

To
BSE-Sofia AD
Financial Supervision Commission
Investment Community
Sofia

Regarding: finalization of sale of a majority stake in a subsidiary of “Sirma Group Holding” JSC – “Sirma AI” JSC, trading as Ontotext

Date: September 1, 2022

Dear Sirs,

In accordance with the requirements of the Public Offering of Securities Act, Ordinance 2 of the FSC and Article 17 of Regulation 596/2014 of the EP and the Council, we inform you of the following:

On September 1, 2022, all actions regarding the sale of shares of the capital of “Sirma AI” JSC to “New Frontier Technology Invest” SARL were finalized, according to the decision of the General Meeting of Shareholders of the majority owner “Sirma Group Holding” JSC from June 24, 2022, as follows:

- Subsidiary whose shares are subject to sale: “Sirma AI” JSC;
- Valuation of the entire company “Sirma AI“ JSC: EUR 28,500,000;
- Buyer of shares: “New Frontier Technology Invest” SARL, registered in the Luxembourg Trade Register under No. B267936;
- Sellers of shares: “Sirma Group Holding” JSC, “Sirma Solutions” JSC and “Ontotext” JSC;
- Proceeds from the sale: The total sale price for the shares that will be sold by “Sirma Solutions” JSC, “Ontotext” JSC and “Sirma Group Holding” JSC is EUR 19,535,000, with the share of “Sirma Group Holding” JSC being EUR 6,600,714;
- Additional conditions: the buyer has contributed funds to increase the capital of “Sirma AI” JSC with a cash contribution of EUR 10,750,000. The capital increase is to be entered in the Commercial Register;
- Shareholding distribution after the capital increase: 76.2% of the company's capital belongs to “New Frontier Technology Invest” SARL, with “Sirma Solutions” JSC retaining a share of 23.80% of the capital.

As a result of the received funds and the transferred shares, the commitments of all parties to the transaction have been completed.

Kind regards,

Stanislav Tanushev

Investor Relations Director

Sirma Group Holding JSC

