

## Bulgaria - Tax Guide

### SuperShare Plan

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#### 1. Introduction

The following is a summary of the tax treatment of an award made to you by Aristocrat Leisure Limited under the SuperShare Plan (the "Plan"). This summary assumes that you have been resident in Bulgaria during the lifecycle of the award.

The tax treatment as explained herein is intended as a guide only. It is limited to a general description of the national tax laws, and is not intended to address city, regional, or other local tax laws that may be applicable to you. It may not apply to your particular tax or financial situation, and we are not in a position to assure you of any particular tax result. Therefore, we recommend that you consult with your own independent tax advisor regularly to determine the consequences of taking or not taking any action concerning your shares, and to determine how the tax or other laws in Bulgaria apply to your specific situation. This information was last reviewed in July, 2024.

#### 2. Overview

<b>Award of Matching Shares</b>	<ul style="list-style-type: none"> <li>An award is a promise to receive Aristocrat Leisure Limited shares in the future.</li> <li>You are <b>not subject to taxation on equity</b> at this point.</li> </ul>
<b>Vesting of Matching Shares</b>	<ul style="list-style-type: none"> <li>You will <b>be subject to tax</b> at this point.</li> <li>Taxable income is calculated based on the fair market value (FMV) of the shares.</li> <li><b>Aristocrat Leisure Limited is responsible for reporting the income.</b></li> </ul>
<b>Sale of shares</b>	<ul style="list-style-type: none"> <li>This event may generate additional income known as Capital Gain (CG), or a loss.</li> <li>If there is a <b>Capital Gain</b> on the sale of shares, tax is due in the tax year of sale.</li> <li>You are responsible for calculating the tax and reporting this capital gain.</li> </ul>

### 3. Tax Treatment

	Award of Matching Shares	Vesting of Matching Shares	Sale of shares
<b>Income tax / Capital gains tax</b>	No	Income tax payable at a flat rate of 10%.	Capital gains tax payable at a flat rate of 10%.
<b>Employee social tax</b>	No	Yes Flat rate of 13.78% capped at earnings of BGN 3,750 of income per month.	No
<b>Employer's social tax</b>	No	Yes Flat rate of 19.62% capped at earnings of BGN 3,750 per month.	No
<b>Income tax withholding</b>	No	Yes	No
<b>Employee social tax withholding</b>	No	Yes	No
<b>Employee tax reporting</b>	No	No	Yes
<b>Employer tax reporting</b>	No	Yes	No

**Income Tax** - The rates set out in this guide are marginal rates. In the event that you are required to pay income tax on the value of your award, the amount of income tax you pay will depend on your marginal tax rate. Generally, the more you earn, the higher your marginal income tax rate.

#### 4. Will I pay tax when I am granted an award under the Plan?

You will not have to pay any tax at the time you are granted an award under the Plan.

#### 5. Will I pay tax when I receive my Matching Shares?

##### Income Taxes

When your award vests, income tax will be triggered on the market value of the Matching Shares at the time of vesting at a flat rate of 10%.

##### Social Taxes

For earnings up to BGN 3,750 per month, you will be required to pay social taxes on the market value of the Matching Shares when you receive these shares at a rate of 13.78%.

##### Payment Method

Aristocrat Leisure Limited will deduct and withhold tax on your behalf.

Any variance between the amount of tax withheld and your actual tax liability will be your responsibility.

#### 6. How will any benefits under the Plan be reported?

You will need to report:

- Any capital gains tax due on the sale of shares to the tax authorities in the annual tax return, due by April 30.

#### 7. Will I have to pay any tax on any dividends paid on the shares?

A dividend is a right to participate in the company's profits, at the discretion of the board of directors.

Any dividends you receive will be taxed at a rate of 5%.

## **8. Will I pay any tax when I sell my shares?**

As the calculation of capital gains can be complex and may be subject to certain exemptions, we recommend that you consult your personal financial/tax advisor.

If the sale price of your shares is higher than their cost basis (broadly, the cost basis is equal to the fair market value of the shares at the time of vesting), the difference will be taxable as a capital gain, at a rate of 10%. If the sale price is lower than the cost basis of the shares, you may realize a capital loss.

When you sell your shares, the local company will not withhold any taxes on the gains. You should report any gain or loss arising in your tax return for the tax year in which the sale took place.

## **9. Additional Information**

### Purchased Shares:

#### **Exchange Control issues**

When cross-border transfer or payment to a third party amounting to BGN 30,000 or more, or their equivalent in another currency are effected, documents certifying the grounds for and the amount of the transfer or payment shall be presented to the payment service provider.

#### **Foreign asset reporting**

You are required to report any cash or share accounts held in a foreign institution. The information must be submitted to the National Revenue Agency by April 30.

### Matching Shares:

#### **Exchange Control issues**

When cross-border transfer or payment to a third party amounting to BGN 30,000 or more, or their equivalent in another currency are effected, documents certifying the grounds for and the amount of the transfer or payments shall be presented to the payment service provider.

#### **Foreign asset reporting**

You are required to report any cash or share accounts held in a foreign institution. The information must be submitted to the National Revenue Agency by April 30.

## **10. Sample tax calculation**

The following is an example of the tax implications upon vesting of shares and subsequent sale of shares under the Plan. This example assumes:

- You were in Bulgaria the whole time from grant to vest of the SuperShare Plan award.
- An income tax rate of 10%.
- Capital Gains Tax of 10%.
- This example does not take into account any annual Capital Gains Tax (CGT) exemptions which may be available.
- This illustration does not take into account any capped social tax amount.
- Tax calculation is based on the currency in which the shares are traded and any subsequent currency conversion has not been applied.

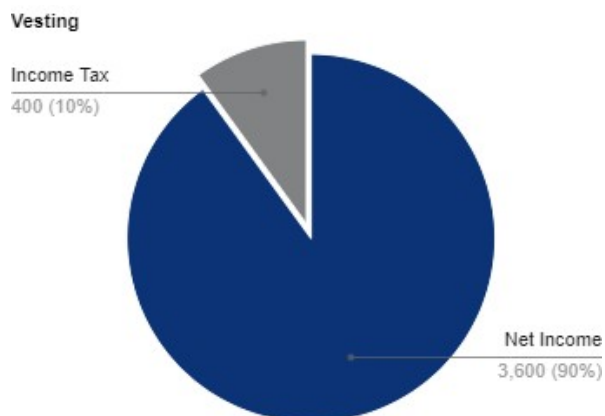
## **Tax implications**

### **Award**

No taxes due.

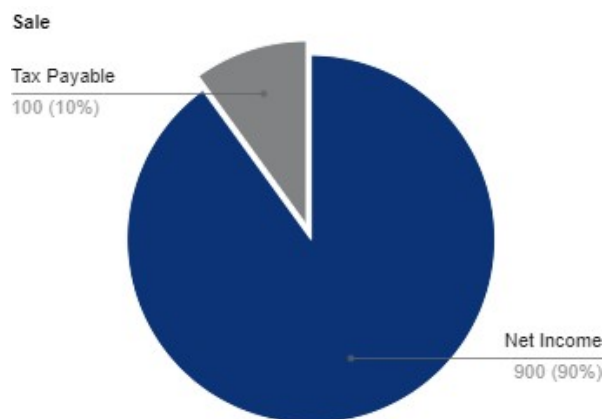
## Vesting

Number of Matching Shares Vested	100
Fair Market Value (FMV) of the Matching Shares on Vesting	AUD 40
Taxable Income (100 x AUD 40)	<b>AUD 4,000</b>
<b><u>Income Tax Withheld (AUD 4,000 x 10%)</u></b>	<b><u>AUD 400</u></b>
Net Income (AUD 4,000 - AUD 400)	<b>AUD 3,600</b>



## Sale

Number of shares Sold	100
Fair Market Value (FMV) of the shares on Sale	AUD 50
Sale Proceeds (100 x AUD 50)	AUD 5,000
<b>Less: Acquisition Costs</b>	
Amount Previously Taxed	<b>AUD 4,000</b>
Capital Gain	AUD 1,000
<b><u>Tax Payable (AUD 1,000 x 10%)</u></b>	<b><u>AUD 100</u></b>
Net Income (AUD 1,000 - AUD 100)	<b>AUD 900</b>



\* Please note the above is for information purposes only. Transaction fees may also apply and are not included.

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