

To
Bulgarian Stock Exchange - Sofia AD
Financial Supervision Commission
The Investment Community
Sofia

Re.: finalization of the purchase of shares from Ontotext JSC by Sirma Group Holding JSC

Date: 05.10.2018

Dear Sirs,

Pursuant to the requirements of the Public Offering of Securities Act, Ordinance 2 of the Financial Supervision Commission and Regulation 596/2014 of the European Parliament and of the Council, and further to the disclosure made by Sirma Group Holding JSC on 13.03.2018, we hereby notify you that:

1. **Implementing the Strategy** of Sirma Group Holding JSC for decreasing the non-controlling participation in the daughter companies on 04.10.2018 the shares of New Europe Venture Equity L.P. (successor to the Neveq venture capital fund) in the daughter company Ontotext JSC were bought.
2. On 05.10.2018 the **first installment** under the above share-purchase agreement of EUR 2 000 000 (two million Euro) was paid.
3. On 04.10. 2018 at a meeting of the Board of Directors of Sirma Group Holding JSC, the following decisions were taken for the conclusion of an additional agreement on the purchase of shares from Ontotext JSC with UIC: 20356710 as follows:
 - **Seller:** New Europe Venture Equity L.P. (successor to the Neveq venture capital fund);
 - **Buyer:** Sirma Group Holding JSC;
 - **Purchase price:** The purchase price of the shares amounts to EUR 4,200,000 (four million two hundred thousand Euro) which the Buyer undertakes to pay to the Seller 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.

The Additional Agreement, as per the above decisions of the Board of Directors of Sirma Group Holding JSC with New Europe Venture L.P. was signed on 04.10.2018.

Kind regards,

Stanislav Tanushev
Investor Relations Director
Sirma Group Holding JSC