

**ACCORDING TO ANNEX 9
TO ARTICLE 28 (2) OF ORDINANCE № 2 OF 17.09.2003**

**INSIDE INFORMATION FOR SIRMA GROUP HOLDING JSC
FOR 2018**

1. Change of persons exercising control over the company.

During the period under review, there was no change in the persons exercising control over the company.

2. Opening insolvency proceedings for the company or its subsidiary and all material steps involved in the proceedings.

During the period under review, no insolvency proceedings were opened for the company.

3. Conclusion or execution of significant transactions.

In 2018, the company made several large contracts with customer and subcontracts, in connection with the new strategy of the group related to the development of the Sirma Cloud:

Purchases:

- Deal 1 for BGN 2 090 thousand
- Deal 2 for BGN 681 thousand
- Deal 3 for BGN 295 thousand

Sales:

- Deal 1 for BGN 2 090 thousand
- Deal 2 for BGN 681 thousand
- Deal 3 for BGN 293 thousand

4. A decision on the conclusion, termination and cancellation of a joint venture agreement.

No decision for concluding, termination and cancellation of a joint venture was taken during the period considered.

5. Change of auditors of the company and reasons for the change.

No decision for change of auditors of the company was taken during the period considered.

6. Conclusion or execution of contracts not related to the Company's ordinary activities.

During the period under review, there were no signed or executed contracts that were not related to the company's ordinary activities.

7. Formation or termination of a court or arbitration case relating to the debts or claims of the company or its subsidiaries with a claiming price of at least 10 percent of the company's equity.

No court or arbitration case was opened or terminated during the period under review.

8. Purchase, sale or pledge of shares in companies from the issuer or its subsidiary.

During the period under review, there was no purchase, sale or pledge of shareholdings in commercial companies by the issuer or its subsidiary.

9. Other circumstances that the Company considers may be relevant to investors in taking a decision to acquire, sell or continue to hold publicly available securities:

Substantial events occurred in the group until the end of 2018:

- A purchase of a minority stake in Ontotext

On March 12, 2018, Sirma Group Holding JSC concluded a contract for the purchase of shares by Ontotext JSC with UIC: 20356710 as follows:

- *Type of transaction: purchase of all the shares owned by the seller in Ontotext JSC with UIC: 20356710;*
- *Seller: New Europe Venture Equity LP / Neveq;*
- *Buyer: Sirma Group Holding JSC;*
- *Number of shares: 4.187.087 (four million one hundred and eighty seven thousand and eighty seven) of the voting shares of Class A1, each with a par value of 1 / one / BGN of the capital of Ontotext JSC representing 100% of the shares grade A1 and 26.06% of the company's capital;*
- *Purchase price: EUR 4,200,000 (four million two hundred thousand), payable as follows:*
 - *EUR 2,000,000 (two million) Euro should be paid by the Buyer within three days of the endorsement of the shares, as stipulated in the present Agreement;*
 - *EUR 2,200,000 (two million two hundred thousand) Euro should be paid within three days following the entry in the Commercial Register of the buyer's capital increase, but not later than 15.03.2019.*
- *Collateral Securities: Sirma Group Holding JSC to secure the Contract for the purchase and sale of shares concluded between it and New Europe Venture Equity L.P. from 12.03.2018. In order to secure the payment of all receivables of New Europe Venture Equity L.P. - unconditional or conditional, due or impending, existing to or arising after the date of conclusion of the contract or arising in connection with the termination or nullity of this Agreement, including the deferred payment of part of the Purchase Price to the amount of EUR 2,200,000 (two million two hundred thousand Euro), as well as any interest for delay, compensation for damages, as well as costs and fees for the execution of the pledge and enforced execution, Sirma Group Holding JSC to establish the following first, unconditional and irrevocable pledge in favor of New Europe Venture Equity L.P.:*

- *Type of property to be pledged: 8,195,089 existing ordinary registered shares of the capital of Ontotext JSC, owned by the Buyer, each of which has a nominal value of BGN 1, reflected in the Company's Book of Shareholders.*
- *Owner / Holder: Sirma Group Holding JSC, UIC 200101236*
- *Pledge: (i) pledge on the above shares; (ii) a pledge of all dividends, interest or other payments that may be declared as at the date of the Contract or subsequently paid or payable arising out of or in connection with the aforementioned shares; (iii) a pledge on all liquidation shares, reimbursed capital contributions in the event of a write-down of capital and any compensation in case of termination of the Company or cancellation of shares and any other monetary claims arising from the aforementioned shares.*
- *Conclusion of the additional agreement: The Board of Directors empowers the Executive Director Mr. Tsvetan Alexiev to take the necessary legal and factual actions in connection with the implementation of the decisions taken, representing Sirma Group Holding JSC upon signing the Additional Agreement, by signing all necessary documents in connection with this.*

On October 4, 2018 the shares of New Europe Venture Equity LP were endorsed by Sirma Group Holding JSC.

- ***Purchase of own shares by Sirma Enterprise Systems***

On 12.03.2018 The General Meeting of Shareholders of Sirma Enterprise Systems adopts a decision Sirma Enterprise Systems to buy back own shares, owned by shareholders in the company. The board of directors will execute the redemption under the following conditions:

- *The maximum number of redemption shares is 2024 (two thousand and twenty-four) ordinary shares;*
- *Price - 49,60 BGN per share and maximum price 49,60 BGN per share.*
- *The buyout deadline is 30.04.2018.*
- *Way of redemption - with a purchase contract*

Pursuant to Article 6, paragraph 1 of the Statute of Sirma Enterprise Systems provides that the shareholder offers his shares to the Company for redemption upon termination of the employment relationship between the shareholder holding Class A shares and the Company.

Redemption will take place under the following conditions:

- *The maximum number of shares to be redeemed is 11 068 (eleven thousand and sixty-eight) of the nominal, Class A shares;*
- *Price: 1/3 of the nominal value of the shares or 3.33 BGN per share.*
- *Way of redemption - with a purchase contract.*

On 23.11.2018 the company successfully finalized the deals.

- **Merger of subsidiaries of the Holding**

Pursuant to the Strategy of Sirma Group Holding JSC, on 04.05.2018 two of the subsidiaries of the Holding were merged: Sirma Group Inc. and Sirma USA.

The new company from 08.05.2018 will be Sirma Group Inc. and will be based in the USA, Idaho 83702, Boise 202 N, 9th Street Suite 303B.

- **Sirma gets its Prospectus approved by FSC**

On 12.06.2018 the Financial Supervision Commission, with its decision № 585-E, approved the Prospectus for a secondary public offering of Sirma Group Holding JSC. The authorized investment intermediary and the manager servicing the capital increase is "First Financial Brokerage House" Ltd.

According to the approved [Prospectus](#), 39 573 679 new, ordinary dematerialized voting shares with a nominal value of BGN 1 will be subject to the public offering. The public offering will be successful only if at least 19 786 839 shares with a nominal value of BGN 1 and an issue value of BGN 1 each are subscribed.

The traded shares are classified as: ordinary, registered, dematerialized, freely transferable, and give the same rights to shareholders, such as voting rights, dividend rights and a liquidation share in proportion to the nominal value.

The funds raised will be used for investments in technology and global business development of the Group.

The ISIN code of the shares of "Sirma Group Holding" JSC is BG1100032140 with ticker SKK.

- **Increase in the capital of a subsidiary of Sirma Group Holding AD**

On October 29, 2018, Sirma Solutions AD increased its capital by BGN 3 051 100.

- **Renaming a subsidiary of Sirma Group Holding JSC**

As of 30.11.2018, according to a decision of the owner - Sirma Group Holding JSC, the subsidiary company "Sirma Enterprise Systems" was renamed to "Sirma AI".

Date: 07.03.2019

Sofia

CEO:



Tsvetan Alexiev