



## **G5 ENTERTAINMENT AB**

*N.B. This English text is an unofficial translation of the Swedish original of the notice to attend the Annual General Meeting in G5 Entertainment AB (publ), and in case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.*

### **Notice to attend the Annual General Meeting of G5 Entertainment AB (publ)**

The shareholders of G5 Entertainment AB (publ), reg. no 556680-8878 (the “**Company**”) are hereby summoned to attend the Annual General Meeting held at 08.00 am (CEST) on Wednesday May 8, 2019, at 7a Conference center, Strandvägen 7a, Stockholm, Sweden. Registration begins at 7.30 am (CEST).

#### **Notification**

Shareholders who wish to attend the annual general meeting must:

- be recorded as shareholders in the share register maintained by Euroclear Sweden AB on Thursday May 2, 2019;
- no later than Thursday May 2, 2019, preferably before 4 pm (CEST), have given notice of their participation and potential assistants to G5 Entertainment AB, Birger Jarlsgatan 18, 3 tr, 114 34 Stockholm or by e-mail to [agm@g5e.se](mailto:agm@g5e.se), stating full name, personal identification number or registration number, address, day-time phone number and, when applicable, information regarding any representative, proxy and/or a maximum of two assistants.

Shareholders whose shares are nominee-registered must, in order to have the right to attend the Annual General Meeting, request to be temporarily registered in the share register kept by Euroclear Sweden AB. The shareholder must instruct their nominee thereof in due time prior to Thursday, May 2, 2019, by which date such registration must be executed.

Shareholders represented by proxy shall issue a written and dated power of attorney to the proxy signed by the shareholder. A power of attorney issued by a legal entity shall have a copy of registration certificate attached, or if such certificate does not exist, equivalent authorization document. A power of attorney form for shareholders who wish to participate the general meeting by proxy are available on the Company’s website (<http://g5e.se/corporate>). The power of attorney and the registration certificate may not be issued earlier than one year before the date of the general meeting, with the exception of the power of attorney specifies a longer period, up to a maximum of five years. The original power of attorney and any registration certificate must be available at the Annual General Meeting and copies of the documents should, in advance of the general meeting be sent to the Company at the address above.



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## Agenda

1. Opening of the Annual General Meeting
2. Preparation and approval of voting register
3. Election of chairman of the general meeting
4. Presentation and approval of the agenda
5. Election of one or two persons to verify the minutes together with the chairman
6. Determination of whether the meeting has been duly convened
7. Presentation by the CEO
8. Presentation of the annual report and auditor's report, as well as consolidated financial statements and auditor's report on the consolidated accounts
9. Resolution regarding:
  - a. Adoption of the income statement and balance sheet, as well as the consolidated income statement and consolidated balance sheet
  - b. Appropriations concerning the Company's profit and loss in accordance with the adopted balance sheet
  - c. Discharge from liability for the board directors and the CEO
10. Determination of the number of directors and auditors
11. Determination of remuneration to the board of directors and auditors
12. Election of board directors
13. Election of auditor
14. Resolution regarding composition of the nominating committee
15. Resolution regarding adoption of guidelines for remuneration to senior executives
16. Resolution of performance based, long-term share program for executive management and key employees
17. Resolution of performance based, long-term share program for the Company's CEO
18. Resolution to authorize the board of directors to resolve on issuance of class C shares
19. Resolution to authorize the board of directors to resolve to acquire own class C shares
20. Resolution to transfer own ordinary shares
21. Resolution to authorize the board of directors to resolve on issue of ordinary shares
22. Resolution to authorize the board of directors to resolve to acquire and transfer own ordinary shares
23. Resolution to authorize the board of directors to resolve to repurchase warrants issued under the option program 2016/2019
24. Resolution to authorize the board of directors to undertake minor adjustments of the resolutions
25. Closure of the Annual General Meeting



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## **The nominating committee's proposals to resolutions**

The nominating committee of G5 Entertainment AB (publ) consists of Marianne Flink (chairman of the nominating committee and appointed by the shareholder Swedbank Robur Fonder), Jeffrey Rose (director of the board of the Company and appointed by the shareholder Wide Development Limited), Sergey Shults (appointed by the shareholder Proxima Limited), Petter Nylander (chairman of the board of the Company and appointed by the shareholder Purple Wolf Limited) and Tommy Svensk (appointed by the shareholder Tommy Svensk). The members are appointed by shareholders that on March 31, 2019 together represented approximately 28.8 percent of the voting power of all shares of the Company. The nominating committee proposes the following:

### **Item 3 - Election of chairman of the general meeting**

The nominating committee proposes that the chairman of the board of the Company Petter Nylander is appointed as chairman of the Annual General Meeting.

### **Item 10 - Determination of the number of board directors and number of auditors**

The nominating committee proposes that the board, for the period until the end of the next Annual General Meeting shall consist of six (6) directors and no deputies. The nominating committee proposes that a registered public accounting firm and a head auditor is appointed at the general meeting.

### **Item 11 - Determination of remuneration to the board of directors and auditors**

The nominating committee proposes that the remuneration to the board, for the period until the end of the next Annual General Meeting, shall unchanged amount to SEK 450,000 to the chairman of the board and SEK 250,000 each to the other directors appointed by the Annual General Meeting. The total remuneration to the board shall amount to SEK 1,650,000. A board director who at the same time is employed by the Company shall not receive any director's fee.

Further, the nominating committee proposes, for the period until the end of the next Annual General Meeting, in addition to directors' fees, shall be paid to the members of the Company's audit committee, whereby the fee to the chairman of the audit committee shall amount to SEK 80,000 and the fee to the other members of the audit committee shall amount to SEK 50,000 each.

Furthermore, the nominating committee proposes, for the period until the end of the next Annual General Meeting, in addition to directors' fees, shall be paid to the members of the Company's compensation committee, whereby the fee to the chairman of the compensation committee shall amount to SEK 50,000 and the fee to the other members of the compensation committee shall amount to SEK 30,000 each.

Further, it is proposed that remuneration to the auditor shall be paid according to current account and approved invoices.



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## **Item 12 - Election of board directors**

As directors in the Company, the nominating committee proposes re-election of Petter Nylander, Jeffrey W. Rose, Vladislav Suglobov (also CEO), Christopher Carvalho, Stefan Lundborg and Johanna Fagrell Köhler.

It is proposed that Petter Nylander is re-elected as chairman of the board.

## **Item 13 - Election of auditor**

The nominating committee proposes, for the period until the end of the next Annual General Meeting, re-appointment of the registered public accounting firm PricewaterhouseCoopers AB (“PwC”) as the Company’s auditor. PwC has notified that in the event of their being re-appointed, Aleksander Lyckow will continuously be the auditor-in-charge.

## **Item 14 - Resolution regarding composition of the nominating committee**

The nominating committee proposes the Annual General Meeting to resolve on the following principles for the composition of the nominating committee.

The nominating committee shall consist of representatives of the five (5) largest, as regards to voting power, shareholders as of the last trading date in August, which is August 30 for the financial year 2019. In the event that any of the five (5) largest shareholders waives their right to appoint a representative, the sixth largest shareholder shall be asked to appoint a representative and so on, until the nominating committee consists of five members.

The nominating committee shall perform the tasks ensuing from the Swedish Code of Corporate Governance. The nominating committee shall produce proposals on the following matters to be presented to the Annual General Meeting in 2020 for resolution.

- i. A proposal on the chairman of the meeting
- ii. A proposal on the board of directors
- iii. A proposal on the chairman of the board
- iv. A proposal on fees for the board directors and the chairman
- v. A proposal on remuneration for work of board committees
- vi. A proposal on auditors
- vii. A proposal on fee for the Company’s auditors
- viii. A proposal on the composition of the nominating committee

Members of the nominating committee must relinquish their places on the committee if the shareholder who originally appointed them is no longer one of the five largest shareholders, following which new shareholders, in order of the size of their holding, will be offered the opportunity to elect a member. However, unless there are exceptional circumstances, no changes will be made to the composition of the nominating committee if only minor changes to voting rights have taken place, or the change occurs later than three months prior to the Annual General Meeting. Changes in the composition of the nominating committee shall be announced via a separate press release as soon as possible.

The chairman of the board of the Company is responsible for contacting the largest shareholders and handle the formation of the nominating committee in accordance with the procedure described below.



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The chairman of the board of the Company is also responsible for convening the nominating committee, once all members are appointed, to their first meeting. The nominating committee shall appoint a chairman of the committee. The nominating committee shall be disclosed on the Company's website, <http://www.g5e.com/corporate/governance>, no later than six (6) months before the next Annual General Meeting.

The largest shareholders, who are entitled to appoint a representative in the committee, shall receive a written request from the chairman of the board of the Company in which they are invited to appoint a representative in the committee, and the largest shareholders shall provide their response, whether the shareholder wants to appoint a representative or not in the committee, no later than seven days from the day on which the request was sent to the shareholder. The response from the major shareholders shall be: i) unconditional (i.e. the acceptance of the assignment may not be conditioned upon the fulfillment of certain conditions, events or similar), ii) final and binding, and iii) irrevocable (i.e. a shareholder who decides not to appoint a representative may not change such decision later on even though the change is made prior to the announcement to the market of the members of the committee).

In case the response is not provided within the time limit stated above, the shareholder shall be considered to have unconditionally and irrevocably decided not to appoint any representative in the committee, and a response which contains a condition shall also be treated as a decision not to appoint any representative. In case a) a shareholder responds that it does not want to appoint any representative, b) provides a conditioned response; or c) following the expiry of the above time limit, such shareholder has unconditionally and irrevocably thereby waived its right to appoint a representative in the committee. The chairman of the board shall thereafter contact the sixth largest shareholder and so forth applying the same procedure to appoint a representative as set forth above.

Requests and responses provided in accordance with the above shall be made in writing (an e-mail is considered to be made in writing), and shall be duly kept, and the board of the Company shall through the chairman of the board receive a copy of the documents. In case a request is sent by regular mail, the registered address of the shareholder in Euroclear Sweden AB will be used.

The period of office of the nominating committee shall extend until a new nominating committee has been appointed. The Company is responsible for costs associated with the nominating committee's work. The members of the nominating committee shall not receive any compensation from the Company.

Should any of the members of the nominating committee voluntarily resign from the assignment before their task is completed, the shareholder who appointed that member must appoint a successor, provided that the shareholder is still one of the five largest owners in terms of votes that are represented in the nominating committee. Such event shall be consistent with the notice and response procedures and time limits described above, including without limitation reasonable time limits, irrevocable and unconditional responses, and such other reasonable procedures as the chairman of the committee may decide. Notice shall be given and records shall be kept as provided above.

In addition to what is stated above the Swedish Corporate Governance Code shall be applicable to the nominating committee and its tasks.



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## The Board's proposals to resolutions

### **Item 9b - Resolution regarding appropriations concerning the Company's profit and loss in accordance with the adopted balance sheet**

The board of directors proposes a share dividend for the financial year 2018 of SEK 2.50 for each share (in total SEK 22,459,625) and that the remaining earnings be carried forward (in total SEK 96,321,415).

### **Item 15 - Resolution regarding adoption of guidelines for remuneration to senior executives**

The board of directors proposes that the Annual General Meeting adopts the following guidelines for remuneration to senior executives.

Senior executives refer to the chief executive officer (the "CEO") and other members of the group's executive management team in the Company. Compensation levels should be at a market level, competitive and consider the individual's areas of responsibility and expertise and be negotiated annually. The CEO and other senior executives are remunerated partly by a fixed monthly salary and partly through variable compensation based on the group's profitability. The CEO's variable compensation during the year may not exceed 80 percent of the fixed salary, divided so that 60 percent is based on the Company's financial development and 20 percent is based on targets determined by the board of directors. The COO's variable compensation may not exceed 70 per cent of the fixed salary, divided so that 55% shall be based on the Company's financial development and 15 per cent shall be based on targets determined by the board of directors. The variable compensation to the other executive management may not exceed 60 percent of the fixed salary and shall be based on the Company's financial development.

Variable compensation based on the Company's financial development shall be calculated quarterly on the basis of the Company's revenue growth and operating margin. A target range and a sum of normalized results are defined for both parameters. This in turn defines the result. The variable compensation is paid in the form of salary not conferring pension rights. The pension plan is to be at a market level and alike for senior executives as for other employees. The pension premium shall be defined contribution. Similarly, other benefits for senior executives shall be at a market level, competitive and in substance alike as for other employees. Senior executives, including the CEO, shall be offered to participate in long-term incentive programs, if established by the Company.

Employment agreements with senior executives shall contain a notice period of at least three (3) months if given by the senior executive and a maximum of twelve (12) months if given by the Company. Upon termination by the Company a severance pay may at most be equal to the fixed monthly salary for twelve (12) months. The chairman of the board negotiates the yearly remuneration of the CEO and concludes agreements after approval from the board. The CEO negotiates compensation to senior executives and concludes agreements after approval by the board.

The board may, if special reasons for doing so exist and as provided for in Chapter 8, Section 53 of the Swedish Companies Act, do minor changes on an individual basis from the abovementioned guidelines.

### **Item 16 – Resolution of performance based, long-term share program for executive management and key employees**

The board want to implement a new share-based incentive program for the Company's executive management and other key employees, alike the incentive program resolved by the extraordinary general meeting on November 7, 2018. Thus, the board propose a performance based, long-term share



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program (“**LTIP 2019**”). The board is convinced that the proposed program will be beneficial to the Company’s shareholders as it will contribute to the possibilities to recruit and retain competent employees, is expected to increase the commitment and the motivation of the program participants and will strengthen the participants’ ties to the group and its shareholders. As stated in the principal terms and conditions below, LTIP 2019 is proposed to have a vesting period of approximately 3 years. The board proposes that the Company’s CEO, who is also a director of the board, shall be given the opportunity to participate in LTIP 2019. The proposal regarding the CEO’s participation in LTIP 2019 is presented in a separate item 17 below.

The board’s proposal under this item 16 is conditional upon that the Annual General Meeting resolves in accordance with the proposed resolutions under items 17 – 20 below.

## ***Principal terms and conditions:***

- a) LTIP 2019 is proposed to include a maximum of 120 senior executives and other key employees in the Company or its subsidiaries. Participants are offered to be allotted, free of charge, ordinary shares in the Company (“**Performance Shares**”), provided that the participant remains employed by the Company or any of its subsidiaries until the date of publication of the Company’s interim report for the period January – March 2022, estimated to be released on May 3, 2022.
- b) The allotment of Performance Shares relates to the development in the total shareholders return of investment of the Company’s ordinary share (“**TSR**”) calculated from the volume weighted average price of the Company’s ordinary share<sup>1</sup> for the period from May 9, 2019 up to and including May 15, 2019 compared to the volume weighted average price of the Company’s ordinary share for a corresponding measurement period following publication of the Company’s interim report for the period January – March 2022, estimated to be released on May 3, 2022 (the “**Performance Period**”). TSR is the development of the share price, plus dividend payments, expressed in percentage for a specific period.
- c) In order for allotment of Performance Shares to take place, the TSR must exceed a minimum level of 95 percent for the entire Performance Period equal to 25 percent per year during the Performance Period (the “**Threshold Level**”). Maximum allotment is awarded if the TSR reach or exceed a level of 205 percent for the entire Performance Period equal to 45 percent per year during the Performance Period (the “**Target Level**”).
- d) Not more than 140,000 Performance Shares may be allotted under the program. Provided that the TSR increase reaches the Target Level, the participants may be allotted the following maximum number of Performance Shares per person within six groups:
  - Group 1: Chief Operative Officer (COO) – 10,000 Performance Shares
  - Group 2: approx. 2 key employees – 4,200 Performance Shares
  - Group 3: approx. 12 key employees – 3,300 Performance Shares
  - Group 4: approx. 20 key employees – 1,700 Performance Shares

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<sup>1</sup> The share price is determined from the listed settled prices according to Nasdaq Stockholm’s stock exchange list for shares in G5 Entertainment AB (publ), however, not less than the share’s quotient value being SEK 0.1. Days at which no paid price is quoted shall be excluded from the calculation of the volume weighted average price.



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- Group 5: approx. 50 key employees – 500 Performance Shares
  - Group 6: approx. 40 key employees – 250 Performance Shares
- e) The invitation to participate in LTIP 2019 shall be provided by the Company no later than June 15, 2019. Application for participation shall be submitted to the Company no later than June 30, 2019. Additional senior executives and/or key employees, who have not started their employment prior to the last date of application for participation, may be invited to participate in LTIP 2019 provided that their employment has started on or before December 31, 2019 and that the board consider their participation consistent with the rationale of LTIP 2019.
- f) The number of Performance Shares included in LTIP 2019 is subject to customary recalculation due to changes in the capital structure, such as bonus issue, consolidation or split of shares, new issue or reduction of the share capital or similar measures.
- g) Before the number of Performance Shares to be allotted is finally determined, the board shall examine whether the allotment is reasonable considering the Company's financial results and position, the conditions on the stock market as well as other circumstances, and if not, as determined by the board, reduce the number of shares to be awarded to the lower number of shares deemed appropriate by the board.
- h) The board, or a committee established by the board for this purpose, will be responsible for the detailed drafting and management of LTIP 2019, within the scope of the principal terms and conditions as specified. The board shall thereupon be entitled to make adjustments to meet specific rules or market conditions abroad. The board shall also be entitled to make other adjustments provided that there are substantial changes in the group or its surroundings which would signify that conditions for allocation in accordance with LTIP 2019 are no longer appropriate.
- i) Participation in LTIP 2019 presupposes that such participation is legally and suitably possible and that the administrative costs and financial efforts are reasonable in the opinion of the board.
- j) The board is moreover entitled to introduce an alternative incentive solution for employees in countries where participation in LTIP 2019 is not appropriate. Such alternative incentive solution shall, as far as practicable, be formulated employing the same conditions as for LTIP 2019.

## ***The costs of LTIP 2019***

The total costs of LTIP 2019 if the maximum number of Performance Shares is allotted are estimated to a maximum of SEK 8,352,604, which corresponds to approximately 7.0 percent of total employment costs for 2018. The costs will be allocated over the years 2019–2022. The costs have been calculated as the sum of salary costs, including social costs, and administration costs for the program. Administration costs are estimated to be less than SEK 1,000,000. If no allotment of shares is made, expenses for salaries of approximately SEK 2.3 million and administration will arise. The salary costs have been calculated based on the value, at the start of the program, of the Performance Shares that may be allotted if the Target Level is reached, with a reduction of the present value of estimated dividend payments during a three-year period. The estimate on maximum costs assumes that Target Level is reached and that the number of participants that will end their employment with the group during the Performance Period is the same as the historical average. In the calculation, a share price





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per share of SEK 100 has been applied. The number of outstanding shares is estimated to increase with not more than 140,000 shares, corresponding to a dilutive effect of approximately 1.56 percent in relation to the number of registered shares in the Company at the date of the notice.

## ***Effect on certain key ratios***

The costs and dilution are expected to have marginal effect on key ratios of the Company. The annual cost of LTIP 2019, including social charges, is estimated to be approximately SEK 0.9 million based on the above assumptions. This cost can be related to the Company's total employment costs, including social charges, of SEK 127 million in 2018.

## ***Delivery of shares within the framework of LTIP 2019***

In order to implement LTIP 2019 in a cost-efficient way, the board has considered various alternatives for delivery of ordinary shares to the participants in the program. In this respect, the board has found the most cost-efficient method to include the following steps:

- 1) The board resolves on a directed new issue of class C shares to an assisting bank at an issue price corresponding to the quotient value of the shares (SEK 0.1 per share). For the purpose of this step 1), the board propose that the general meeting authorizes the board to resolve on issuance of class C shares as set out in item 18 below.
- 2) The board resolves to repurchase of own class C shares from the assisting bank at quotient value of SEK 0.1 per share. For the purpose of this step 2), the board proposes that the general meeting authorizes the board to resolve to acquire own class C shares as set out in item 19 below.
- 3) The Company will hold its own class C shares until the end of the Performance Period under LTIP 2019. When the number of shares to be delivered under LTIP 2019 has been calculated, the board will resolve to convert class C shares held by the Company into ordinary shares to the extent needed to fulfil the Company's commitments under LTIP 2019, while remaining class C shares will be redeemed or kept by the Company to secure delivery of ordinary shares under other share-based incentive programs adopted by any general meeting. The possibility to convert and redeem class C shares is stated in the Company's articles of association.
- 4) The ordinary shares held by the Company following completion of the conversion of class C shares, are transferred, free of charge, to the participants in LTIP 2019 who, according to the terms and conditions for LTIP 2019, are entitled to receive ordinary shares in the Company. For the purpose of this step 4), the Board proposes that the general meeting resolves to transfer own ordinary shares as set out in item 20 below.

## ***Preparation of the proposal***

The proposal for LTIP 2019 has been prepared by the Company's remuneration committee and the board with assistance from independent expertise and in consultation with major shareholders. Vlad Suglobov, board director and CEO, has not participated in preparing the proposal for LTIP 2019.

## ***Previous incentive programs in the Company***

Please refer to the Company's annual report of 2018, note C13, and the Company's website, [www.g5e.com/corporate/share](http://www.g5e.com/corporate/share).

## ***Other***



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The proposal under this item 16 is conditional upon that the Annual General Meeting resolves the board's proposals in items 17 – 20 below.

## ***Majority requirement***

A valid resolution in respect of the board's proposal at the general meeting requires that the resolution be supported by shareholders with more than half of the votes cast at the Annual General Meeting or, in the event of a tied vote, through the chairman exercising his casting vote.

## **Item 17 – Resolution on a performance based, long-term share program for the Company's CEO**

It is proposed that the Company's CEO, who is also a director of the Company, shall be given the opportunity to participate in LTIP 2019 on the terms set out in item 16 above. The CEO may be allotted a maximum number of 10,000 Performance Shares offered under LTIP 2019.

The proposal under this item 17 is conditional upon that the Annual General Meeting before has resolved in accordance with item 16 above and resolves in accordance with the proposals in items 18 – 20 below.

## ***Majority requirement***

A valid resolution in respect of the board's proposal at the general meeting requires that the resolution is supported by shareholders representing at least 9/10 of the number of votes cast and the number of shares represented at the Annual General Meeting. Any shares held by the Company's CEO shall be disregarded in the voting.

## **Item 18 – Resolution to authorize the board of directors to resolve on issuance of class C shares**

The board proposes that the Annual General Meeting resolves to authorize the board, up until the end of the next Annual General Meeting, on one or more occasions, to increase the Company's share capital by not more than SEK 14,000 through issuance of not more than 140,000 class C shares, each with a quotient value of SEK 0.1. With derogation from shareholders' pre-emption rights, a bank shall be entitled to subscribe for the new class C shares at a subscription price corresponding to the quotient value of the shares. The purpose of the authorization and the reason for derogating from shareholders' preferential rights in connection with the issue of class C shares is to ensure delivery of shares to participants in the proposed incentive program LTIP 2019 (items 16 - 17 above).

The proposal under this item 18 is conditional upon that the Annual General Meeting before has resolved in accordance with items 16 - 17 above and resolves in accordance with the proposals in items 19 – 20 below.

## ***Majority requirement***

A valid resolution in respect of the board's proposal at the general meeting requires that the resolution is supported by shareholders representing at least 2/3 of the number of votes cast and the number of shares represented at the Annual General Meeting.

## **Item 19 – Resolution to authorize the board of directors to resolve on acquisition of own class C shares**

The Board proposes that the Annual General Meeting resolves to authorize the board, during the period until the end of the next Annual General Meeting, on one or more occasions, to acquire own



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class C shares. The acquisitions may only be made through a public offer directed to all holders of class C shares and shall comprise all outstanding class C shares. The number of shares acquired may not result in the Company holding at any time more than ten (10) percent of the total number of shares in the Company. The acquisitions shall be conducted at a purchase price corresponding to the quotient value of the share. Payment for acquired class C shares shall be made in cash. The purpose of the authorization to acquire own class C shares is to ensure that the Company's is able to fulfil its obligations under the proposed incentive program LTIP 2019 (items 16 – 17 above).

The proposal under this item 19 is conditional upon that the Annual General Meeting before has resolved in accordance with items 16 - 18 above and resolves in accordance with the proposal in item 20 below.

### ***Majority requirement***

A valid resolution in respect of the board's proposal at the general meeting requires that the resolution is supported by shareholders representing at least 2/3 of the number of votes cast and the number of shares represented at the Annual General Meeting.

### **Item 20 – Resolution to resolve on transfer of own ordinary shares**

The board proposes that the Annual General Meeting resolves to transfer ordinary shares in the Company as follows:

- A maximum of 140,000 ordinary shares in the Company may be transferred (or such higher number of ordinary shares that may follow from a recalculation resulting from a bonus issue, split, preferential issue or similar measure).
- The ordinary shares may be transferred, free of charge, to participants in LTIP 2019 who, according to the terms and conditions for LTIP 2019, are entitled to receive ordinary shares in the Company.
- Transfer of ordinary shares shall be made at the point in time and in accordance with the other conditions that the participants of LTIP 2019 are entitled to receive grants of ordinary shares.

The reason for deviating from shareholders' pre-emption rights is that the transfer of shares is part of the execution of LTIP 2019. Thus, the board is of the opinion that it is beneficial to the Company to transfer shares in accordance with the proposal.

The proposal under this item 20 is conditional upon that the Annual General Meeting before has resolved in accordance with items 16 - 19 above.

### ***Majority requirement***

A valid resolution in respect of the board's proposal at the general meeting requires that the resolution is supported by shareholders representing at least 9/10 of the number of votes cast and the number of shares represented at the Annual General Meeting.

### **Item 21 - Resolution to authorize the board of directors to resolve on issue of ordinary shares**

The board proposes that the Annual General Meeting, until the end of the next Annual General Meeting, authorizes the board of directors, with or without deviation from the shareholders' pre-emptive right, on one or more occasions, to resolve on issuance of ordinary shares. Payment may be



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made in cash, in kind, through a set-off, or on conditions following from Chapter 2, Section 5 of the Swedish Companies Act.

The number of shares issued pursuant to this authorization must correspond to a maximum of ten (10) percent of the share capital consisting of ordinary shares issued at the time of the 2019 Annual General Meeting.

The objective of the authorization is to enable acquisitions of companies and to raise capital. Derogation from shareholders' pre-emptive right shall be allowed if it is objectively regarded to be in the shareholders' best interest to deviate from the pre-emptive right.

Reasons for such a deviation may include that a rights issue runs the risk of not being fully subscribed, the costs and timing or a desire in the Company's interest to bring one or more major shareholders into the Company. The issue price shall be set at market level taken into account a customary discount.

## ***Majority requirement***

A valid resolution requires that shareholders at the meeting representing at least 2/3 of the numbers of shares and votes represented votes in favor of the proposal.

## **Item 22 - Resolution to authorize the board of directors to resolve to acquire and transfer own ordinary shares**

The board proposes that the Annual General Meeting, until the end of the next Annual General Meeting, authorizes the board of directors to resolve to acquire and transfer the Company's own ordinary shares as follows.

Acquisitions may take place of at most the number of ordinary shares so that the Company's total shareholding of its own ordinary shares corresponds to a maximum of ten (10) per cent of all registered shares issued by the Company. Acquisitions may take place by trading on the regulated market place NASDAQ Stockholm. Payment for the shares acquired shall be made in cash.

All ordinary shares held by the Company on the date of the board's decision may be transferred by trading on NASDAQ Stockholm or in other ways to a third party in connection with company acquisitions. Compensation for transferred shares shall be paid in cash, in kind, by set-off of a claim on the Company, or otherwise with conditions attached pursuant to Chapter 2, Section 5 of the Companies Act.

Acquisition and transfer of own ordinary shares may take place on one or more occasions during the period until the end of next Annual General Meeting, at a price per share that is within the price range registered at each occasion. If a transfer is made in another way than on NASDAQ Stockholm, the price is to be set so that it is not below market level, where however a discount at market level in relation to the traded share price may be applied.

The board's proposal for authorization is intended to provide the board with greater possibilities to adapt the capital structure of the Company to the capital requirement from time to time and thus be able to contribute to increased shareholder value. In addition, the authorization is intended to enable the board to transfer shares in connection with acquisitions of companies through payment in the form



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of the Company's own shares. The intention of the authorization does not allow the Company to trade in its own shares with the intention of generating short-term profits.

The board of directors has issued a statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act.

## ***Majority requirement***

A valid resolution requires that shareholders at the meeting representing at least 2/3 of the numbers of shares and votes represented votes in favor of the proposal.

## **Item 23 - Resolution to authorize the board of directors to resolve to repurchase warrants issued under the option program 2016/2019**

The board of directors proposes that the Annual General Meeting until the end of next Annual General Meeting authorizes the board of directors, on one or more occasions, to resolve to repurchase warrants issued under the share-based incentive plan adopted at the 2016 Annual General Meeting. The price for the repurchase of warrants shall correspond to the market value (which is to be based on the average volume-weighted price for the Company's ordinary share for a period close to the period of repurchase).

A repurchase of warrants in accordance with this resolution shall be conditional upon each individual option holder wishing to have warrants redeemed at the same time utilizes an equivalent amount of the total number of warrants for subscription of new shares. Thus, oversubscription can be avoided. Example: If the option holder wishes to have 50 percent of its warrants repurchased by the Company, the option holder must utilize the remaining 50 percent of warrants for subscription of new shares in the Company. If the option holder wishes to have 25 percent of its warrants repurchased by the Company, the option holder must utilize at least 25 percent of the total number of warrants for subscription of new shares in the Company.

The board of directors shall be authorized to resolve on the more detailed terms for the implementation of the repurchase of warrants as well as the administrative measures that may be required to implement this resolution.

The purpose of the repurchase of warrants is to avoid dilution of the Company's shares as well as to offer the option holders the opportunity to acquire the value of the warrants. Repurchased warrants shall be held in custody of the Company and expire without further transfer.

## **Item 24 - Resolution to authorize the board of directors to undertake minor adjustments of the resolutions**

The board proposes that the Annual General Meeting authorizes the board, the CEO or the person otherwise designated by the board, to undertake minor adjustments and clarifications of the resolutions made by the Annual General Meeting to the extent it is required for registration of the resolutions.

## **Number of shares and votes in the Company**



# G5 ENTERTAINMENT AB

At the date of this notice, the Company has a total of 8,983,850 shares outstanding, representing a total of 8,983,850 votes. At the date of this notice, the Company holds no own shares.

## **Shareholders' right to request information**

Shareholders are informed of their right under Chapter 7, Section 32 of the Swedish Companies Act to request information at the Annual General Meeting in respect of circumstances that may affect the assessment of an item on the agenda and circumstances which may affect the assessment of the Company's financial situation. The board and the CEO shall provide such information if the board considers that this can be done without significant damage to the Company. The duty of disclosure also applies to the Company's relationships with other companies in the group, the consolidated financial statements and such circumstances as mentioned above applicable to subsidiaries.

Shareholders have a right to ask the Company questions at the Annual General Meeting on the items and proposals to be considered at the Annual General Meeting.

## **Documents**

Accounting documents, audit reports and other documents subject to the Annual General Meeting will be available at the Company's office no later than three weeks before the general meeting and will be sent upon request in connection therewith to shareholders' stating their postal address. At the stated time, the documents will also be available at the Company's website [www.g5e.com/corporate](http://www.g5e.com/corporate). All abovementioned documents will be presented at the Annual General Meeting.

*Stockholm, April 2019*

*G5 Entertainment AB (publ)*

*The Board of Directors*