



# G5 ENTERTAINMENT AB

## Summon to Annual General Meeting in G5 Entertainment AB (publ.)

*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, 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 09.00 am (CET) on Monday, 7 May 2018, at 7a Conference center, Strandvägen 7a, Stockholm, Sweden.

### 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 Monday, 30 April 2018;
- no later than Monday, 30 April 2018, preferably before 4 pm (CET), 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 [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 at most 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 ample time prior to Monday, 30 April 2018, by which date such registration must be executed.

Shareholders represented by proxy shall issue a written and dated power of attorney signed by the shareholder. A power of attorney issued by a legal entity shall have a registration certificate attached, or if such certificate do not exist, equivalent documents. A power of attorney form for shareholders who wish to participate 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 general meeting and copies 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 the 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 for the group
9. Resolution regarding:
  - a. Adoption of the income statement and balance sheet, as well as the consolidated income statement and consolidated balance sheet;
  - b. Treatment of the Company's result in accordance with the adopted balance sheet; and
  - c. Discharge from liability for the directors and the CEO
10. Determination of the number of directors, as well as the number of auditors
11. Determination of remuneration for the Board of Directors and auditors
12. Election of the Board of Directors
13. Election of auditors
14. Resolution regarding guidelines for the nomination committee
15. Resolution regarding authorizing the Board of Directors to resolve to issue shares
16. Resolution regarding adoption of guidelines for remuneration to senior executives
17. Resolution regarding authorizing the Board of Directors to resolve to repurchase warrants issued under the option program 2015/2018
18. Closure of the meeting



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## **The nomination committee's proposal**

The nomination committee of G5 Entertainment AB (publ.) consists of Marianne Flink (Chairman and appointed by the shareholder Swedbank Robur Fonder), Jeffrey Rose (Director of the Board and appointed by the shareholder Wide Development Limited), Sergey Shults (appointed by the shareholder Proxima Limited), Tommy Svensk (appointed by the shareholder Tommy Svensk) and Petter Nylander (Chairman of the Board and appointed by the shareholder Purple Wolf Limited). The members are appointed by shareholders that together represent approximately 33.35 percent of the voting power of all shares of the Company. The nomination committee proposes the following:

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

The nomination committee proposes that Petter Nylander is appointed Chairman of the Annual General Meeting.

### **Item 10 - Determination of the number of directors, as well as the number of auditors**

The nomination committee proposes that the Board, for the period until the next Annual General Meeting shall consist of six (6) members and no deputies. Further, the nomination committee proposes that a registered public accounting firm and a head auditor is to be appointed.

### **Item 11 - Determination of remuneration for the Board of Directors and auditors**

The nomination committee proposes that the remuneration to the Board for the upcoming term, shall amount to SEK 450,000 to the Chairman and SEK 250,000 each to the other members appointed by the General Meeting and who are not employees of the Company. The total remuneration to the board shall amount to SEK 1,650,000.

Fees for the upcoming term, in addition to directors' fees, shall be paid to the members of the Company's audit committee, and the fee to the chairman of the audit committee shall amount to SEK 80,000 and 50,000 each to be paid to the other members of the audit committee.

Fees for the upcoming term, in addition to directors' fees, shall be paid to the members of the Company's compensation committee, and the fee to the chairman of the compensation committee shall amount to SEK 50,000 and 30,000 each to be paid to the other members of the compensation committee.

As in the past, remuneration to the auditor shall be paid according to current account and approved invoices.

### **Item 12 - Election of the Board of Directors**

The nomination committee proposes re-election of the Directors Petter Nylander, Jeffrey W. Rose, Vladislav Suglobov (CEO), Christopher Carvalho, Stefan Lundborg and Johanna Fagrell Köhler.



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The nomination committee further proposes that Petter Nylander is re-elected as Chairman of the Board.

## **Item 13 - Election of auditors**

The nomination committee proposes re-election of PwC as accounting firm and with Aleksander Lyckow as the head auditor.

## **Item 14 - Resolution regarding guidelines for the nomination committee**

The nomination committee proposes that the work ahead of the Annual General Meeting in 2019 to develop a proposal to the board of directors, the auditor, their remuneration, chairman of the meeting and the guidelines for the nomination committee shall be performed by a nomination committee.

The nomination committee shall consist of representatives of the five (5) largest shareholders as of 31 August 2018. In the event that one of the five (5) largest shareholders waives their right to appoint a representative, the sixth largest shareholder shall be asked to appoint a representative etc.

Members of the Nomination 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 Nomination Committee if only minor changes to voting rights have taken place, or the change occurs later than three months prior to the AGM. Changes in the composition of the Nomination 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 nomination committee in accordance with the procedure described below. The chairman of the board of the Company is also responsible for convening the nomination committee, once all members are appointed, to their first meeting. The nomination committee shall appoint a chairman of the committee. The nomination committee shall be disclosed no later than six months before the 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



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appoint a representative in the committee, and 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 to be considered to be made in writing), and shall be duly kept, and the board of GS 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 nomination committee's term will run until a new committee is appointed. The Company is responsible for costs associated with the nomination committee's work. Members of the nomination committee shall receive no compensation from the Company.

If a member of the Nomination Committee steps down voluntarily from the committee before their work is completed, the shareholder who elected that member must appoint a successor, provided that the shareholder is still one of the three largest owners in terms of votes that are represented in the Nomination Committee. Such event shall be consistent with the notice and response procedures and time limits provided 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 nomination committee.

## **The Board's proposal**

### **Item 9b - Resolution regarding the treatment of the Company's result in accordance with the adopted balance sheet**

The Board of Directors proposes that out of the retained earnings and profit, a share dividend of SEK 2.50 for each share (in total SEK 22,134,385) and that the remaining retained earnings plus profit for the year is carried forward.

### **Item 15 - Resolution regarding authorizing the Board of Directors to resolve to issue shares**

The board of directors proposes that the Annual General Meeting until the next Annual General Meeting authorizes the Board of Directors, with or without deviation from the shareholders' preferential right, on one or more occasions, to resolve on issuance of a maximum of 885,375 shares, meaning an increase of the share capital of a maximum of SEK 88,537.50, corresponding to a dilution of approximately 10 per cent of the share capital and voting rights. The purpose of the authorization is to enable acquisitions and fundraisings. It shall be possible to pay by kind, set-off or otherwise be subject to conditions. Deviation from the shareholders' preferential right shall be allowed to be made in a situation where it is objectively regarded to be in the shareholders' best interest to deviate from the preferential 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 conditions and a customary discount may be offered. 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.



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## **Item 16 - 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 include the CEO and other members of the executive management team. Compensation levels should be competitive and negotiated annually. The CEO and other senior executives are remunerated partly by a fixed monthly salary and partly through variable compensation based on the groups profitability. The CEO's variable compensation during the year may not exceed 80 per cent of the fixed salary, divided so that 60 per cent shall be based on the Company's financial development and 20 per cent shall be based on targets determined by the board of directors. The variable compensation to the executive management may not exceed 60 per cent 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 not included in the base for pension benefits. The pension plan is to be in line with normal conditions in the market and the same for senior executives as for other employees. The pension premium shall be defined contribution. Similarly, other benefits for senior executives shall be competitive and in substance the same as for other employees. The employment agreements with senior executives shall contain a notice period of at least 3 months for the employees and a maximum of 12 months from the Company. Upon termination by the Company a severance pay may at most be equal to the fixed monthly salary for 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, make minor changes on an individual basis from the above guidelines.

## **Item 17 - Resolution regarding authorizing the Board of Directors to resolve to repurchase warrants issued under the option program 2015/2018**

The Board of Directors proposes that the Annual General Meeting until the next Annual General Meeting authorizes the Board of Directors, on one or more occasions, to resolve on the repurchase of warrants issued under the share-based incentive plan adopted at the annual general meeting 2015. 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 share for a period close to 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 per cent of its warrants repurchased by the Company, the option holder must utilize the remaining 50 per cent of warrants for subscription of new shares in the Company. If the option holder wishes to have 25 per cent of its warrants repurchased by the Company, the option holder must utilize at least 25 per cent of the total number of warrants for subscription of new shares in the Company.



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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 the custody of the Company and expire without further transfer.

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

The Company has on issue of this notice, a total of 8,853,754 shares, representing a total of 8,853,754 votes. The Company does not have any treasury shares.

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

Shareholders are informed of their right under the Companies Act, Chapter 7, Article 32 to request information at the AGM 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.

## **Documents**

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

*Stockholm, April 2018*

*The Board of Directors*