

**DRAFT TERMS OF CONVERSION**

**FOR**

**CI Games Spółka Akcyjna (*Public Limited-Liability Company*) based in Warsaw  
into a European Public Limited-Liability Company (SE)**

**Warsaw, dated as of 4 August 2022**

## 1. DEFINITIONS AND INTRODUCTION

1.1. The terms used in this Draft Terms of Conversion shall have the following meanings:

**CI Games, S.A.; the Company; the Company to be Converted** – CI Games Spółka Akcyjna based in Warsaw (address: Rondo Ignacego Daszyńskiego 2B, 00-843 Warsaw, Poland), registered by the District Court for the Capital City of Warsaw in Warsaw, 13<sup>th</sup> Commercial Division of the National Court Register, under KRS No.: 0000282076, having EU VAT (NIP) No. 1181585759 and REGON No. 017186320

**CI Games, SE; the Converted Company** – the European Public Limited-Liability Company (SE) formed as a result of the Conversion of the Company

**Date of the Conversion** – the date on which the Conversion is entered in the Register of Entrepreneurs of the National Court Register by the registry court competent for the registered office of the Company, in accordance with Article 552 of the CCC in connection with Article 21(1) of the Act on SE, on which the Converted Company becomes the Converted Company upon the entry in the National Court Register, and the Company to be Converted is simultaneously deleted ex officio by the registry court from the National Court Register

**KRS** – Polish National Court Register (for companies)

**CCC** – Polish Commercial Companies Code dated as of 15th September 2000 (Journal of Laws of 2000, item 1467, as amended)

**Draft Terms of Conversion** – this document

**Conversion** – transformation of the Company to be Converted into the Converted Company, in accordance with Article 2(4) and Article 37 of the Regulation in conjunction with Article 552 et seq. of the CCC in connection with Article 21(1) of the Act on SE, i.e. by conversion of an existing public limited-liability company into an SE

**Administrative Board** – governing and supervising body of the Converted Company

**Supervisory Board** – supervising body of the Company to be Converted

**Regulation** – Council Regulation (EC) No. 2157/2001 of 8 October 2001 on the Statute for a European company (SE) (UE Journal of Laws No. 294/1, as amended)

**SE; European Company** – European Public Limited-Liability Company within the meaning of the Regulation

**Statutes of CI Games SE** – Statutes of the Converted Company

**Statutes of the Company** – Statutes of the Company to be Converted

**Act on Public Offering** – Polish Act dated as of 29th July 2005 on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies (Journal of Laws of 2005, item 1983, as amended)

**Act on SE** – Polish Act dated as of 4th March 2005 on European Economic Interest Grouping and European Company (Journal of Laws of 2005, item 259, as amended)

**GM, General Meeting** – depending on the context: General Meeting of the Company to be Converted or General Meeting of the Converted Company

**Management Board** – governing body of the Company to be Converted

## **1.2. Intention to Convert the Company**

The Management Board proposes to convert the Company in accordance with Article 2(4) and Article 37 of the Regulation in conjunction with Article 552 et seq. of the CCC in connection with Article 21(1) of the Act on SE and Article 22(1)(5) of the Act on SE, as a result of which the Company will be converted from a Polish Public Limited-Liability Company (a joint-stock company) into a European Company (SE), and at the same time amend the Company's Statutes for purposes of the said Conversion.

## **1.3. Legal Basis of the Draft Terms of Conversion**

The Draft Terms of Conversion was prepared by the Management Board on the basis of the provisions of Articles 557 and 558 of the CCC in connection with Article 21(1) of the Act on SE and Article 37 of the Regulation for the purposes of the planned Conversion.

## **2. TYPE, BUSINESS NAME AND SEAT (REGISTERED OFFICE) OF THE COMPANY TO BE CONVERTED AND OF THE CONVERTED COMPANY**

### **2.1. Legal form, business name and seat (registered office) of the Company to be Converted**

The Company to be Converted is a Public Limited-Liability Company (a joint-stock company) under Polish law, operating under the business name CI Games Spółka Akcyjna, with its seat (registered office) in Warsaw (address: Rondo Ignacego Daszyńskiego 2B, 00-843 Warsaw, Poland), registered in the Register of Entrepreneurs of the National Court Register (KRS) under KRS No. 0000282076, for which the registration files are kept by the Registry Court for the Capital City of Warsaw in Warsaw 13<sup>th</sup> Commercial Division of the National Court Register, having VAT UE (NIP) No. 1181595759 and REGON No. 017186320, with a share capital of PLN 1,829,430.15, fully paid up.

The Company to be Converted is a public (listed) company within the meaning of the provisions of the Act on Public Offering.

### **2.2. Intended legal form, business name and seat (registered office) of the Converted Company**

The Company intends to change its legal form and operate in the form of a European Company (SE), and consequently operate under the name CI Games SE. The seat (registered office) of the Converted Company will be in Warsaw, and its address details will not change. After the Conversion, the registration files of the Converted Company will continue to be kept by the Registry Court for the Capital City of Warsaw in Warsaw 13<sup>th</sup> Commercial Division of the National Court Register. The Converted Company will have EU VAT (NIP) No. 1181595759 and REGON No. 017186320, which as a result of the Conversion will not change. The share capital of the Converted Company will amount to PLN 1,829,430.15 after the Conversion and will be fully covered by the property of the Company to be Converted.

The Converted Company will be a public (listed) company within the meaning of the provisions of the Act on Public Offering.

### **3. METHOD OF CONVERSION**

#### **3.1. Legal basis of the Conversion and method of the Conversion**

The Conversion will be carried out in accordance with the provisions of Article 552 et seq. of the CCC in connection with Article 21(1) of the Act on SE and Article 37 of the Regulation, i.e. as a transformation of an existing public limited-liability company (joint-stock company) into an SE. The transformation of an existing joint-stock company (i.e. CI Games, S.A.) into an SE (i.e. CI Games, SE) will not result in the dissolution of CI Games, S.A. or the creation of a new company. As a result of the Conversion, the Converted Company will retain its personal identity with the Company to be Converted, which means that after the Conversion there will be the same legal entity that will only change the national legal form (S.A.) to the legal form of European law (SE). As a result of the Conversion, CI Games, SE will be the subject of all rights and obligations (assets and liabilities) of CI Games, S.A. (upon the continuation principle). In particular, pursuant to Article 553 § 2 of the CCC in connection with Article 21(1) of the Act on SE, CI Games, SE will be the subject of all permits, concessions and relief that were granted to CI Games, S.A. before the Conversion, unless the act or decision on granting the permit, concession or relief provides otherwise.

Pursuant to Article 553 § 3 of the CCC in connection with Article 21(1) of the Act on SE, from the Date of Conversion, all shareholders of the Company to be Converted participating in the Conversion will become shareholders of the Converted Company. Shareholders of the Company to be Converted participating in the Conversion do not have to make any statements on taking up the shares of the Converted Company, because by virtue of the law they automatically become shareholders of the Converted Company on the Date of Conversion.

The Converted Company will conduct business activity in the current scope, but under the business name CI Games, SE.

#### **3.2. The Resolution of the General Meeting**

Pursuant to Article 37(7) of the Regulation, the Conversion requires a resolution adopted by the General Meeting.

The General Meeting of the Company will be submitted for adoption of resolutions regarding the Conversion, including the approval of the Draft Terms of Conversion, determining the text of the Statutes of CI Games, SE (expressing consent to the wording of the Statutes of CI Games, SE) and appointing members of the Administrative Board. The minimum content of the resolution on the Conversion is specified in the provisions of Article 563 points 1-2 and 4-6 of the CCC in connection with Article 21(1) of the Act on SE. The resolution of the General Meeting regarding the Conversion will therefore specify at least the type of company into which the Company will be transformed, the amount of the share capital of the Converted Company, the names and surnames of the members of the Administrative Board and the consent of the shareholders to the wording of the Statutes of CI Games, SE.

### **4. SHARE CAPITAL OF THE COMPANY TO BE CONVERTED AND THE CONVERTED COMPANY**

The share capital of the Company to be Converted amounts to PLN 1,829,430.15 (in words: one million eight hundred twenty-nine thousand four hundred and thirty zlotys 15/100) and is divided into 182,943,015

ordinary bearer shares of series A, B, C, D, E, F, G, H, I, with a nominal value of PLN 0.01 (in words: one grosz) each share.

The share capital of the Converted Company after the Conversion will amount to PLN 1,829,430.15 (in words: one million eight hundred twenty-nine thousand four hundred and thirty zlotys 15/100) and will be divided into 182,943,015 ordinary bearer shares of series A, B, C, D, E, F, G, H, I, with a nominal value of PLN 0.01 (in words: one grosz) each share.

## **5. SHARES OF THE COMPANY TO BE CONVERTED AND THE CONVERTED COMPANY**

**All shareholders of CI Games, S.A. on the Date of Conversion will automatically become shareholders of CI Games, SE, by virtue of the law. Shareholders will not have to make any statements about participation in the Converted Company. As a result of the Conversion, there will be no subjective changes in the composition of the shareholding structure of CI Games, S.A. and no acquisition of shares in CI Games, SE. The transformation will not affect the scope of shareholders' capital participation in the Company, i.e. the number of shares held by each shareholder. Thus, after the Conversion, each of the shareholders of CI Games, S.A. will have the same number of shares in CI Games, SE.** This is due to the fact that the SE is a company of the same type as a joint-stock company (S.A.), i.e. a joint-stock capital company, but of a different variety, i.e. not a "domestic" joint-stock company, but a "European" joint-stock company. As a result of the Conversion, there will be no exchange of CI Games, S.A. shares for CI Games SE shares according to a certain parity, and the legal situation of shareholders will not change.

The shares of the Converted Company will be listed on the regulated market operated by the Warsaw Stock Exchange S.A. on the current terms. In addition, the intention of the Management Board is that in the future the shares of the Converted Company will also be listed on another market, operated by the London Stock Exchange (*dual listing*).

The shares of the Converted Company will participate in the dividend on the current terms resulting from Polish law (i.e. from the provisions of the CCC).

The consequences of the Conversion for the Company's shareholders are presented in detail in the Management Board's report explaining and justifying the legal and economic aspects of the Conversion and indicating the implications for the shareholders and for the employees of the adoption of the form of an SE, the content of which is attached as **Appendix No. 4** to the Draft Terms of Conversion.

## **6. STATUTES OF THE COMPANY TO CONVERTED AND THE CONVERTED COMPANY**

The current Statutes of the Company has been drawn up in the form of a notarial deed of 22<sup>nd</sup> June 2021 before the notary Ewa Korycińska in Warsaw (Rep. A No. 256/2021). For the purposes of the Conversion, the Statutes of the Company will change, which results from the need to include the new legal form of the Converted Company in its content.

The proposed content of the Statutes of CI Games, SE constitutes **Appendix No. 2** to the Draft Terms of Conversion. Consent to the proposed content of the Statutes of CI Games, SE should be expressed by the General Meeting of the Company, planned for the first half of September 2022.

## **7. PROPOSED CHANGES IN THE COMPOSITION OF THE COMPANY'S BODIES**

It is planned to introduce in the Converted Company a one-tier system of internal structure of bodies within the meaning of Article 38 letter b) of the Regulation, i.e. in place of the two-tier system, including the Management Board and the Supervisory Board, it is planned to introduce a single body gathering managerial and supervisory competences in the form of the Administrative Board. It is planned to elect members of the Administrative Board at the General Meeting of the Company, which is planned to be held in the first half of September 2022.

### **Current members of the Management Board and Supervisory Board of the Company, i.e.:**

Marek Tymiński – President of the Management Board

David Broderick – Vice-President of the Management Board

Ryszard Bartkowiak – Chairman of the Supervisory Board

Rafał Berliński – Member of the Supervisory Board

Marcin Garliński – Member of the Supervisory Board

Grzegorz Leszczyński – Member of the Supervisory Board

Adam Niewiński – Member of the Supervisory Board.

will be replaced after the Conversion with the new corporate body, i.e. the Administrative Board, which will consist of at least five members.

## **8. SPECIAL BENEFITS FOR MEMBERS OF THE BODIES OF THE CONVERTED COMPANY OR FOR OTHER PERSONS INVOLVED IN THE CONVERSION**

It is not planned to grant special benefits to members of the bodies of the Converted Company or other persons participating in the Conversion.

## **9. RIGHTS GRANTED TO SHAREHOLDERS OF THE CONVERTED COMPANY**

It is not planned to grant any additional rights to the shareholders of the Converted Company.

## **10. PUBLICIZING THE DRAFT TERMS OF CONVERSION**

Pursuant to Article 560 of the CCC in connection with Article 21(1) of the Act on SE, the Company will notify shareholders of its intention to adopt a resolution on the Conversion of the Company twice, in the manner provided for notifying shareholders, i.e. in a form of current reports and on the Company's website at [www.cigames.com](http://www.cigames.com). The first notification shall be made no later than one month before the planned date of adoption by the General Meeting of the resolution on the Conversion, and the second at an interval of not less than two weeks from the date of the first notification.

## **11. IMPLICATIONS OF THE CONVERSION FOR THE COMPANY'S EMPLOYEES**

Pursuant to Article 37(9) of the Regulation, the rights and obligations of the Company to be Converted on terms and conditions of employment arising from national law, practice and individual employment contracts or employment relationships and existing at the date of registration (i.e., the Date of Conversion) shall, by reason of such registration be transferred to the SE. Therefore, the situation of the Company's employees after the Conversion will not change. Their employer will be, in place of CI Games, S.A., the Converted Company, i.e. CI Games, SE.

Implications of the Conversion for the Company's employees are presented in detail in the Management Board's report explaining and justifying the legal and economic aspects of the Conversion and indicating the implications for the shareholders and for the employees of the adoption of the form of an SE, the content of which is attached as **Appendix No. 4** to the Draft Terms of Conversion.

## **12. APPROVAL OF THE DRAFT TERMS OF CONVERSION AND OF THE STATUTES OF CI GAMES, SE**

The Draft Terms of Conversion together with the proposed Statutes of CI Games, SE shall be approved by the General Meeting of the Company planned to be held in the first half of September 2022.

## **13. APPENDICES**

The following Appendices are attached to the Draft Terms of Conversion:

**Appendix No. 1** – Draft Resolution of the General Meeting on the Conversion,

**Appendix No. 2** – Draft Statutes of CI Games, SE,

**Appendix No. 3** – Valuation of assets (assets and liabilities) of the Company to be Converted,

**Appendix No. 4** – Management Board's report explaining and justifying the legal and economic aspects of the Conversion and indicating the implications for the shareholders and for the employees of the adoption of the form of an SE.

Due to the exception referred to in Article 21(1) of the Regulation, the financial statement referred to in Article 558(2)(4) of the CCC is not attached to the Draft Terms of Conversion and as such was not prepared by the Company.

## **14. DRAFT TERMS OF CONVERSION SIGNING**

Draft Terms of Conversion were prepared by the Management Board pursuant to Article 37 of the Regulation and Article 557 of the CCC in connection with Article 21(1) of the Act on SE, and adopted on the basis of the resolution of the Management Board No. 1/08/2022 of 4 August 2022, which the Management Board confirms hereby by submitting signatures below.

**/signatures on following page/**

**Marek Tymiński**

**President of the Management Board**

**CI Games, S.A.**

**David Broderick**

**Vice-President of the Management Board**

**CI Games, S.A.**