

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

INSIDE INFORMATION FOR SIRMA GROUP HOLDING JSC  
AS OF 30.09.2018

***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.***

During the period under review, there is no *conclusion or execution of significant transactions*.

***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 Q3 2017:

**- A contract for the 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 El PI / Assignee of the Nevec venture capital fund;
- 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 1,000,000 (EUR 1 million) shall be paid by the Buyer for the end of the Shares, as agreed in the contract;  
EUR 1,000,000 (one million) euro should be paid by Buyer by 30.06.2018;  
EUR 2,200,000 (two million two hundred thousand) euros should be paid within three days after entering the Buyer's capital increase in the Commercial Register, but not later than 15 March 2019;
- Secured Transactions:  
BETWEEN 1:  
Type of assets to be pledged: 1,968,131 book-entry shares of Sirma Group Holding owned by Tsvetan Borisov Alexiev, each with a nominal value of BGN 1 denominated in the Central Depository.  
BETWEEN 2:  
Type of assets to be settled: 1,968,130 dematerialized shares of Sirma Group Holding, owned by Atanas Kostadinov Kiriakov, each with a nominal value of BGN 1 (one lev), reflected in the Central Depository.  
BETWEEN 3:  
Type of property to be settled: 1,968,130 dematerialized shares of Sirma Group Holding, owned by Georgi Parvanov Marinov, each with a nominal value of BGN 1 (one lev), reflected in the Central Depository.
- Date of transfer of the shares: The transfer of the Shares from the Seller to the Purchaser will take place on the business day following the day on which the following conditions are met:
  - Buyer must certify that the bets (described above) are duly established in favor of the Seller;
  - The parties provide all corporate decisions, powers of attorney, certificates, declarations and other supporting documentation that is necessary in connection with the transfer of the Shares from the Seller to the Purchaser;
- Changes in the management bodies of Ontotext JSC: Zlatolina Mukova and Konstantin Petrov leave the Board of Directors of Ontotext JSC.
- Method of financing the first tranche of the purchase: investment bank credit.

*Currently, the deal is not closed due to the expiration of the fund and waiting for the record of its continuation.*

**- Creation of Sirma Software Inc. and separation of intangible assets to create the SENPAI cognitive platform in it.**

*On March 13, 2018, a new subsidiary of Sirma USA Inc., a part of Sirma Group Holding JSC - Sirma Software Inc., was set up as follows:*

- *Name: Sirma Software Inc., Delaware;*
- *Address: Coastal Highway 16192, City of Lewes, County of Sussex, Delaware 19958, USA;*
- *Capital: USD 11,711,476;*
- *Shares: 11,711,476 ordinary shares with a nominal price of USD 1.00;*
- *Owner of the capital: 100% Sirma USA Inc.;*
- *Management: a one-tier management system with a board of directors;*
- *Chairman of the Board of Directors - Tsvetan Alexiev;*
- *Executive Director - Deyan Nenov.*

*The Company was created for the purpose of separating Sirma Group Holding's assets from Sirma USA in the newly established company, according to the Group's Strategy.*

*On March 14, 2018, with a share transfer agreement concluded between Sirma USA Inc. on the one hand and Sirma Solutions JSC and Sirma Group Inc. on the other, all 11,711,476 ordinary shares with a nominal price of USD 1.00 from the capital of Sirma Software Inc. was transferred to Sirma Solutions JSC and Sirma Group Inc. in 97.5% of the capital (11,418,689 shares) of Sirma Solutions JSC and 2.5% of the capital (292,787 shares) of " Sirma Group Inc. " .*

*The deal is part of a series of actions to separate Sirma Group Holding's core assets from Sirma USA at Sirma Software Inc., in line with the Group's Strategy.*

**- 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.

***Date: 07.11.2018***

***Sofia***

***CEO:***



***Tsvetan Alexiev***