



**Part II Organizational Action** *(continued)*

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ \_\_\_\_\_

[SEE ATTACHED STATEMENT](#)


**18** Can any resulting loss be recognized? ▶ [SEE ATTACHED STATEMENT](#)

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ \_\_\_\_\_

[SEE ATTACHED STATEMENT](#)

**Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶  Date ▶ 11/17/2022

Print your name ▶ CRAIG ABRAHAMS Title ▶ PRESIDENT & CFO

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶			Firm's EIN ▶	
Firm's address ▶			Phone no.	

**Part II, Question 14:** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.

On October 3, 2022, Playtika Holding Corp. ("PLTK" or the "Company") completed an issuer self-tender offer to repurchase shares of the Company's common stock for \$11.58 per share, net to the seller in cash (less any applicable withholding taxes and without interest), in accordance with the terms and subject to the conditions described in the Offer to Purchase dated August 29, 2022 (the "Tender Offer"). In total, PLTK repurchased 51,813,472 shares of its common stock ("Shares") for aggregate consideration of approximately \$600,000,000.

**Part II, Question 15:** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.

**Characterization of the Purchase—Distribution vs. Sale Treatment.** The exchange of Shares for cash pursuant to the Tender Offer will be a taxable transaction for U.S. federal income tax purposes. A U.S. taxpayer shareholder ("U.S. Holder") that participates in the Tender Offer will be treated, depending on such U.S. Holder's particular circumstances, either as recognizing gain or loss from the disposition of the Shares or as receiving a distribution from PLTK as described in more detail below.

**U.S. Holders are urged to consult their tax advisors regarding the application of Section 302 tests to their particular circumstances.**

We cannot predict whether any particular U.S. Holder will be subject to sale or exchange treatment, on the one hand, or distribution treatment, on the other hand. Contemporaneous dispositions or acquisitions of Shares (pursuant to the Tender Offer or otherwise, including market sales and purchases) by a U.S. Holder or related individuals or entities may be deemed to be part of a single integrated transaction and may be taken into account in determining whether the Section 302 tests have been satisfied. Each U.S. Holder should be aware that because proration may occur in the Tender Offer, even if all the Shares actually and constructively owned by a U.S. Holder are tendered pursuant to the Tender Offer, fewer than all of such Shares may be purchased by us. Consequently, we cannot assure you that a sufficient number of any particular U.S. Holder's Shares will be purchased to ensure that this purchase will be treated as a sale or exchange, rather than as a distribution, for U.S. federal income tax purposes pursuant to the rules discussed herein.

**Sale or Exchange Treatment.** If a U.S. Holder is treated under the Section 302 tests as recognizing gain or loss from the "sale or exchange" of the Shares for cash, such gain or loss will be equal to the difference, if any, between the amount of cash received and such U.S. Holder's tax basis in the Shares exchanged therefor. Holders of Shares should consult their tax advisors to determine the tax consequences of the Tender Offer to them.

**Distribution Treatment.** If a U.S. Holder is not treated under the Section 302 tests as recognizing gain or loss from the "sale or exchange" of Shares for cash, the entire amount of cash received by such U.S. Holder pursuant to the Tender Offer will be treated as a distribution by the Company with respect to the U.S. Holder's Shares. The amount of any distribution made to a U.S. Holder with respect to Shares generally will be included in such holder's gross income as dividend income in the year actually or constructively received, but only to the extent that the distribution is paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Distributions in excess of our current and accumulated earnings and profits will be treated first as a non-taxable return of capital, thereby reducing the U.S. Holder's adjusted tax basis (but not below zero) in the Shares and thereafter as either long-term or short-term capital gain, as applicable. Any remaining tax basis in the Shares tendered will be transferred to any remaining Shares held by such U.S. Holder. Holders of Shares should consult their tax advisors to determine the tax consequences of the Tender Offer to them.

**Part II, Question 16:** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.  
See response to Part II, Question 14 related to the per share price offered to repurchase shares in the tender offer.

**Redemptions Treated as Sale/Exchange of Shares**

As noted above in the response to Part II, Question 15, if a U.S. Holder qualifies for sale/exchange treatment with respect to the Tender Offer transaction, the U.S. Holder will recognize gain or loss for U.S. federal income tax purposes equal to the difference between the amount of cash received for the tendered shares and the U.S. Holder's tax basis in such shares. Tax basis in retained shares will be unaffected by the redemption.

Note that special, more complex considerations may apply to the extent that a U.S. Holder owns multiple blocks of PLTK stock acquired on different dates with different basis amounts. Separate gain/loss determinations are generally required, and special rules may apply relative to identification of shares redeemed for purposes of determining the applicable tax basis amount to be applied. The manner in which a U.S. Holder calculates gain or loss can be complex, and U.S. Holders should consult with their tax advisor.

**Redemptions Treated as Distributions**

The Company is in the process of computing its E&P for the year ending December 31, 2022. However, this analysis cannot be finalized until the December 31, 2022 tax return is filed. Therefore, the Company is unable to conclude as to whether redemptions treated as distributions will be taxable as a dividend at this time.

Holders of Shares should consult their tax advisors to determine the tax consequences of the Tender Offer to them.

**Part II, Question 17:** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.

IRC Section 301, IRC Section 302, IRC Section 312, IRC Section 317

**Part II, Question 18:** Can any resulting loss be recognized?

U.S. Holders who qualify for sale/exchange treatment could potentially recognize loss if the tax basis in the tendered shares is greater than the amount of cash received. The character and classification of any such loss is dependent upon a U.S. Holder's particular circumstances and may be subject to limitation. As emphasized previously, U.S. Holders are urged to consult their tax advisors for purposes of determining the tax treatment of the Tender Offer.

**Part II, Question 19:** Provide any other information necessary to implement the adjustment, such as the reportable tax year.

For additional discussion of the U.S. federal income tax consequences to U.S. Holders and Non-U.S. Holders as a result of the Tender Offer transaction, please refer to Section 12 of the Tender Offer to Purchase dated August 29, 2022.

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This information does not constitute tax advice. This form provides a description of common tax consequences, but does not purport to describe all tax consequences that may apply to all types of shareholders. Shareholders should consult a qualified tax advisor for any specific questions related to their specific tax treatment.