

INSTRUCTIONS AND  
DEFINITIONS REGARDING THE  
OBLIGATIONS OF PARTIES  
WITH ACCESS TO INSIDER  
INFORMATION

“SIRMA GROUP HOLDING” JSC

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## General

The present Instructions have been drafted in accordance with the requirements of the Public Offerings of Securities Act /POSA - 2022/ and Regulation 596/2014 of the EC and the requirements stipulated in Article 18. These Instructions regulate the way of handling inside information, the persons with the right of access to it and the procedure for disclosure of such information by "Sirma Group Holding" JSC (the company, or SGH).

### 1. Inside information

According to Regulation 596, Art. 7, for Inside Information about the issuer "Sirma Group Holding" JSC, it is considered "accurate information that has not been made public, related directly or indirectly to "Sirma Group Holding" JSC or to the issue of shares of the company, and which, if made public, could significantly affect the price of these financial instruments or the related derivative financial instruments. Information is accurate if it states a set of circumstances that exist or may reasonably be expected to occur, or states an event that has occurred or may reasonably be expected to occur when such information is so specific that it allows a conclusion to be drawn about the possible impact of that set of circumstances or that event on the prices of financial instruments'.

Examples of inside information are (the list is not exhaustive):

- Change of persons exercising control over the company.
- Opening of bankruptcy proceedings for the company or its subsidiary and all material stages related to the proceedings.
- Conclusion or execution of material transactions.
- Decision to conclude, terminate, and cancel a joint venture agreement.
- Change of auditors of the company and reasons for the change.
- Formation or termination of a court or arbitration case relating to obligations or claims of the company or its subsidiary, with a claim price of at least 10 percent of the company's equity capital.
- Purchase, sale, or pledge of shares in commercial companies by the issuer or its subsidiary.
- Other circumstances that the company considers could be relevant to investors in making a decision to acquire, sell, or continue to own publicly offered securities.

### 2. Misleading information

Manipulation or attempted manipulation of financial instruments may also involve the dissemination of false or misleading information. The dissemination of false or misleading

information can have a significant impact on the prices of financial instruments in a relatively short period of time. It may consist of the fabrication of manifestly false information as well as the deliberate omission of material facts and the deliberate misrepresentation of information.

### 3. Market abuse

Market abuse is a concept that covers illegal behavior in the financial markets and should be understood as consisting of

- abuse of insider information,
- illegal disclosure of inside information and
- market manipulation.

Such behavior impedes full and appropriate market transparency, which is a necessary prerequisite for trading by all economic entities in integrated financial markets.

The main characteristics of insider trading consist in obtaining through insider information in an unfair manner an advantage to the detriment of third parties who do not have this information, and therefore in undermining the integrity of financial markets and investor confidence.

### 4. Abuse of inside information

The abuse of inside information is regulated in Article 8 of Regulation 596/2014 of the EU. Abuse of insider information occurs when a person has insider information and uses it by acquiring or disposing for his own account or the account of a third party, directly or indirectly, of securities of "Sirma Group Holding" JSC, to which this applies information.

## Prohibitions and sanctions

### 5. Prohibitions

Pursuant to Articles 14 and 15 of Regulation 596/2014, no person has the right to:

- engage or attempt to engage in abuse of inside information;
- to recommend or induce another person to engage in the abuse of inside information;
- unlawfully disclose inside information;
- carry out insider trading or
- engage or attempt to engage in market manipulation.

### 6. Sanctions for abuse of inside information

- Sanctions for abuse of insider information and/or market abuse are described in Article 30 of Regulation 596/2016, and are briefly as follows:

For individuals: EUR 5 million

For legal entities: EUR 15 million, or 15% of the company's turnover

- Sanctions for violations of the List of Persons with Access to Insider Information (see below) are as follows:

For individuals: EUR 500 thousand

For legal entities: EUR 1 million.

## Lawful disclosure of inside information

### 7. Lawful disclosure of inside information

The disclosure of inside information should be considered lawful if it is carried out in the course of the usual exercise of the business, profession, or official duties of the person disclosing the information.

Public disclosure of inside information by an issuer is important to avoid its misuse and to ensure that investors are not misled. Therefore, "Sirma Group Holding" JSC informs the public about inside information at the earliest opportunity.

### 8. Kinds of information and Financial calendar

"Sirma Group Holding" JSC (SGH) is the issuer, and the company's shares are traded on a regulated market in Bulgaria. Accordingly, the company should disclose information about its activities - reports, notifications, and other information that investors need to make a sound investment decision. This information is called "**regulated information**".

According to the above-mentioned normative documents, SGH publishes **periodic regulated information** in the relevant terms. When holding shareholder meetings, the company publishes **information related to the shareholder meeting**. In the event of the occurrence of events described in the regulations, the company discloses **inside information** within the relevant terms. The dates of publication of periodic regulated information and information related to the holding of a general meeting of shareholders are published in advance in the [Financial Calendar](#) section of the company's website - [www.sirma.com](http://www.sirma.com) . Following the corresponding disclosure, links to the disclosed documents are also published there. **Inside information** is disclosed in the same section subsequently.

The **requirements for the content** of the periodic regulated information are defined in Ordinance No. 2, Section II, Art. 27-31. These requirements are complied with by SGH.

### 9. Register of Disclosures

"Sirma Group Holding" JSC maintains a **Register of Disclosures** pursuant to Art. 116 D para. 3 item 6 of the Public Offering of Securities Act (2017) and complete copies of the disclosed documents and

the electronic signatures of their disclosure, which ensure the possibility of providing information at the request of the Financial Supervisory Service pursuant to Art. 43d of Ordinance No. 2.

#### 10. Sample financial calendar

For 2016 the periodic regulated information and the dates for its disclosure are as follows:

- January 30, 2016 (30 days) publication of an individual financial statement and an interim management report on the activity as at the end of the fourth quarter of 2015;
- March 1, 2016 (60 days) Publication of a consolidated financial statement and an interim management report on the activity as at the end of the fourth quarter of 2015;
- March 30, 2016 (90 days) Publication of the annual individual audited financial report and management report on the activity for 2015;
- April 30, 2016 (120 days) Publication of the annual consolidated audited financial report and management report on the activity for 2015;
- April 30, 2016 (30 days) Publication of an individual financial report and an interim management report on the activity as at the end of the first quarter of 2016;
- May 30, 2016 (60 days) Publication of a consolidated financial report and an interim management report on the activity as at the end of the first quarter of 2016;
- May 30, 2016 (-30 days) Publication of an Invitation to hold a general meeting of shareholders;
- June 30, 2016 Last possible date for holding the General Meeting of Shareholders;
- July 1, 2016 (1 day) Publication of the Dividend Distribution Notice;
- July 4, 2016 (4 days) Publication of Minutes of the general meeting of shareholders;
- July 7, 2016 (7 days) Publication of the List of proxies from the general meeting of shareholders;
- July 29, 2016 (30 days) Publication of an individual financial statement and an interim management report on the activity as at the end of the second quarter of 2016;
- August 29, 2016 (60 days) Publication of a consolidated financial statement and an interim management report on the activity as at the end of the second quarter of 2016;
- October 30, 2016 (30 days) Publication of an individual financial report and an interim management report on the activity as at the end of the third quarter of 2016;
- November 30, 2016 (60 days) Publication of a consolidated financial statement and an interim management report on the activity as at the end of the third quarter of 2016;

For each subsequent year, the calendar of periodic disclosures remains approximately the same, and minimal deviations may occur as a result of some of the above-mentioned deadlines falling on a non-working day. The specific dates are announced in advance at the end of each year for the following year in the [Financial Calendar](#) section of the company's website [www.sirma.com](http://www.sirma.com)

## 11. Responsibilities of lawful disclosure of inside information

Responsible for:

- **Creation and public disclosure** of financial statements - Board of Directors;
- **Technical preparation** of the financial statements - "Accounting" department of the company and the Chief Accountant accordingly;
- **Disclosure of inside information** and information related to shareholder meetings - Director of Investor Relations;
- Public **disclosure of regulated information** - Director of Investor Relations.

## 12. Means of disclosure of information

- **Verification and approval**

Information about the company is disclosed after a positive opinion of the "Committee on Disclosures", its approval by the Financial Director and the Director of Investor Relations. They are responsible for the consistency of information over time and the absence of errors and inaccuracies.

- **Disclosure of regulated information**

The disclosure of regulated information to the public and the Financial Supervisory Commission is carried out electronically by the Director of Investor Relations of the company, in accordance with Ordinance No. 2, Section II, Art. 27 - 31.

- **Publication of inside information**

The company ensures the publication of internal information while simultaneously providing the widest possible access to it to interested parties with minimal discrimination. Due to the nature of inside information, it is published subsequently, within the statutory deadlines. The technical means of doing this are:

- the electronic platform of the Bulgarian Stock Exchange - Extri News;
- the platforms of the Financial Supervision Commission, the Bulgarian Stock Exchange and, if necessary, the Central Depository (everything is again done through the Extri News electronic platform);
- the "[Financial Calendar](#)" section of the company's website - [www.sirma.com](http://www.sirma.com) with its corresponding date.

### 13. Duration of the access to the disclosed information

Following the disclosure of information on its website, the company shall ensure access to it for all interested parties within a minimum five-year term.

### 14. Disclosure of information about transactions of persons performing managerial functions

The rules that should be observed by persons performing managerial functions when trading in the company's securities are defined in Article 19 of Regulation 596/2014, as well as in a special internal procedure of "Sirma Group Holding" JSC.

The persons who perform managerial functions in Sirma Group Holding JSC and the persons related to them shall notify in writing Sirma Group Holding JSC and the Financial Supervisory Commission of the transactions concluded on their account with shares issued by Sirma Group Holding JSC, which are admitted to trading on a regulated market with derivatives or other financial instruments related to these shares, when for a period of one year the value of these transactions exceeds EUR 5,000 within one calendar year.

The notification is made within 3 working days of the conclusion of the transaction that crosses the specified threshold. The FSC makes the received information public through the register kept by it under Art. 30, para. 1, item 3 of the Law on the Financial Supervision Commission.

#### **Content of the Disclosure:**

The notification is made through a standardized form, which is published on the FSC website and contains the following data:

- the three names of the person who performs managerial functions in the company and/or the three names of the person closely related to him;
- the basis of the obligation to notify (held managerial position or connection with an employee who holds a managerial position);
- the name of the company;
- description of the financial instruments subject to the transaction;
- the type of transaction (such as acquisition or disposal);
- the date and place of the conclusion of the transaction;
- the price and number of financial instruments subject to the transaction.

Article 30 of Regulation 596/2014 stipulates that whoever commits or permits the commission of a violation of this provision shall be punished with a fine in the amount of:

- EUR 500,000 for individuals



- EUR 1,000,000 for legal entities

## Regulated access to internal information

### 15. Persons with access to inside information

Persons with access to inside information are defined in Article 18 of Regulation 596/2016, namely: employees of the company or external persons (auditors, independent members of the Board of Directors, etc.) who have access to internal regulated information, which access is related to their official duties.

Persons who have permanent or occasional access to inside information related to the shares of "Sirma Group Holding" JSC are:

- The members of the Board of Directors of the company
- The members of the Boards of Directors of the daughter companies in the SGH Group
- The employees of the "Financial-Accounting" department of the company
- The legal consultants of the company
- The Director of Investor Relations
- The administrative assistants of the company
- The relevant Subcontractors

The same are persons under an employment contract, a management contract, or a service contract (e.g. an auditor). They are:

- included in the **List of persons with permanent or incidental access to inside information**, which is an integral part of this procedure;
- instructed regarding the rules and regulatory framework for the dissemination of inside information (as detailed hereto), which is confirmed through the relevant contract (employment or other), according to which they are engaged with companies from the group of "Sirma Group Holding" JSC;
- are informed annually by e-mail about the current rules and eventual changes to them.

### 16. List of persons with permanent or incidental access to inside information of „Sirma Group Holding“ JSC.

Persons with permanent or accidental access to inside information are included in a List that is updated with each change, and it may also include other persons with access to different types of information, including accidental access to the same. The List is updated by the Director of Investor Relations based on

information from the Board of Directors or by the Head of the Human Resources Department. The up-to-date maintenance of the List is controlled by the Financial Director of the company.

All persons with access to internal information from "Sirma Group Holding" JSC and its subsidiaries familiarize themselves with the present rules and the relevant legal framework.

**List of persons with permanent or occasional access to internal information of "Sirma Group Holding" JSC**

Prepared on 31.12.2015.

Last updated on 30.08.2023.

Attached file - list of persons with access to inside information on Excel.

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