



G5 ENTERTAINMENT AB

Item 9 – Board’s proposal to amend the articles of association

In order to secure delivery of Performance Shares to the participants in the proposed incentive program LTIP 2018 (items 7-8 at the Extraordinary General Meeting), the Board proposes that a new class of shares, named class C shares, is introduced. The new class C shares shall be issued solely for the purpose of securing delivery of ordinary shares to the participants in share-based incentive programs as resolved by a general meeting of shareholders. In connection with the introduction of the new class of shares, the Board proposes that the class of shares currently existing is named ordinary shares. The class C share shall carry one tenth (1/10) vote per share and shall not entitle to dividends. Further, the class C share shall be redeemable upon a resolution by the Board or the general meeting of shareholders. The class C share shall also be convertible into ordinary shares upon a resolution by the Board or the general meeting of shareholders.

Thus, the Board proposes that the general meeting resolves that § 5 in the articles of association shall have the following wording:

“5§. The number of shares shall be not less than 5,000,000 and not more than 20,000,000.

Shares may be issued in two classes, ordinary shares and class C shares. Class C shares shall be issued solely for the purpose of securing delivery of ordinary shares to participants in share based incentive programs as resolved by a general meeting of shareholders.

The ordinary shares shall carry one vote each and the class C shares shall carry one tenth vote each. Shares of either class may be issued up to an amount corresponding to the entire share capital.

Class C shares do not entitle to dividends. Upon the company’s liquidation, class C shares carry equivalent right to the company’s assets as other shares, however not to an amount exceeding the quotient value of the share.

Should the company resolve on an issue of new ordinary shares and class C shares, against other payment than contribution in kind, each holder of ordinary shares and class C shares has preferential rights to subscribe for new shares of the same class in proportion to the number of old shares held by such holder (primary preferential rights). Shares not subscribed for with primary preferential rights shall be offered for subscription to all shareholders in the company (subsidiary preferential rights). If the number of shares so offered is less than the number subscribed for with subsidiary preferential rights, the shares shall be disturbed among the subscribers in proportion to the number of shares already held, or, to the extent that this is not possible, by lot.

Should the company resolve on an issue of new shares solely of ordinary shares or class C shares, against other payment than contribution in kind, all shareholders, irrespective of which class of shares held, are entitled to preferential rights to subscribe for new shares in proportion to the number of shares previously held.

The stipulations above regarding preferential rights shall apply mutatis mutandis for new issues of warrants and convertible debentures, and shall not limit the possibility to resolve on an issue of shares in with deviation from the shareholders' pre-emption rights.

If the share capital is increased by a bonus issue, where new shares are issued, new shares shall be issued in relation to the number of shares of the same classes already held. In such cases, old shares of a specific class shall entitle to new shares of the same class. Following a requisite amendment of the articles of association, the aforementioned stipulation shall not infringe on the possibility to issue shares of a new class by a bonus issue.

Reduction of the share capital, however not below the minimum share capital, may, following a resolution by the company's board of directors or general meeting, be made by redemption of class C shares. When a resolution on reduction has been passed, an amount corresponding to the reduction amount shall be transferred to the company's equity reserves, if required funds are available. The redemption payment per class C share shall correspond to the quotient value of the share.

Following notice of the redemption resolution, holders of class C shares shall promptly receive payment for the class C share, or, if authorization from the Swedish Companies Registration Office or a court is required, following notice that the final decision has been registered.

Class C shares held by the company, may, upon a resolution by the company's board of directors or general meeting, be reclassified into ordinary shares. Immediately thereafter, the board of directors shall report the reclassification to the Swedish Companies Registration Office (Sw. Bolagsverket) for registration. The reclassification is effected then it has been registered and the reclassification been noted in the Swedish Central Securities Depository."¹

The Board's proposal for new articles of association is attached as **Appendix A**.

The Board's proposal under this item 9 is conditional upon that the Extraordinary General Meeting formerly has approved the Board's proposal under items 7-8 and subsequently approves the Board's proposals under items 10-12.

Majority requirement

A valid resolution in respect of the Board's proposal at the Extraordinary General Meeting requires that shareholders at the general meeting representing both at least two thirds (2/3) of the number of votes cast and the number of shares represented voting for the proposal.

¹ The English text is an in-house translation of the Swedish original. The Articles of Association will be registered with the Swedish Companies Registration Office (Sw. Bolagsverket) in the Swedish language only.

Stockholm in October 2018

G5 Entertainment AB (publ)

Board of Directors