

AUDIT COMMITTEE

TO THE BOARD OF DIRECTORS
OF SIRMA GROUP HOLDING

Audit Committee

I. General

The current Statute of the Audit Committee was prepared in pursuance of Art. 107, para. 7 of the Independent Financial Audit Act and determines the functions, rights and obligations of the Audit Committee in relation to the financial audit, internal control, as well as its relations with the management bodies of Sirma Group Holding AD (the "Company"). Defining the functions of an effectively functioning Audit Committee will minimize financial and operational risks and compliance risks and enhance the quality of financial reporting.

II. Composition, structure and rules for the functioning of the Audit Committee

1. The Audit Committee shall be composed of three members.
2. The members of the Audit Committee are elected by the General Meeting of Shareholders on a proposal of the Board of Directors of the Company.
3. The members of the Audit Committee are elected by the General Meeting of Shareholders for a term of three years.
4. Members of the Board of Directors may be elected as members of the Audit Committee if they are not its executive members.
5. Members of the Audit Committee shall be persons who hold a Master's degree, knowledge in the field in which the Company operates, and at least one of whose members shall have at least 5 years of professional experience in the field of accounting or auditing.
6. The majority of the members of the Audit Committee should be external to and independent of the Company. An independent member of the Audit Committee may not be:
 - a member of the Board of Directors, executive director or employee of the Company; a person in permanent commercial relations with the Company;
 - a member of a Management or Supervisory Body, procurator or employee of a person who has permanent business relations with the Company;
 - a related person with another member of the management body of the Company.
7. The lack of circumstances under point 6 shall be established by a written declaration submitted before the election to the General Assembly by each nominated person for member of the Audit Committee. If one or more circumstances arise after the election, the respective

member of the Audit Committee shall immediately notify the Board of Directors in writing and terminate the performance of his / her functions by electing a new member in his place at the next General Meeting,

8. The Chairman of the Audit Committee shall be elected by its members. The Chairman must also meet the requirements of point 6.

9. Meetings of the Audit Committee shall be convened by the Chairman or at the suggestion of any of the members of the Board of Directors. The Chairman of the Audit Committee has no right to refuse to convene a meeting.

10. The meetings and proceedings of the Audit Committee shall be conducted by the Chairperson elected at the first meeting.

11. The meeting shall be regular if all members of the Committee are present, except in the cases referred to in point 15.

12. The members of the Company's management boards, preparers of financial statements and the registered auditor of Sirma Group Holding JSC for the respective year may attend the meetings without the right to vote.

13. Decisions of the Audit Committee shall be taken by a simple majority.

14. If the number of the members of the Audit Committee should fall below three members, and an even number of votes occurs, in the event of decision making, the Chairman's opinion shall have priority.

15. The Audit Committee may also take non-attendance decisions, provided that all members have given their written consent for the decision and have signed the Protocol.

16. A record is kept for each Audit Committee meeting, which reflects the agenda, the decisions taken and the way of voting of the members. Protocols shall be signed by all members present at the meeting. The term for storage of the protocols is five years.

III. Functions, rights and responsibilities of the Audit Committee in relation to financial audit

17. The Audit Committee:

- informs the management and supervisory bodies of the Company of the results of the statutory audit and explains how the statutory audit has contributed to the reliability of financial reporting and the role of the Audit Committee in this process;
- monitors the financial reporting process and presents recommendations and proposals to ensure its effectiveness;

- monitors the effectiveness of the internal control system, of the risk management system and of the financial reporting in the Company;
- monitors the statutory audit of annual financial statements, including its performance;
- verifies and monitors the independence of registered auditors in accordance with the requirements of Sixth and Seventh Chapters of the Independent Financial Audit Act, as well as the appropriateness of providing services outside the Company's audit;
- is responsible for the recruitment procedure of the registered auditor and recommends his appointment;
- reports its activity to the General Meeting of Shareholders;
- prepares and submits an annual activity report to the Commission for Public Oversight of Registered Auditors by 30 June of the respective year.

18. The Audit Committee shall have the right to obtain sufficient resources from the Board of Directors of the Company for the effective performance of its duties.

19. The Audit Committee shall be entitled to receive assistance from the members of the Board of Directors and the employees of the Company in the performance of its activities.

20. In order to fulfill its rights and obligations described in this Statute, the Audit Committee may require Sirma Group Holding JSC to receive financial information by the 25th of each month following the reporting month. The information must be understandable and reliable and reflect the Company's particularities of its activities.

21. Following the preparation of the financial statements, the Audit Committee monitors the consistent application of the IFRS.

22. The Committee shall adopt an additional report from the registered auditor of the Company in accordance with Art. 60 of the Independent Financial Audit Act.

23. The Audit Committee monitors the financial reporting processes in the Company.

24. The Audit Committee participates in the assessment of the risks of the Company and informs in a timely manner the management bodies of the Company about their occurrence, as well as offers ways for minimizing and avoiding them.

25. In exercising its rights and responsibilities related to internal control and auditing of the Company, the Audit Committee may address the Board of Directors with proposals and recommendations regarding:

- availability and sufficiency of risk management measures;
- the need to create new measures for new critical risks;

- the need to change the risk management measures when the measures taken have been insufficient;
- the need to reduce risk management measures when they are unnecessary;
- the need to set deadlines and responsibilities for the implementation of the above activities.

IV. Relations of the Audit Committee with the Management Bodies of the Company

26. In exercising its rights and responsibilities, the Audit Committee shall:

- inform the management of the Company of the results of the statutory audit and explain how the statutory audit has contributed to the reliability of the financial reporting and the role of the Audit Committee in the process;
- present recommendations and suggestions to the Board of Directors if necessary;
- monitor the effectiveness of the internal control system, of the risk management system in the Company and interact with the management bodies with regard to the optimization of the control system;
- verify and control the independence of the registered auditor by monitoring, including the appropriateness of providing services outside the Company's audit, and in the event of such services, report to the Commission for Public Oversight of Registered Auditors.

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