



## Current Report No. 11/2023

**Date:** 28 March 2023

**Subject:** Disclosure of delayed inside information regarding the commencement of negotiations towards the conclusion of an investment agreement regarding Krafton, Inc.'s or Krafton, Inc.'s group company subscription of shares in the increased share capital of PCF Group S.A.

**Legal basis:** Article 17 Section 1 and 4 of the MAR

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PLEASE SEE THE IMPORTANT NOTICES AT THE END OF THIS CURRENT REPORT.

Pursuant to Article 17 paragraph 1 and 4 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (the "**MAR**"), the Management Board of PCF Group S.A. (the "**Company**") discloses to the public the following inside information concerning the commencement of negotiations towards the conclusion of an investment agreement regarding Krafton, Inc.'s or Krafton, Inc.'s group company (the "**Investor**") subscription of shares in the increased share capital of the Company pursuant to the resolution of the Extraordinary General Meeting of the Company No. 4/02/2023 dated 28 February 2023 (the "**Inside Information**").

Due to signing on 28 March 2023 of the investment agreement the Company has decided to disclose this Inside Information to the public.

The disclosure of the Inside Information to the public was delayed on 19 March 2023 on the basis of Article 17 paragraph 4 of the MAR.

### Contents of the delayed Inside Information:

“The Management Board of PCF Group S.A. with its registered office in Warsaw (the “**Company**”) hereby announces that on 19 March 2023 the Company commenced the negotiations towards the conclusion of an investment agreement regarding Krafton Inc.’s or Krafton Inc.’s group company (the “**Investor**”) subscription of shares in the increased share capital of the Company pursuant to the resolution of the Extraordinary General Meeting of the Company No. 4/02/2023 dated 28 February 2023 (the “**Investment**”). The negotiations include: (i) the terms of the Investor’s participation in the share capital increase process, which, if the negotiations are successful, will provide the Investor with shares in the Company in a number that will ensure a 10% stake in the Company’s share capital after the offering; and (ii) the rights and obligations of the parties with respect to undertaking possible cooperation between the parties in future publishing activities pertaining to certain games developed by the Company.

The conclusion of the investment agreement will be announced by the Company in a separate current report, if it is required by law.

The Management Board of the Company also announces that the commencement of negotiations towards the conclusion by the Company of the investment agreement does not mean that the subscription of shares in the increased share capital of the Company by the Investor will take place.”

#### **Substantiation of the delay in disclosure of the Inside Information to the public:**

The Management Board believes that at the time the decision was made to delay the disclosure of the above Inside Information, it met the conditions set out in the MAR and the guidelines of the European Securities and Markets Authority for delaying disclosure of inside information of 20 October 2016.

The Management Board believes that a prompt disclosure of information regarding the commencement of negotiations towards the conclusion of an investment agreement regarding Investor’s subscription of shares in the increased share capital of the Company pursuant to the resolution of the Extraordinary General Meeting of the Company No. 4/02/2023 dated 28 February 2023 would have created a risk of infringing the legitimate interests of the Company and its capital group by it possibly having an adverse effect on the progress and outcome of the negotiations

In addition, in the opinion of the Company’s Management Board, making the Inside Information public before the completion of negotiations on the investment agreement could negatively affect the success of the offering on the terms assumed by the Company. At the same time, the completion of the negotiations will take place prior to the public offering, and therefore, if the negotiations are successful and the investment agreement is concluded, the participants in the offering will have knowledge of the subject prior to submitting their declarations of interest in acquiring shares.

In particular, the Management Board is of the opinion that the disclosure of the Inside Information to the public might have triggered interactions of third parties, which in turn could have resulted in worsening the conditions on which the investment agreement could be concluded.

As the same time, on the date of the decision to delay the publication of the Inside Information it was hard to predict the outcome of the negotiations, and the likelihood that the investment agreement would be concluded was undeterminable. In this

situation the Management Board has decided that if disclosed to the public, the Inside Information might be misinterpreted and potentially affect the Company's goodwill.

In the opinion of the Management Board, there were no reasons to believe that a delay in the disclosure of the Inside Information could be misleading to the public, in particular due to the absence of any earlier public announcements from the Company concerning the matter to which the Inside Information pertained.

The Management Board believes that maintaining confidentiality of the Inside Information at the time of making the decision to delay its disclosure was assured, in particular by making a list of the individuals authorized to access to the Inside Information, as required under Article 18 of the MAR. This list of individuals was systematically monitored and updated on an as-needed basis.

Pursuant to Article 17 paragraph 4 of the MAR, the Company will notify the Polish Financial Supervision Authority of the delay in disclosure of the Inside Information, stating the reasons for the delay, immediately upon the publication of this Report.

## **IMPORTANT NOTICES**

This current report was prepared in accordance with Article 17 Section 1 of the Regulation No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC and Article 56 Section 1 Item 2 of the Act of 29 July 2005 on Public Offerings, the Conditions for Introducing Financial Instruments to an Organized Trading System, and Public Companies.

This current report is solely for information purposes and is published by the Company exclusively in order to provide essential information on the terms of offering for its shares. This current report is by no means intended, whether directly or indirectly, to promote the offering, subscription or purchase of the shares of the Company referred to in this current report (the "**New Shares**") and does not represent advertisement or promotional material prepared or published by the Company for the purpose of promoting the New Shares or their subscription, purchase or offering or for the purpose of encouraging an investor, whether directly or indirectly, to acquire or subscribe for the New Shares. The Company has not published and has no intention of publishing any materials aimed at promoting the New Shares or their subscription or purchase after the date of this current report.

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