal control system, the risk management system and in terms of financial reporting and sustainability reporting in the Company;
- oversees the performance of the statutory audit of the annual financial statements and the statutory sustainability assurance engagement;
- verifies and monitors the independence of registered auditors in compliance, including the appropriateness of providing services outside the Company's audit;
- is responsible for the procedure for selecting the registered auditor and recommends the appointment, except in cases where the Company has a committee for conducting an auditor selection procedure; when the Company has a committee for conducting a selection procedure, the Audit Committee monitors its work and, based on its work, proposes to the General Meeting of Shareholders the assignment of the audit engagement in accordance with the requirements of Art. 16 of Regulation (EC) No. 537/2014;
- in the cases provided for by law, makes notifications to the Commission for Public Oversight of Registered Auditors, as well as to the management or control bodies of the Company;
- reports its activities to the General Meeting of Shareholders;
- prepares and submits through its chairman an annual report on its activities to the Commission for Public Oversight of Registered Auditors by May 31 of the respective year.

The Issuer is not aware of any potential material impacts on corporate governance, including any upcoming changes in the composition of management and committees approved by management and/or a shareholders' meeting.

17. RELATED PARTY TRANSACTIONS

The Group's related parties include its owners, associates, other entities under common control and key management personnel. These include salaries and social security contributions for management personnel, rents paid, administrative services provided, software services from associated companies, loans provided, loans repaid and interest paid.

As of the date of the Prospectus, the information on transactions with related parties is current as of 30.06.2025. After this date, the Issuer has not published any new information regarding related party transactions.

Table 36: Transactions with related parties for the period 2022-30.06.2025 in thousand euros

Transactions with associated companies					
	<i>in thousand euros</i>	30.6.2025	2024	2023	2022
Sale of services					

Administrative accounting services	0	0	33	143
Rentals	0	0	6	4
Hosting and Internet	0	0	9	0
Others				230
Sale of shares from the capital of "Ontotext" AD	0	0	10 487	
Non-monetary contribution to the capital of "Ontotext" AD	0	0	0	19 238

Transactions with other related parties					
	<i>in thousand euros</i>	30.6.2025	2024	2023	2022
Sale of services	24				
<i>Administrative accounting services</i>			2	2	2
<i>Rentals</i>			4	4	7
<i>Software services</i>			47	53	33
Purchase of goods	71	135	29		
Interest on loans granted		0	3	3	
Loans granted returned					25
Loans provided					151

Transactions with key management personnel				
in thousand euros	30.6.2025	2024	2023	2022
Short-term rewards				
Salaries	196	562	663	838
Social security costs	8	25	22	28
Total salaries and social security contributions	204	587	685	866
Dividends		335	602	227

Source: Sirma

18. EFFECT OF TAX LEGISLATION

Investors should note that the tax legislation of the investor's Member State and the Member State of incorporation of the Issuer may have an impact on the income received from the securities. The information set forth in this section regarding certain tax aspects related to the Company's shares and certain taxes due in the Republic of Bulgaria is applicable to holders of shares of the Company, including local and foreign persons for tax purposes. Local legal entities are legal entities and unincorporated companies registered in the Republic of Bulgaria, as well as European joint-stock companies (*Societas Europaea*), ("European Companies"), established under Regulation (EC) No. 2157/2001 and European Cooperative Societies ("European Corporate Companies"), established under Regulation (EC) No. 1435/2003, whose registered office is in Bulgaria and which are entered in the Commercial Register at the Registry Agency.

Resident individuals ("Residents" or "Residents – holders of Shares") are individuals, regardless of citizenship, with a permanent address in the Republic of Bulgaria (unless their center of vital interests is in the territory of Bulgaria) or who reside in the Republic of Bulgaria for more than 183 days in any 12-month period. Locals also include persons whose center of vital interests (which is determined by the family, property, place of employment, professional or business activity or the place from which the person manages his or her property) is located

in the Republic of Bulgaria, as well as persons sent abroad by the Bulgarian state, by its bodies and/or organizations, by Bulgarian enterprises, and their family members.

Foreign persons ("Foreign Persons" or "Foreign Persons – Holders of Shares") (legal entities and individuals) are persons who do not meet the above definitions.

This presentation is not exhaustive and is intended only to serve as general guidance and should not be considered legal or tax advice to any holder of shares of the Company. The Company recommends that potential investors consult with tax and legal advisors regarding the tax consequences applicable to them, including the taxation in Bulgaria of income related to the Company's shares and the tax treatment of the acquisition, ownership and disposition of the Company's shares.

The information provided below is in accordance with the applicable regulations as of the date of adoption of this Prospectus and the Company is not responsible for subsequent changes in the legislation and regulations on the taxation of income from shares of the Company.

18.1 Capital gains

According to the provisions of the Personal Income Tax Act in Bulgaria (PITA), income received by Bulgarian individuals or foreign individuals established for tax purposes in a Member State of the European Union or in another country belonging to the European Economic Area from transactions with shares carried out on a regulated market, as well as from transactions concluded under the terms and conditions of a tender offer within the meaning of the Public Offering of Securities Act ("Disposal of Financial Instruments") (Art. 13, para. 1, item 3 in the peak. §1, item 11 of the Personal Income Tax Act and Art. 37, para. 7 of the Personal Income Tax Act). Income realized upon disposal of shares of the Company, outside the cases of Disposal of Financial Instruments, is taxed on an annual basis, with the taxable income from the sale or exchange of shares being the amount of profits realized during the year, determined for each specific transaction, reduced by the amount of losses realized during the year, determined for each specific transaction; a tax rate of 10% is applied to the total annual tax base.

Income from transactions with shares of the Company (realized capital gain), as well as financial assets in general, received from foreign individuals from third countries, other than those mentioned above, are subject to a final tax of 10% on taxable income (Art. 37, para. 1, item 12 and Art. 46, para. 1 of the Personal Income Tax Act).

The capital gain realized from the Disposal of Financial Instruments reduces the accounting financial result when determining the tax financial result of Bulgarian legal entities (Art. 44, para. 1 in the peak. §1, item 21 of the Additional Provisions of the Corporate Income Tax Act in Bulgaria (CITA). It should be borne in mind, however, that the loss from the Disposal of Financial Instruments is not recognized as an expense for tax purposes and the financial result is increased by it (Art. 44, para. 2 of the CPC).

The profit from the disposal of financial instruments outside the hypotheses of Disposal of Financial Instruments is taxed according to the general procedure, respectively the realized profit or loss is reflected in the tax base.

Capital gains from the Disposal of Financial Instruments realized by foreign legal entities are not subject to withholding tax (Art. 196 of the CPC). The profit of foreign legal entities from the disposal of financial instruments outside the hypotheses of Disposal of Financial Instruments, which is not realized through a place of business, is subject to a withholding tax of 10% on the positive difference between the selling price of the Company's shares and their documented acquisition price.

Certain persons are exempt from corporate tax, including collective investment schemes that are admitted for public offering in the Republic of Bulgaria, national investment funds and alternative investment funds established for the implementation of financial instruments based on financial agreements within the meaning of Art. 38, paragraph 7 of Regulation (EU) No. 1303/2013 of the European Parliament and of the Council of 17 December 2013 on the Law on the Activities of Collective Investment Schemes and Other Collective Investment Undertakings.

18.2 Dividends and liquidation shares

Income from dividends and liquidation shares distributed by the Company to Bulgarian persons (except Bulgarian commercial companies, local legal entities that participate in the capital of a company as a representative of the state, to the extent applicable, a mutual fund) and to foreign persons (except foreign legal entities that, for tax purposes, are residents of a Member State of the European Union or of a state that is a party to the Agreement on the European Economic Area), are subject to a tax of 5% on the gross amount of dividends, respectively on the positive difference between the value of the liquidation share and the documented acquisition price of the shares in the company (Art. 38, para. 1 in the context of Art. 46, para. 3 of the Personal Income Tax Act and Art. 194, para. 1, in accordance with Art. 200, para. 1 of the CPC). Dividend income of sole proprietors is taxed at a rate of 5% on the gross amount of dividends (Art. 38, para. 1 in the context of Art. 46, para. 3 of the Personal Income Tax Act), income from liquidation shares is taxed according to the general procedure.

Dividend income distributed by the Company in favor of Bulgarian commercial companies is not recognized as income for tax purposes and is excluded from the tax financial result of this category of Bulgarian persons (Art. 27, para. 1, item 1 of the CPC). Income from liquidation shares is taxed according to the general procedure.

Income from dividends and liquidation shares distributed in favor of a local legal entity that participates in the capital of a company as a representative of the state, or in favor of a mutual fund, is not subject to withholding tax in Bulgaria (Art. 194, para. 3, item 1 and 2 of the CPC).

The tax treatment of income from dividends and liquidation shares paid to foreign legal entities that are residents of a Member State of the European Union or a state that is a party to the Agreement on the European Economic Area for tax purposes should be regulated by the legislation of the relevant Member State of the European Union or party to the Agreement on the European Economic Area. The income of these persons is not subject to withholding tax in Bulgaria (Art. 194, para. 3, item 3 of the CPC).

The Company assumes responsibility for withholding taxes at source in cases where there is a regulatory requirement for this in the applicable tax laws.

18.3 Taxes and other similar payments upon transfer

When transferring shares of the Company, according to Bulgarian law, no state fees are due.

18.4 Double Taxation Agreements

In cases where a Double Taxation Agreement ("DTA") has been concluded between the Republic of Bulgaria and the relevant foreign country, whose resident has earned income in Bulgaria, its provisions shall apply with priority over Bulgarian domestic legislation. The procedure for implementing the DTA is regulated in detail in Chapter XVI, Section III of the Tax and Social Security Procedure Code. The foreign person must certify to the revenue authority the existence of grounds for applying the DTA. The foreign person certifies that:

1) is a resident of the other country within the meaning of the relevant DTA;

- 2) is the owner of the income from a source in the Republic of Bulgaria;
- 3) does not have a place of business or a fixed base on the territory of the Republic of Bulgaria with which the relevant income is actually connected;
- 4) the special requirements for the application of the DTA or its individual provisions with respect to persons specified in the DTA itself are met, where such special requirements are contained in the relevant DTA.

The circumstances specified in the DOPK are certified by official documents, including extracts from public registers and declarations (where such are admissible, pursuant to Art. 137 of the Tax and Social Security Procedure Code). Where this is not possible, other written evidence is admissible. Documents certifying the type, amount and reason for receiving the income are submitted.

In the case of income from dividends from shares issued by a public company, the following evidence may be attached: the decision of the general meeting of the company; a registered certificate for dematerialized shares; an extract from the book for dematerialized shares or another document certifying the type and amount of the income, as well as the amount of the foreign person's participation. In the case of income from a liquidation share - a document proving the amount of the investment made, a final liquidation balance sheet after satisfying the creditors and a document determining the distribution of the liquidation share, and in the case of distribution of the liquidation share in kind - a decision of the shareholders and documents on the basis of which the market price of the liquidation share was determined.

In the case of income from the transfer of shares and tradable rights to shares, when they are not exempt from taxation by law - a document for the transfer of the rights and a document proving the sales price and the acquisition price. The foreign person submits the request for application of the DTA and the documents attached to it in accordance with Art. 139 of the Code of Civil Procedure. The provisions of the DTA apply only if the opinion of the revenue authority on the submitted request confirms the existence of grounds for this. Otherwise, the provisions of the relevant substantive tax law, i.e. Bulgarian tax legislation, apply. In the event of a statement that there is no basis for applying the DTA, the foreign person has the right to appeal.

When a payer charges a foreign person income from a source in the country with a total amount of up to BGN 500,000 per year, the above circumstances shall be certified to the payer of the income. In this case, a request for the application of the DTA is not submitted to the revenue authority.

19. GLOSSARY OF TERMS

“Shares” means the shares issued by the Issuer

“GDP” means gross domestic product

“BNB” means Bulgarian National Bank

“BSE” means “Bulgarian Stock Exchange” AD

“Admission Agent” means the company with which the Issuer has an agreement to assist in the admission of the shares to trading on the FSE regulated market.

“European Companies” has the meaning given to that term in the section EFFECT OF TAX LAW

“Unique Identification Code” means a unique identification code.

“The Issuer” or “The Company” means Sirma Group Holding AD

“EU” means the European Union

“ECB” means the European Central Bank

“CITA” means the Corporate Income Tax Act

“POSA” means the Public Offering of Securities Act

“MFIA” means the Markets in Financial Instruments Act

“ICT” means Information Technology and Communications

“FSC” means the Financial Supervision Commission

“IMF” means the International Monetary Fund

“Residents” or “Resident Shareholders” have the meaning given to such terms in the section EFFECT OF TAX LAW

“IFRS” means International Financial Reporting Standards

“Unaudited Financial Statements” means the unaudited consolidated interim financial statements of the Issuer.

“Regulation No. 2 of the FSC” means Regulation No. 2 of 09.11.2021 on initial and subsequent disclosure of information in public offering of securities and admission of securities to trading on a regulated market

“Regulation No. 8” means Regulation No. 8 of 03.09.2020 on the requirements for the activities of central securities depositories, the central securities register and other persons carrying out activities related to the settlement of securities

“Regulation No. 22” means Regulation No. 22 of the FSC on the terms and conditions for registration and deregistration of public companies, other issuers of securities and issues of securities in the register of the Financial Supervision Commission

“Regulation No. 38” means Regulation No. 38 of 21.05.2020 on the requirements for the activities of investment intermediaries

“Order” means an Order to Purchase New Shares

“NSI” means National Statistical Institute

“Ordinary Majority” has the meaning given to this term in the section RIGHTS UNDER SHARES AND PROCEDURE FOR THEIR EXERCISE

“General Meeting” or “GM” means the general meeting of shareholders of the Company

“Founder” means each of the founders of the Issuer

“Regulations of the Central Depository” means the Regulations of the Central Depository AD

“Prospectus” means this Prospectus for admission to trading on a regulated market of shares

“Disposition of Financial Instruments” has the meaning given to this term in the section EFFECT OF TAX LEGISLATION

“Prospectus Regulation” means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC

“Market Abuse Regulation” means Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC

“Summary” means the summary as an integral part of the Prospectus for admission to trading on a regulated market of shares

“DTA” means Double Taxation Agreement

“Board of Directors” means the Board of Directors of the Issuer

“Existing Shares” means all existing shares of the Issuer’s capital as of the date of this Prospectus.

"The Commercial Register", "CRNPLERA" or just "CR" means the Commercial Register and Register of Non-Profit Legal Entities at the Registry Agency

"CLA" means Commercial Law

“The Articles of Association” means the Articles of Association of the Company

"Central Depository" or "CD" means "Central Depository" AD, entered in the Commercial Register with UIC 121142712, with registered office and management address: city of Sofia, ul. "Tri Ushi" No. 6

“Foreign Shareholder” or “Foreign Persons” have the meaning given to such terms in the section EFFECT OF TAX LAW

“CRM” means customer relationship management software

“GDPR” means Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC

“ERP” stands for Enterprise Resource Planning Software

“ESG” means environmental, social and governance policies and/or practices;

"Free float" - percentage of shares owned by shareholders owning over 3% of the company's capital, excluding institutional investors

“FSE” – Frankfurt Stock Exchange or Börse Frankfurt

“LEI code” means a legal entity identification code

20. RECENT DEVELOPMENTS AND TREND INFORMATION

There has been no significant change in the financial position of the Issuer and the Group, of which the Issuer is a part, that has occurred since the end of the last financial period for which audited financial statements were published (31.12.2024) or as of the date of the Prospectus.

21. APPLICATIONS

The following documents are attached to this Prospectus and are hereby incorporated by reference:

1. **Appendix No. 1** – Financial statements and the audit reports thereto:

Link to Interim Unaudited Consolidated Financial Statements as of June 30, 2025: <https://investors.sirma.com/bg/reports-filings/quarterly-reports/interim-consolidated-report-for-the-period-ending-on-30-06-2025> ;

Link to the audited annual consolidated statements as of 31.12.2024 together with the audit reports thereto: <https://investors.sirma.com/bg/reports-filings/annual-reports/management-consolidated-report-for-the-activity-for-2024> ;

Link to the audited annual consolidated reports as of 31.12.2023 together with the audit reports thereto: <https://investors.sirma.com/bg/reports-filings/annual-reports/audited-annual-consolidated-report-for-2023> ;

Link to the audited annual consolidated statements as of December 31, 2022, together with the auditor's reports thereto: <https://investors.sirma.com/bg/reports-filings/annual-reports/annual-audited-consolidated-report-for-2022> .

2. **Appendix No. 2** – Copy of the Minutes of the Board of Directors dated 07.05.2025 for the adoption of a decision to register for trading the shares of the company's capital on the Frankfurt Stock Exchange.

3. **Appendix No. 3** – Copy of the Minutes of the Board of Directors dated 03.09.2025 for the adoption of a decision to approve the Prospectus.

Issuer
Sirma Group Holding AD
Republic of Bulgaria
Sofia
Blvd. "Tsarigradsko Shosse" No. 135

Tsvetan Borisov Alexiev
Executive Director