

Current Report No. 12/2022 ESPI

Company: CHERRYPICK GAMES S.A.

Subject: Execution of publishing agreement.

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

Content:

The Management Board of Cherrypick Games S.A. (the “Company”) announces that on 1 July 2022, it entered into a publishing agreement with Electronic Gaming Incubator Company based in Riyadh, Saudi Arabia (the “Publisher”) (the “Agreement”). The Agreement was concluded for 3 years. The Agreement renews automatically for successive periods of 2 years unless the Publisher decides to terminate the Agreement at least 90 days before the expiry of the term of the Agreement. The Agreement contains provisions on the possibility and manner of terminating the Agreement (including with immediate effect).

Under the Agreement, the Company has agreed to develop two games (from the merge segment) for the Android and iOS mobile distribution platforms and maintain their updates.

One game will be released by the Publisher in the territory of the countries of the Middle East and North Africa (“Game 1”)(“Publisher’s Territory”). The second game will be released by the Company in the rest of the world (“Game 2”)(“Company Territory”).

The Publisher has agreed to make a prepayment and monthly payments as a contribution to the development of the games from the conclusion of the Agreement to the date of release of the games (the “Development Contribution”). The Development Contribution is a refundable advance on the parties’ respective profit shares.

Payment of each instalment of the Development Contribution will not become due until all materials relating to a specific event under the agreed development plan have been delivered and received by the Publisher.

The Company will remain the owner of the rights to Game 1 (the source code of the game), while granting an exclusive, irrevocable licence to publish, distribute, develop, operate, publicly communicate, market, advertise and promote and otherwise exploit the game in the Publisher’s Territory.

The Agreement sets out the percentage share of profits from Game 1 due to the Company earned in the Publisher's Territory and the percentage share of profits from Game 2 due to the Publisher earned in the Company's Territory.

Upon release of Game 1 in the Publisher's Territory, the Publisher shall pay the Company a specified amount to maintain and update the Game in the Territory.

In the event of termination of the Agreement, the Publisher will hand Game 1 back to the Company no later than 30 days after termination.

Other provisions of the Agreement (including warranties, indemnities and limitations of liability) are typical of production and publishing agreements.