



G5 ENTERTAINMENT AB

G5 Entertainment AB's nomination committee's reasoned opinion for the proposal for board composition and for the auditor

The Nomination Committee's assignment has been to prepare proposals for the Annual General Meeting 2017 in respect of appointment of auditor, appointment of Chairman of the Board and other Board members, appointment of Chairman of the Annual General Meeting, matters regarding remuneration and matters related thereto. The Nomination Committee has held five minuted meetings and regular discussions over the phone.

These meetings and discussions have mainly been devoted to the evaluation of the work carried out by the current Board of Directors, discussions about the number of members of the Board of Directors, the need for new recruitment, discussions about potential new Board members and discussions regarding remuneration to the Board of Directors.

To assess the requirements that may be placed on the Board of Directors because of the company's current situation and future direction, the Nomination Committee has discussed the composition of the Board of Directors, for example, in terms of industry experience and expertise. Furthermore, the Nomination Committee has paid particular attention to Section 4.1 of the Swedish Corporate Governance Code in preparing proposals for Board of Directors and seeks an appropriate composition, characterized by diversity and breadth in the elected Board member's qualifications, experience, background and gender balance. The Nomination Committee continues to work for a better gender balance on the Board of Directors.

As the basis for its proposal, the Nomination Committee has assessed the board, reviewed the results of the annual evaluation of the Board of Directors and its work as well as individually met the members of the Board of Directors.

The Nomination Committee deems the proposed Board of Directors composition to be adequately diversified in respect of the members' competence, experience and background with regard to the Company's strategic development, its operations, governance, and control.

Board members independence

It is the view of the Nomination Committee that all proposed Directors, with the exception of Jeffrey W. Rose and Vlad Suglobov, CEO, are independent of the Company and its senior management and its major shareholders.

The proposal for auditor

The Nomination Committee notes that the company's audit firm Mazars has been the company's auditor for about ten years and therefore found it appropriate to initiate a procurement procedure for audit services. The company's Audit Committee, which assisted the Nomination Committee in this matter, requested a number of tenders and these were analyzed in detail on a number of variables.

Following completion of the procurement process, the Audit Committee concluded that PwC submitted the overall best tender. Based on the Audit Committee's proposal, the Nomination Committee proposes the Annual General Meeting to appoint PwC as the company's new audit firm and Aleksander Lyckow as the principal auditor. The Nomination Committee believes that Aleksander Lyckow has the skills and experience required to audit the company. The Nomination Committee also believes that, despite a job well done, it can be of value for the company to change auditor after ten years with the same auditor firm.

Information about the proposed Directors is available on the Company's website, www.g5e.com/corporate.