

Current Report No. 6/2022 ESPI

Company: CHERRYPICK GAMES S.A.

Subject: Execution of an assignment of receivables agreement and creation of an impairment loss.

Legal basis: Art. 17 sec. 1 MAR – confidential information.

Content:

The Management Board of Cherrypick Games S.A. (“Issuer” or the “Company”), announces that the Issuer has entered into an agreement with an individual for the assignment of the Company’s receivables due to Kuu Hubb Oy, with a value of EUR 1,991,164.09, for a price of EUR 200,000.00 (the “Agreement”). The purchase price will be transferred by the buyer to an escrow account, upon signing of the Agreement, to be held in escrow and released to the Issuer in accordance with the provisions of the Agreement.

The implementation of the Agreement depends, inter alia, on the approval of Kuu Hubb Oy’s restructuring plan by the Helsinki District Court, as well as the fulfilment of all representations and warranties set out in the Agreement. The Issuer has committed, inter alia, to withdraw the bankruptcy petition of Kuu Hubb Oy filed with the Helsinki District Court within two working days of the signing of the Agreement. If the conditions, representations and warranties contained in the Agreement are not fulfilled by 31 August 2022. The Issuer and the Purchaser have the right to terminate the Agreement.

At the same time, in connection with the Agreement, the Issuer decided to create a full write-down as at 31 December 2021 for the impairment of receivables resulting from the sale of the My Hospital game to Kuu Hubb Oy, i.e. a total of PLN 9,049,832.11. The write-down in the aforementioned amount will be recognised in the Issuer’s annual financial statements for 2021.