

**Report of Organizational Actions  
Affecting Basis of Securities**

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
PLAYSTUDIOS, Inc. (f/k/a Acies Acquisition Corp)		98-1606155	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
Adrienne Wells	(725) 877-7000	ir@playstudios.com	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and ZIP code of contact	
10150 Covington Cross Drive		Las Vegas, NV, 89144	
<b>8</b> Date of action		<b>9</b> Classification and description	
June 21, 2021		See attached	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
		MYPs and MYPSW	

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**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 ▶ [See attached.](#)

**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 ▶ [See attached.](#)

**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 attached.](#)

**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.

Blank lines for listing Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ See attached.

Blank lines for providing information on resulting loss recognition.

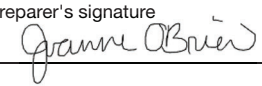
19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See attached.

Blank lines for providing other necessary information.

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.

**Sign Here**  
Signature ▶  Date ▶ 8/3/21

Print your name ▶ Scott Peterson Title ▶ Chief Financial Officer

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Joanne O'Brien		08/03/2021		P00963859
	Firm's name ▶ Deloitte Tax LLP	Firm's EIN ▶ 86-1065772		Phone no. 213-553-1697	
Firm's address ▶ 3883 Howard Hughes Parkway Ste 400 Las Vegas, NV 89169-0924					

**PLAYSTUDIOS, Inc.**  
**EIN: 98-1606155**  
**Attachment to Form 8937**

**The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended (the “Code”),<sup>1</sup> and includes a general summary regarding the application of certain U.S. federal income tax laws and regulations related to the effects of the Business Combination (as defined below) on certain securities. The information contained herein does not constitute tax advice and does not purport to be complete or describe the tax consequences that may apply to particular persons or categories of persons. You are encouraged to consult your own tax advisor regarding the applicability and effect of all United States (“U.S.”) federal, state, local and foreign tax laws.**

**Line 9**

Class A ordinary shares, Class B ordinary shares, units, and warrants of Acies (defined below).

Common stock, Series B Preferred Stock, Series C Preferred Stock, and Series C-1 Preferred Stock shares of Old PlayStudios (defined below).

Class A common stock and Class B common stock of New PlayStudios (defined below).

**Line 14**

On June 21, 2021 (the “Closing Date”), Acies Acquisition Corp. (“Acies”), a Cayman Islands exempted company, domesticated into a Delaware corporation (the “Domestication”) and consummated the previously announced business combination (the “Business Combination”) with PlayStudios, Inc., a Delaware corporation (“Old PlayStudios”), pursuant to the Agreement and Plan of Merger, dated as of February 1, 2021 (the “Merger Agreement”).<sup>2</sup>

**Domestication**

In the Domestication, Acies changed its name to PLAYSTUDIOS, Inc. (“New PlayStudios”), and (i) each Class A ordinary share of Acies automatically converted, on a one-for-one basis, into a share of the Class A common stock of New PlayStudios (the “New PlayStudios Class A Common Stock”); (ii) each Class B ordinary share of Acies automatically converted, on a one-for-one basis, into a share of the New PlayStudios Class A Common Stock, after giving effect to the forfeiture of certain Class B ordinary shares held by the Acies Acquisition LLC (the “Sponsor”) pursuant to the Sponsor Support Agreement by and among the Old PlayStudios, Acies and the Sponsor; (iii) each redeemable warrant of Acies automatically converted into a

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<sup>1</sup> Unless otherwise specified herein, “section” references are to the Code.

<sup>2</sup> Unless otherwise defined herein, capitalized terms used in this attachment have the meaning ascribed to them in the Merger Agreement the final prospectus and definitive proxy statement (the “Proxy Statement”) filed with the Securities and Exchange Commission on May 20, 2021 by Acies.

redeemable warrant to acquire one share of New PlayStudios Class A Common Stock (the “New PlayStudios Warrants”); and (iv) each of the then-issued and outstanding units of Acies (the “Acies Units”) was cancelled and entitled the holder thereof to one share of New PlayStudios Class A Common Stock and one-third of a New PlayStudios Warrant.<sup>3</sup>

### **PIPE Placement**

In connection with and immediately prior to the Business Combination, certain private investors (the “PIPE Investors”) purchased an aggregate of 25,000,000 shares of New PlayStudios Class A Common Stock (the “PIPE Shares”) for a purchase price of \$10.00 per share and an aggregate purchase price of \$250.0 million (the “PIPE Placement”).

### **Mergers**

On the Closing Date and immediately following the Domestication: (i) Catalyst Merger Sub I, Inc., a Delaware corporation and a direct wholly owned subsidiary of New PlayStudios (“First Merger Sub”), merged with and into Old PlayStudios, with Old PlayStudios surviving as a wholly owned subsidiary of New PlayStudios (the “First Merger”); and (ii) immediately following the First Merger, and as part of an integrated transaction with the First Merger, Old PlayStudios merged with and into Catalyst Merger Sub II, LLC, a Delaware limited liability company and a direct wholly owned subsidiary of New PlayStudios (“Second Merger Sub”), with Second Merger Sub surviving as a wholly owned subsidiary of New PlayStudios (the “Second Merger” and, together with the First Merger, the “Mergers”).

As of the Closing Date, the issued and outstanding capital stock of Old PlayStudios consisted of common stock, Series B Preferred Stock, Series C Preferred Stock, and Series C-1 Preferred Stock (collectively, the “Old PlayStudios Stock”). As of the effective time of the First Merger, each outstanding share of the Old PlayStudios Stock was converted into the right to receive, at the election of the holder and subject to the terms and conditions described in the Merger Agreement:

- a) to the extent that the holder of such share made an election to receive cash (the “Cash Electing Share” and “Cash Election”), an amount equal to approximately \$2.33 per share. However, the aggregate amount of Cash Electing Shares available to each holder was not permitted to exceed 15% of the shares of the Old PlayStudios Stock held by such holder.
- b) to the extent that the holder of such shares did not make an election to receive cash (the “Stock Electing Share” and “Stock Election”), approximately 0.233 shares of the New PlayStudios Class A Common Stock (the “Exchange Ratio”). If any share of the Old PlayStudios Stock was owned by Andrew S. Pascal (the “Founder”), or any member of

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<sup>3</sup> Although the matter is not free from doubt, each Acies Unit should be treated for U.S. federal income tax purposes as having been comprised of one Class A ordinary share of Acies and one-third of one redeemable warrant of Acies, such that the acquisition or disposition of an Acies Unit should be treated as the acquisition or disposition of (i) one Class A ordinary share of Acies and (ii) one-third of one redeemable warrant of Acies, and such treatment is assumed in the remainder of this attachment.

the Pascal Family Trust and their respective affiliates (collectively, the “Founder Group”), such share instead received approximately 0.233 shares of New PlayStudios Class B Common Stock (the “New PlayStudios Class B Common Stock”, and together with the New PlayStudios Class A Common Stock, the “New PlayStudios Common Stock”).<sup>4</sup>

Subject to the priorities specified on the applicable election form, a holder of the Old PlayStudios Stock was entitled to specifically identify which shares such holder elected to exchange for cash and which shares such holder elected to exchange for shares of New PlayStudios Common Stock.

In the event that any holder of the Old PlayStudios Stock failed to properly make a Cash Election or a Stock Election with respect to any or all shares of the Old PlayStudios Stock held by such holder, such holder was deemed to have made a Stock Election with respect to those shares.

In addition, as a result of the Mergers, each share of the Old PlayStudios Stock immediately prior to the Closing Date received a contingent right (the “Earnout Right”) to receive approximately 0.0333 additional shares of the New PlayStudios Class A Common Stock (the “Earnout Shares”), which right is contingent upon certain price milestones that are more fully set out in the Merger Agreement.

Further, as a result of the Mergers, each outstanding and unexercised option to purchase Old PlayStudios Common Stock (the “Old PlayStudios Option”), whether or not vested or exercisable, converted into an option to purchase a share of New PlayStudios Class A Common Stock (the “New PlayStudios Class A Option”), except for any such option that was held by any member of the Founder Group, which converted into an option to purchase a share of New PlayStudios Class B Common Stock (the “New PlayStudios Class B Option” and together with the New PlayStudios Class B Option, the “New PlayStudios Option”) in each case with the same terms except for the number of shares exercisable and the exercise price, each of which were adjusted using the Exchange Ratio.<sup>5</sup>

## **Line 15**

### **PIPE Placement**

As part of the Business Combination, the PIPE Investors purchased shares of New PlayStudios Class A common stock for cash. The aggregate tax basis in the acquired shares should equal the amount of cash paid therefor.

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<sup>4</sup> The shares of the New PlayStudios Class B Common Stock have the same economic terms as the shares of the New PlayStudios Class A Common Stock, but the shares of the New PlayStudios Class A Common Stock are entitled to one vote per share, and the shares of the New PlayStudios Class B Common Stock are entitled to 20 votes per share.

<sup>5</sup> Certain aspects of the Mergers are not subject to reporting on Form 8937, including (i) the holders of the vested Old PlayStudios Option who received New PlayStudios Options and the Earnout Right and (ii) the holders of the unvested Old PlayStudios Option who received the New PlayStudios Options.

## Domestication

The Company expects that the Domestication to qualify as a reorganization within the meaning of section 368(a)(1)(F).

The tax basis of the New PlayStudios Class A Common Stock received by a holder of the Class A ordinary shares of Acies in the Domestication should equal the tax basis in the Class A ordinary shares of Acies surrendered in exchange therefor, increased by the amount included in income under section 367(b), if any, to the extent that such holder is a U.S. Holder.<sup>6</sup>

The tax basis of the New PlayStudios Class A Common Stock received by a holder of the Class B ordinary shares of Acies in the Domestication should equal the tax basis in the Class B ordinary shares of Acies surrendered in exchange therefor, increased by the amount included in income under section 367(b), if any, to the extent that such holder is a U.S. Holder.

The tax basis of the New PlayStudios Warrants received by a holder of the redeemable warrants of Acies in the Domestication should equal the tax basis in the redeemable warrant of Acies surrendered in exchange therefor, increased by any amount included in income under section 367(b), to the extent that such holder is a U.S. Holder.

The tax basis of the New PlayStudios Class A Common Stock received by a holder of the Acies Units should equal the tax basis in the Class A ordinary shares of Acies included in such Acies Units, and the tax basis of the New PlayStudios Warrants received by a holder of the Acies Units should equal the tax basis in the redeemable warrants of Acies included in such Acies Units, in each case, increased by any amount included in income under section 367(b), to the extent that such holder is a U.S. Holder.

In general, under section 367(b):

- (i) a U.S. Holder who on the date of the Domestication owned (directly, indirectly or constructively) 10% or more of the total combined voting power of all classes of New PlayStudios shares entitled to vote or 10% or more of the total value of all classes of New PlayStudios shares, must include in income as a deemed dividend the “all earnings and profits amount” attributable to the shares held directly by such U.S. Holder.
- (ii) a U.S. Holder who on the date of the Domestication owned shares with a fair market value of \$50,000 or more, but owned (directly, indirectly or constructively) less than 10% of the total combined voting power of all classes of New PlayStudios shares entitled to vote and less than 10% or more of the total value of all classes of New

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<sup>6</sup> As defined under the Proxy Statement, a “U.S. Holder” means a beneficial owner of Acies shares or warrants that is for U.S. federal income tax purposes: (a) an individual citizen or resident of the United States; (b) a corporation (or other entity treated as a corporation) that is created or organized (or treated as created or organized) in or under the laws of the United States, any state thereof or the District of Columbia; (c) an estate whose income is subject to U.S. federal income taxation regardless of its source; or (d) a trust if (i) a U.S. court can exercise primary supervision over the trust’s administration and one or more U.S. persons are authorized to control all substantial decisions of the trust, or (ii) it has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a U.S. person.

PlayStudios shares, should recognize gain (but not loss) with respect to the Domestication, unless such U.S. Holder elects in accordance with applicable Treasury Regulations to include in income as a deemed dividend the “all earnings and profits amount” (as defined in the Treasury Regulations under section 367(b)) attributable to the shares held directly by such U.S. Holder; and

- (iii) a U.S. Holder who on the date of the Domestication owned shares with a fair market value of less than \$50,000, and owned (directly, indirectly or constructively) less than 10% of the total combined voting power of all classes of New PlayStudios shares entitled to vote and less than 10% of the total value of all classes of New PlayStudios shares, should not be required to recognize any gain or loss in connection with the Domestication and generally should not be required to include any part of the “all earnings and profits amount” in income.

## **Mergers**

The Company expects that the Mergers, taken together as an integrated transaction, should be treated as a tax-free reorganization under section 368(a).

### Stock Election

Under section 354(a), a holder of the Old PlayStudios Stock who did not make a Cash Election with respect to any shares of the Old PlayStudios Stock held by such holder should recognize no gain or loss as a result of the exchange of the Old PlayStudios Stock for the New PlayStudios Common Stock and the Earnout Right in the Mergers.

Under section 358(a), such holder’s aggregate tax basis in the New PlayStudios Common Stock received (other than shares of the New PlayStudios Common Stock treated as imputed interest) should equal the aggregate tax basis in the Old PlayStudios Stock surrendered in the exchange. For this purpose, the maximum number of shares of New PlayStudios Common Stock issuable pursuant to the Earnout Right generally should be treated as having been received by such holder at the time of the Mergers and adjustments to the such holder’s tax basis in shares of New PlayStudios Common Stock should be made if the maximum number of shares of New PlayStudios Common Stock issuable pursuant to the Earnout Right ultimately are not issued.

*Holders who did not make a Cash Election should consult their independent tax advisor to determine the treatment of the Earnout Shares, including the portion of the Earnout Shares that may be treated as interest under section 483.*

### Cash Election

Under sections 356(a) and 356(c), a holder of the Old PlayStudios Stock who made a Cash Election with respect to certain shares of the Old PlayStudios Stock held by such holder should recognize gain (but not loss) on each Cash Electing Share in an amount equal to the lesser of (i) the excess of the amount of cash received in exchange for such share (*i.e.*, \$2.33), over the tax basis in such Cash Electing Share and (ii) the amount of cash received by such holder. It is unclear how, for this purpose, shares of the New PlayStudios Common Stock issuable pursuant

to the Earnout Right would be taken into account for this purpose. With respect to the shares on which such holder made (or was deemed to make) a Stock Election, such holder should recognize no gain or loss on the Stock Electing Share as a result of the exchange of such share for the New PlayStudios Common Stock and the Earnout Right in the Mergers.

Under section 358(a), each Electing Old PlayStudios Holder's aggregate tax basis in the New PlayStudios Common Stock (other than shares of New PlayStudios Common Stock treated as imputed interest) received will generally equal such holder's aggregate tax basis in the shares of the Old PlayStudios Stock exchanged therefor, increased by the amount of taxable gain, if any, recognized by such holder, and decreased by the amount of cash received by such holder. For this purpose, the maximum number of shares of New PlayStudios Common stock issuable pursuant to the Earnout Right generally should be treated as having been received by such holder at the time of the Mergers and adjustments to the holder's tax basis in shares of New PlayStudios Common stock actually received should be made if the maximum number of shares of New PlayStudios Common stock issuable pursuant to the Earnout Right ultimately are not issued.

*Holders who made a Cash Election should consult their independent tax advisor to determine the treatment of the Earnout Shares, including the treatment of a portion of the Earnout Shares as interest under section 483.*

#### **Line 16**

For purposes of computing gain (but not loss) under sections 356(a), shareholders should take into account the specified or default priorities on the election form when applying the cash received at closing.

Further, where one share of the New PlayStudios Common Stock is received in exchange for more than one share of the Old PlayStudios Stock, the tax basis must generally be allocated to the shares of the New PlayStudios Common Stock received in a manner that reflects, to the greatest extent possible, the basis in the shares of Old PlayStudios Stock that were acquired on the same date and at the same price. To the extent it is not possible to allocate the tax basis in this manner, the aggregate tax basis in the Old PlayStudios Stock surrendered must be allocated to the New PlayStudios Common Stock in a manner that minimizes the disparity in the holding periods of the Old PlayStudios Stock whose basis is allocated to any particular share of the New PlayStudios Common Stock received.

#### **Line 17**

**PIPE Placement:** Sections 1001 and 1012.

**Domestication:** Sections 368(a), 354(a), 358(a), 367(b) and Treas. Reg. section 1.367(b)-2 and 1.367(b)-3.

**Mergers:** Sections 354(a)-(b), 356(a), 356(c), 358(a)-(b), and 368(a).



**Line 18**

**PIPE Placement:** No loss may be recognized as a result of the PIPE Placement.

**Domestication:** No loss may be recognized as a result of the Domestication.

**Mergers:** No loss may be recognized as a result of the Mergers.

**Line 19**

The reportable tax year is 2021 with respect to (i) the PIPE Investors, (ii) the holders of Class A ordinary shares of Acies, Class B ordinary shares of Acies, redeemable warrants of Acies, and Acies Units, (iii) the holders of the Old PlayStudios Stock who did not make a Cash Election, and (iv) the holders of the Old PlayStudios Stock who did make a Cash Election, who in each case are calendar year taxpayers.

*For a detailed description of the Domestication and Mergers and certain U.S. federal income tax consequences thereof, see the discussion entitled “U.S. FEDERAL INCOME TAX CONSEQUENCES FOR HOLDERS OF ACIES SECURITIES” and “U.S. FEDERAL INCOME TAX CONSEQUENCES FOR HOLDERS OF PLAYSTUDIOS CAPITAL STOCK” in the registration statement filed by Acies (Registration No. 333-253135, dated May 20, 2021, as amended (available at <https://www.sec.gov>)).*

*The information contained herein does not constitute tax advice and is intended to provide only a general summary and is not intended to be a complete analysis or description of all potential U.S. federal income tax consequences of the transactions described herein. Moreover, the discussion set forth above does not address tax consequences that may vary with, or are dependent on, individual circumstances. Shareholders are urged to consult with their own tax advisors with respect to the tax consequences of the transactions described herein as applicable to their particular circumstances.*