

To:

Financial Supervisory Authority

Financial Instruments and Investments Sector

Bucharest Stock Exchange

CURRENT REPORT

In compliance with the provisions of Law no. 24/2017 on issuers of financial instruments and market operations and Regulation no. 5/2018 on issuers of financial instruments and market operations

Date of the report: November 16, 2022

Name of issuer: FIREBYTE GAMES S.A.

Headquarters: Cluj-Napoca, 119 Motilor Street, Cluj County

Telephone: +40 771282894

Trade Register no/date: J12/6845/2017

Tax Identification Code: 38624397, Subscribed and paid share capital: 4.402.228,4 lei

Cod LEI: 78720012FMADM8GOYX42

Regulated market where issued securities are traded: Bucharest Stock Exchange, - Aero Premium Tier, SMT, market symbol: FRB

Important events to be reported: Information document regarding the free assignment of some shares to employees

The Management of Firebyte Games S.A. (the "Company") informs the investors about the free assignment of 4,402,228 shares to employees, in which sense it is published the Information Document drawn up in accordance with art. 1 paragraph (4) lit. i) from *Regulation no. 1129/2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC*.

Ovidiu Stegaru
General Manager

INFORMATION DOCUMENT REGARDING THE FREE ASSIGNMENT OF SOME SHARES TO FIREBYTE GAMES S.A. EMPLOYEES

(information document according to art. 1 par. (4) letter i) of Regulation no. 1129/2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC)

Information about the number and nature of securities

FIREBYTE GAMES S.A. (hereinafter "the Company"), with registered office in Cluj-Napoca, 119 Motilor street, Romania, registered at the Registry of the Trade Office under no. J12/6845/2017, unique registration code 38624397, assigns free of charge a number of 4,402,228 shares to employees who meet the eligibility criteria defined in the Stock Option Plan.

Reasons for assigning shares

In accordance with the informative materials that were the basis for the adoption of decision no. 2 of AGOA on 04.01.2022, the reasons for granting options aim to stimulate the performance and reward the persons nominated by the General Director, who are considered to have a potentially significant impact on the operational and financial results of the company.

In application of the decision no. 2 of the AGOA on 04.01.2022, the Decision of the Remuneration Committee was issued, at the proposal of the General Director, by which the eligible persons and the number of shares assigned to each were determined, taking into account the relevant professional experience and organizational responsibility of each nominated person, drawing up the evaluation forms for each eligible person.

Also, the implementation of the Stock Option Plan of key persons in the company Firebyte Games S.A. - Stock Option Plan - presents the advantage of lower operational expenses and fiscal optimization, allowed by the provisions of the Fiscal Code in force.

According to the Fiscal Code (Law 227/2015), "stock option plan" represents "a program initiated within a legal entity by which it is granted to its employees, administrators and/or directors or of its affiliated legal entities, provided for in point 26 letters c) and d), the right to purchase at a preferential price or to receive free of charge a determined number of participation titles, defined according to point 40, issued by the respective entity."

For the purposes of point 40 "participation title" means "any share or other share in a general partnership, limited partnership, joint stock company, limited liability company, limited liability company or in another person legal entity or to an open investment fund".

The advantages granted in the form of options within a "Stock Option Plan" are not considered taxable income, at the time the option is granted and at the time the option is exercised by the beneficiary, according to the provisions of art. 76 para. 4 lit. r) from the Fiscal Code, being also exempted from the payment of social insurance contributions, in accordance with the provisions of art. 142 Fiscal Code.

This provision must be corroborated with the provisions of art. 94 of the Fiscal Code, regarding the determination of the gain/loss from the transfer of securities, as the investment income registered by the eligible persons as a result of the subsequent sale of the shares purchased under the "Stock Option Plan" programs are subject to income tax. Securities awarded under a Stock Option Plan become taxable only when the beneficiary decides to sell these securities.

Details of the allocation of shares

By the Decision of the Ordinary General Meeting of Shareholders on 04.01.2022, the Stock Option Plan for key persons was approved Firebyte Games S.A. - Stock Option Plan (detailed in the presentation material: method of allocation, eligible persons, method of exercise, etc., as presented in the OGMS).

The shares that are the object of the Plan were acquired following the share capital increase approved in the EGMS on 28.05.2021, a number of 6,602,306 shares being made available to the company to support the development plans, of which for the drawing up of the Option Plan of Shares, a number of 4,402,228 shares were allocated.

The shares will be delivered to the employees by direct transfer carried out in the Company's shareholder register at the Central Depository, within the term and according to the legal provisions in force, the date on which the employees will effectively enter into their rights.

This document was drawn up in accordance with art. 1 paragraph (4) lit. i) from Regulation no. 1129/2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC and will be submitted to the Financial Supervisory Authority, Bucharest Stock Exchange and the Central Depository.

Ovidiu Stegaru
General Manager Firebyte Games S.A.



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