



G5 ENTERTAINMENT AB

Please note that this is an office translation of the Swedish version. In case of any discrepancies between this translation and the Swedish original the latter shall prevail.

The Board of Directors proposal of issuance of warrants

At the extraordinary general meeting held on 31 October 2012 G5 Entertainment AB (publ) (the "Company") adopted a share-based incentive plan for the period 2012-2014 with an annual allocation (the "Plan").

In accordance with the general guidelines set out for the Plan at the extraordinary general meeting on 31 October 2012, the board of directors proposes that the 2013 annual general meeting resolves to issue warrants according to the following principal terms (the "2013 Allocation"):

- The maximum number of issued warrants shall be 176 000.
- Management and senior executives shall, with deviation from the shareholders' preferential rights, have the right to subscribe for the warrants. The subscription to the warrants shall be made from and including 4 July 2013 to and including 4 August 2013. Subscription shall be made on a separate subscription list.
- The price for the warrants shall correspond with the warrants market value determined by a generally accepted valuation model (the Black-Scholes model). The measurement period for the calculation of the price with the Black-Scholes model shall be from and including 20 June 2013 to and including 3 July 2013.
- Subscription for shares, by exercising the warrants, shall be made from and including 4 August 2016 to and including 2 November 2016.
- Each warrant shall entitle to subscription for one (1) share in the Company at an issue price of 250 per cent of the volume weighted average quoted closing price (but not less than the quotation value of SEK 0.1) according to Aktietorget's list of rates for the Company's share of the period from and including 20 June 2013 to and including 3 July 2013. Days without quotation shall not be included in the calculation.
- Upon full exercise of the warrants, up to 176 000 shares (subject to any recalculation), equivalent to about two per cent of the total number of outstanding shares and votes, will be issued. If fully subscribed, the Company's share capital will increase with SEK 17 600, resulting in a dilution of two per cent. The calculation is based on the number of shares and votes that may be issued divided by the total number of shares and votes after such issuance.
- The 2013 Allocation shall include a maximum of 16 persons. The number of warrants that each employee is offered to subscribe for shall vary depending on the employee's

responsibility and position. The CEO and managing director of the group shall be offered a maximum of 20 000 warrants and other management personal are divided into categories which will be offered a maximum of 15 000 warrants and at least 5 000 warrants. The board of directors shall decide on who shall be included in each category, and who shall receive warrants. Directors are not entitled to subscribe for warrants, with the exception of the Company's CEO.

- Issuance of warrants to employees outside Sweden is dependent on tax effects, that no legal impediment exists and that the board of directors determines that such allocation can be made at reasonable administrative and/or financial cost.
- In order to be allotted warrants the employee has to sign a special pre-emption agreement with the Company. Pre-emption shall be made at the market value if a third party makes an offer for all shares in the Company and in case the warrants shall be transferred to a third party. Otherwise, the warrants are freely transferable.
- The cost for the 2013 Allocation is estimated to be about SEK 100 000. The 2013 Allocation is not expected to materially impact the Company's earnings per share.

The reason for the deviation from the shareholders' preferential right is to increase motivation and create involvement in the Company's development and in the opportunity and risk of the Company by management and senior executives. The proposed warrants plan has been prepared by the Company's board of directors. The CEO did not participate in the preparation of this proposal. A valid resolution requires that shareholders at the meeting representing at least 9/10 of the numbers of shares and votes represented votes in favor of the proposal (Chapter 16 of the Companies Act).

160 000 warrants was issued within the Plan to 15 employees in 2012 (the 2012 allocation). These warrants entitle the holder to subscribe for shares from and including 15 December 2015 to and including 14 March 2016 and the terms and conditions are mainly conform with the terms and conditions for the above proposed warrants.

The board of directors or whom the board of directors authorizes shall be authorized to make such minor adjustments of the resolution that may be required in connection with the registration of the issuance at the Companies Registration Office.