

# Share Buyback

## - Frequently Asked Questions

*Disclaimer:*

*This FAQ document (the "FAQ document") is for informational purposes only and does not constitute a legally binding description of the terms and conditions of the acquisition of the Company's common shares listed on the Warsaw Stock Exchange (the "SBB") by way of a time-limited Invitation to Sell (the "ITS"). Please refer to the ITS published on the Company's and IPOPEMA Securities S.A.'s websites for all information. In case of any discrepancies between the information contained in the ITS and the information provided in this FAQ Document, the ITS shall prevail. All capitalized words and phrases in this FAQ have the meaning given to them in the ITS.*

*This FAQ Document shall not be construed as an offer to sell or the solicitation of an offer to buy or sell any financial instruments nor shall it constitute an advertisement or promotion of any financial instrument or the Company in any jurisdiction where the foregoing would be prohibited.*

*This FAQ Document does not constitute a recommendation or investment advice or any other recommendation, legal or tax advice or an indication that any investment or strategy is appropriate in the individual circumstances of any person or entity that intends to respond to the ITS. Shareholders should take advice from their investment, legal or tax advisers on any matter relating to the ITS. Shareholders responding to the ITS shall bear all legal, financial and tax consequences of their investment decisions.*

*Shareholders interested in the sale of the shares referred to in the ITS should make their own detailed study of the contents of the ITS and the publicly available information concerning the Company and carefully analyse and evaluate such information, and their decision to sell shares in the Company should be based on such analysis as they themselves consider appropriate.*

### **1. Is there one document that contains all relevant information about the SBB?**

Yes, you can find all legally binding and relevant information in the ITS, which has been published in our Current Report 19/2023 (<https://ir.huuugegames.com/current-reports/report-19-2023>) followed by amendments published in our Current Report 23/2023 (<https://ir.huuugegames.com/current-reports/report-23-2023>) and on the website of the IPOPEMA Securities S.A., acting as the intermediary in the execution and settlement of the SBB ([www.ipopemasecurities.pl](http://www.ipopemasecurities.pl)).

### **2. What is the legal basis for the SBB?**

The SBB was approved by the resolution of the Board of Directors dated 30 May 2023 and announced in the Current Report 19/2023, followed by the Current Report 23/2023 which contained certain technical amendments not changing the process from the shareholders' perspective.

### **3. What is the price in the SBB? Is it gross or net of any taxes?**

The gross price set in the SBB is 8.7607 USD (which corresponds to PLN 37, in accordance with the USD/PLN exchange rate of 4.2234 as published by the National Bank of Poland (NBP) applicable on the 29 May 2023). This represents a 33% premium vs the close price of 30th May 2023.

The final amount in PLN that the shareholder will get for their shares sold in the SBB will be determined on the basis of the USD price multiplied by the USD/PLN interbank rate from the day

preceding the transaction settlement date multiplied by the number of shares sold, less applicable US taxes.

It is important to note that the Shareholders participating in the SBB will receive their consideration net of applicable US taxes, including taxes imposed under the U.S. Internal Revenue Code of 1986 (as amended). The tax rate is based on the relevant double tax treaty between the USA and the country of the tax residency of the Shareholder if the Shareholder submits a correct and valid applicable Form W-8 (in the manner described in the ITS). In case that the relevant form is not timely submitted by the Shareholder or it is submitted incorrectly, a 30% withholding rate will be applied to the gross proceeds payable to a non-U.S. Shareholder. Certain U.S. Shareholders who do not provide a valid Form W-9 will be subject to a 24% backup withholding rate. A description of the withholding tax calculation and information on the relevant tax documents (where and how they should be filed), can be found in this FAQ as well as in the ITS (<https://ir.huuugegames.com/download/280/huuuge-sbb-its-pdf>).

#### **4. Is the transaction settled in PLN or USD?**

The offered gross buyback price for each Buyback Share will be 8.7607 USD (which corresponds to PLN 37, in accordance with the USD/PLN exchange rate of 4.2234 as published by the National Bank of Poland (NBP) applicable on the 29 May 2023).

The Company will convert the Total Consideration (or part of the Total Consideration) from USD into PLN on the day preceding the settlement of the SBB in accordance with the interbank exchange rate applicable on the day preceding the Settlement Date. Therefore, the Shareholders that submitted Sale Offers in response to the ITS will receive the amount due to them in PLN.

The Shareholders electing to receive the amount due to them in USD should meet the requirements set out in the ITS.

#### **5. What is the timeline of the SBB?**

- Publication of the ITS - 30 May 2023
- Opening date for acceptance of Sale Offers: 1 June 2023
- Closing date for acceptance of Sale Offers: 29 June 2023, 12:00 p.m. Warsaw time
- Indicative date of publishing the information on the final number of Buyback Shares to be purchased by the Company: 3 July 2023
- Indicative date of the acquisition and transfer of ownership of Buyback Shares to the Company (the "Settlement Date"): 4 July 2023

However, the Company reserves the right to change dates or hours relating to the SBB indicated in the ITS (in a manner described in the ITS).

#### **6. What is the amount Huuuge plans to spend on the SBB? Can it be lower/higher?**

The maximum total amount allocated by the Company to the buyback is USD 150m (or no more than 17,121,919 shares). The Total Consideration can be lower if the Sale Offers submitted by the

Shareholders before the end of the period for accepting Sale Offers result in less than the whole USD 150m amount allocated for the purpose of the SBB.

## 7. How do I know if my broker can facilitate participation in the SBB?

The SBB is led by Ipopema Securities S.A. (Ipopema), acting as the tender and settlement agent in connection with the SBB. Also, there is a consortium of Polish investment firms, including mBank S.A., PKO BP S.A., BDM S.A. and BM Alior Bank S.A. The list may be expanded during the period of acceptance of Sale Offers, so it is recommended that the Shareholders check with their brokers individually or check with Ipopema by tel. +48 (22) 236 92 95 or +48 (22) 236 92 98, on business days and during the working hours of Ipopema or under the following email address: [skup@ipopema.pl](mailto:skup@ipopema.pl). The list of investment firms engaged in connection with the SBB will also be published on the Company's and Ipopema's websites.

## 8. How do I subscribe for the SBB?

Sale Offers may be placed:

- Directly with the investment firms keeping securities accounts for the Shareholders provided that the investment firm enables its clients to submit Sale Offers in response to the Invitation in this manner; or
- At the registered office of Ipopema; or
- By correspondence or by email to Ipopema on the terms indicated in the Invitation (contact data provided in the ITS).

If you have your shares on the Global Shares (EquityGateway) platform, please see point 20.

In each case a duly completed Sale Offer must be delivered to any of the entities accepting Sales Offers (i.e., investment firms keeping the securities accounts) for the Shareholders or Ipopema by 12.00 p.m. Warsaw time on the last date of the period for the acceptance of Sale Offers.

By submitting a Sale Offer, a Shareholder will be regarded, inter alia, as (i) consenting to electronic delivery of tax-related forms including IRS Forms 1099 and 1042-S, (ii) representing that all information in the Tax Certificate is true, correct and complete as of the date on which the Tax Certificate is submitted, and (iii) agreeing to notify the Company if any information contained in the Tax Certificate ceases to be true at any time following the date on which such Tax Certificate is submitted by re-logging on to the website of [https://webeushrew8prd.ihsmtaxsolutions.com/Huuuge\\_Prod/ED3](https://webeushrew8prd.ihsmtaxsolutions.com/Huuuge_Prod/ED3) and submitting corrected information. Any Shareholder who does not wilfully consent to any of the above, should refrain from submitting a Sale Offer.

Signing of a Sale Offer constitutes an irrevocable declaration of will by a person submitting such Sale Offer to accept the terms and conditions set out in the ITS and the Sale Offer.

## **9. How will the US withholding tax be calculated? What are the tax rates by country?**

Together with the submission of its Sale Offer, each Shareholder will be required to submit a properly completed and executed Internal Revenue Service ("IRS") Form W-9 (if the Shareholder is a "U.S. person" for U.S. federal income tax purposes as defined in the instructions to Form W-9) or an applicable IRS Form W-8 (if the Shareholder is a non-U.S. person.). As used in the ITS, "Tax Certificate" shall mean, as appropriate for each Shareholder, an IRS Form W-9 or W-8 as described above.

The tax rate will be applied based on the relevant tax double tax treaty between the USA and the country of the tax residency of the shareholder, provided that the non-U.S. Shareholder submits a correct and valid Tax Certificate.

In case of not submitting the Tax Certificate or an invalid Tax Certificate, payment will be subject to 30% withholding by default (or 24% backup withholding for U.S. persons).

You can find the relevant tax rates in the document here: [US withholding tax rates on dividends per country](#)

## **10. Where can I find instructions on how to fill my W8 tax forms?**

You can find the instructions on completion of the Tax Certificate, together with a sample of a completed Form W-8 for individuals, published on the Company's website (both in English and Polish), here: <https://ir.huuugegames.com/share-buyback>

## **11. Where can I fill the tax forms?**

To submit the aforementioned Tax Certificate, the Shareholder or, in the case of institutional shareholders, its representative or agent will need to log on to the following website of S&P Global:

[https://webeushrew8prd.ihsmtaxsolutions.com/Huuuge\\_Prod/ED3](https://webeushrew8prd.ihsmtaxsolutions.com/Huuuge_Prod/ED3)

## **12. What if I make a mistake - can I fill the tax forms again?**

If any information contained in the Tax Certificate ceases to be true at any time following the date on which such Tax Certificate is submitted, you can re-log on to the website of

[https://webeushrew8prd.ihsmtaxsolutions.com/Huuuge\\_Prod/ED3](https://webeushrew8prd.ihsmtaxsolutions.com/Huuuge_Prod/ED3) and submit corrected information by 29 June 2023, 12:00 p.m. Warsaw time.

## **13. Who will collect the US withholding tax?**

The US withholding taxes will be collected and forwarded to the IRS by the Company (or in very specific cases by Qualified Intermediaries assuming primary withholding responsibility) and participating shareholders will be paid net of applicable US taxes.

## **14. Can I claim a US withholding tax refund from the IRS?**

The ITS provides some general information with respect to US withholding tax refund. We are not authorised to provide individual tax advice. All Shareholders should consult their own tax advisors

regarding the particular tax consequences to them of selling shares pursuant to ITS, and their potential eligibility for, and procedures for claiming, a refund of any such withholding tax.

A Shareholder who takes the position that the proceeds from the sale of shares pursuant to the ITS is not a dividend and properly claims a refund from the IRS should notify the Company of such position by e-mailing the Company at [ir@huuugegames.com](mailto:ir@huuugegames.com).

### **15. Can I offset my Polish capital gains tax liability with the US taxes withheld in the SBB process?**

Capital gains tax treatment varies depending on the tax jurisdiction. We do not provide individual tax advice and recommend the shareholders to consult a tax advisor individually.

### **16. Will I receive a document confirming that US withholding taxes have been collected ?**

The entities accepting Sales Offers (i.e., investment firms keeping the securities accounts) for the Shareholders will provide each participating shareholder with the IRS 1042-S Form (for non-US persons) or 1099 Form (for US persons) by March 15, 2024.

### **17. What is the allocation mechanism? Is a reduction possible?**

For each Shareholder who holds as at the date of the ITS, shares in the Company entitling them to 10% or more of the total votes at the Company's general meeting ("Significant Shareholders") and who submits a Sale Offer in accordance with the ITS, the Company will purchase from each Significant Shareholder a number of Buyback Shares proportional to their share in the total number of votes at the Company's general meeting as at the date of the ITS. **It means that these Shareholders will be able to sell no more than the proportion of their share in the total number of votes at the Company's general meeting at the date of the ITS multiplied by the maximum number of Buyback Shares subject to the Invitation (i.e. 17,121,919 Buyback Shares).** It is possible that these Shareholders will respond to the ITS with a lower number of shares, in which case such number would be the number of shares purchased from a given Shareholder by the Company.

In the event that the total number of Buyback Shares covered by all Sale Offers validly submitted by the Shareholders before the end of the period for the acceptance of Sale Offers is higher than the maximum number of Buyback Shares specified in the ITS, the Company shall proportionally reduce the number of Buyback Shares covered by the Sale Offers submitted by Shareholders holding, as at the date of the ITS, shares in the Company entitling them to less than 10% of the votes at the general meeting of the Company, rounding down fractions of Buyback Shares, so that the total number of Buyback Shares is equal to the maximum number of Buyback Shares indicated in the ITS, respecting the principle of equal treatment of all Shareholders.

### **18. Is there a record date for participation? Can I buy shares during the period of acceptance of Sale Offers and sell them in the SBB?**

No, you are free to trade the Company's shares during the period of acceptance of Sale Offers and submit your Sale Offer on the very last possible day. One thing to note is that the Company's shares

offered for sale in the ITS will be blocked in your brokerage account until the transaction is settled. Signing of a Sale Offer constitutes an irrevocable declaration.

**19. Is the intention of the Company to retire the shares bought in the SBB?**

Yes, as indicated in the Current Report 19/2023, it is the intention of the Company that all Buyback Shares repurchased in the SBB will be retired.

**20. I am an employee/former employee of HUUUGE and I hold my shares on the Global Shares (EquityGateway) platform. How can I participate in the SBB?**

You should have received an email with adequate information, if not please contact the Company's IR Team.

**21. I have my shares held with a non-Polish broker which is not a member of the broker consortium. Can I still participate in the buyback?**

The easiest way to do it would be setting up a brokerage account with Ipopema or one of the brokers participating in the retail consortium, transferring your shares there and then responding to the ITS in a manner specified in the ITS.