

Warsaw, August 26th 2020

Current Report No. 25/2020

**Subject:**

Change in accounting policies for 2017-2019 Incentive Scheme costs and presentation of IP Box tax relief

**Legal basis:**

Article 17(1) of MAR - Inside information

**Text of the report:**

The Management Board of 11 bit studios S.A. of Warsaw (the "Company") announces that in the course of work on the preparation of the half-year report for H1 2020 and in the course of the review of the financial statements for the period by the auditor, the Company decided to change the method of accounting for the costs of the 2017-2019 Incentive Scheme. As a result, the entire cost of the 2017-2019 Incentive Scheme of PLN 18,305,429 was accounted for by the end of 2019. Therefore, the Company's half-year report for H1 2020 will not include a charge for the costs of the Incentive Scheme for that period, amounting to approximately PLN 4.05m.

In connection with the change, the Company restated selected presentation data for 2018 and 2019, H1 2019 and Q2 2019. The adjusted data will be published in the half-year report for H1 2020, to be released on August 27th 2020.

The Company further announces that starting from the half-year report for H1 2020 it will present the effect of the IP Box tax relief on the financial results for the period. The positive effect of the change on the Company's net profit for H1 2020 is approximately PLN 3.5m.

**For the Company:**

Grzegorz Miechowski, President of the Management Board

Przemysław Marszał, Member of the Management Board