

Unofficial translation of the Minutes kept at the Annual General Meeting of shareholders of Nordic Entertainment Group AB (publ), company reg. no. 559124-6847, 22 May 2019 at Ringvägen 52 in Stockholm.

Time: 10.00-11.30 CET

**Present:** Shareholders and proxy holders, Appendix 1, stating the number of shares and votes, and other attendees, Appendix 2.

Furthermore, noted as present were the Chairman of the Nomination Committee Erik Durhan, the Board members David Chance (Chairman of the Board), Anders Borg, Henrik Clausen, Simon Duffy, Kristina Schauman and Natalie Tydeman, the Chief Executive Officer Anders Jensen, the Chief Financial Officer Gabriel Catrina and the auditor-in-charge Joakim Thilstedt.

## § 1

### Opening of the Annual General Meeting (agenda item 1)

David Chance welcomed the shareholders to the first Annual General Meeting of NENT, presented the Chief Executive Officer Anders Jensen, the Chief Financial Officer Gabriel Catrina and Tone Myhre-Jensen, member of the Swedish Bar Association and informed that Henrik Wållgren had been appointed to act as minute keeper at the Annual General Meeting. Thereafter, David Chance opened the Annual General Meeting.

## § 2

### Election of Chairman of the Annual General Meeting (agenda item 2)

The Meeting elected, in accordance with the Nomination Committee's proposal, Tone Myhre-Jensen, member of the Swedish Bar Association, as Chairman of the Meeting.

The Chairman informed the Meeting that a sound recording for internal use was made in order to facilitate the preparation of the minutes and that other audio or video recording was not permitted.

The Meeting resolved that invited guests, shareholders who had not registered their shares for voting and other persons who were not shareholders were entitled to attend the Meeting, but without the right to address the Meeting or participate in the Meeting's resolutions.

## § 3

### Preparation and approval of the voting list (agenda item 3)

The Meeting approved the procedure for preparing the voting list and that the list of shareholders who had given notice to attend and were present at the Meeting, Appendix 1, should serve as the voting list at the Meeting.

The Chairman informed that a number of foreign shareholders were represented at the Meeting and had submitted certain instructions for voting in respect of some agenda items and that these instructions for voting will be accounted for in the minutes to the extent they would have any impact on the Meeting's decisions and when the Meeting votes using voting devices.

#### **§ 4**

##### Approval of the agenda (agenda item 4)

The Meeting approved the proposed agenda of the Meeting, Appendix 3, which had been included in the notice.

The Chairman informed that the complete proposals of the Board and the Nomination Committee had been included in the notice.

The Annual Report and the Auditor's Report for the financial year 2018 as well as statements and reports of the Board and the Nomination Committee, and other documents to the Annual General Meeting, which had been kept available in accordance with the Swedish Companies Act and the Swedish Corporate Governance Code, were presented. It was noted that some documents that listed companies shall keep available for shareholders prior to the Annual General Meeting had not been prepared, since NENT was listed on the stock exchange during March 2019.

#### **§ 5**

##### Election of one or two persons to check and verify the minutes (agenda item 5)

The Meeting elected Erik Durhan, representing Nordea Funds, and Hjalmar Ek, representing Lannebo Funds, to check and verify the minutes jointly with the Chairman.

#### **§ 6**

##### Determination of whether the Annual General Meeting had been duly convened (agenda item 6)

The Chairman found that notice had been made in accordance with the provisions in the Swedish Companies Act and the Articles of Association.

The Meeting approved the notice procedures and declared the Meeting duly convened.

#### **§ 7**

##### Remarks by the Chairman of the Board (agenda item 7)

David Chance gave his remarks on NENT's first months as a listed company, presented the members of the Board and described the work of the Board and its committees.

#### **§ 8**

##### Presentation by the Chief Executive Officer (agenda item 8)

Anders Jensen held a presentation regarding NENT's purpose and vision, business and services, strategy and market position, financial development, result and commented on the changed media landscape and the content and rights market.

#### **§ 9**

##### Presentation of the Annual Report and Auditor's Report (agenda item 9)

The Chairman found that the Annual Report and the Auditor's Report for 2018 had been presented at the Annual General Meeting.

Auditor-in-charge Joakim Thilstedt, from the registered accounting firm KPMG, reported on the audit work and commented on the Auditor's Report for 2018.

The shareholders were given the opportunity to ask questions to the company's Chief Executive Officer, Chairman of the Board and auditor.

#### **§ 10**

##### Resolution on the adoption of the Income Statement and the Balance Sheet (agenda item 10)

The Meeting adopted the company's income statement and balance sheet per 31 December 2018.

#### **§ 11**

##### Resolution on the treatment of the company's results as stated in the adopted Balance Sheet (agenda item 11)

The Meeting resolved, in accordance with the Board's proposal, for the disposition of the company's results such that a dividend of SEK 6.50 per share is paid out to the shareholders in two equal instalments of SEK 3.25 each.

Record dates shall be Friday 24 May 2019 for the first dividend payment and Friday 11 October 2019 for the second dividend payment, respectively.

#### **§ 12**

##### Resolution on the discharge of liability for the members of the Board and the Chief Executive Officer (agenda item 12)

The Meeting discharged the Board and the Chief Executive Officer from liability for the management of the company and its affairs during the financial year 2018.

It was noted that the members of the Board and the Chief Executive Officer did not take part in the resolution and that all shareholders attending the Meeting supported the resolution, except for those shareholders that in advance had given special instructions for no or abstain votes.

#### **§ 13**

##### Determination of the number of members of the Board (agenda item 13)

The Chairman of the Nomination Committee, Erik Durhan, presented how the Nomination Committee conducted its work as well as the Nomination Committee's proposals.

The Meeting resolved, in accordance with the Nomination Committee's proposal, that for the period until the end of the next Annual General Meeting, the Board shall consist of six members.

#### **§ 14**

##### Determination of the remuneration to the members of the Board and the auditor (agenda item 14)

The Meeting resolved, in accordance with the Nomination Committee's proposals regarding remuneration to the Board and the auditor, which was that the Board remuneration shall be allocated as follows:

- SEK 1,450,000 to the Chairman of the Board and SEK 500,000 to each of the other five members of the Board,
- SEK 235,000 to the Chairman of the Audit Committee and SEK 130,000 to each of the other two members, and

- SEK 140,000 to the Chairman of the Remuneration Committee and SEK 52,500 to each of the other two members.

The Meeting resolved, in accordance with the Nomination Committee's proposal that remuneration to the auditor shall be paid in accordance with approved invoices.

## **§ 15**

### Election of Board members (agenda items 15(a)-(f))

The Chairman informed the Meeting of what assignments the proposed members of the Board holds in other companies.

The Meeting voted, by electronic voting devices, on election of each one of the proposed members of the Board under items 15(a)-(f), and resolved in accordance with the proposal of the Nomination Committee to re-elect Anders Borg, David Chance, Henrik Clausen, Simon Duffy, Kristina Schauman and Natalie Tydeman. The result is stated in the table below:

Board member	Number of votes in favour
Anders Borg	36,396,074
David Chance	36,424,201
Henrik Clausen	36,472,905
Simon Duffy	36,343,660
Kristina Schauman	33,065,513
Natalie Tydeman	36,472,905

## **§ 16**

### Election of the Chairman of the Board (agenda item 16)

The Meeting resolved in accordance with the Nomination Committee's proposal to re-elect David Chance as Chairman of the Board.

## **§ 17**

### Determination of the number of Auditors and election of Auditor (agenda item 17)

The Meeting resolved, in accordance with the Nomination Committee's proposal, that the company shall have a registered accounting firm as auditor, and re-elected the registered accounting firm KPMG AB as auditor for the period until the end of the 2020 Annual General Meeting.

It was noted that KPMG AB had informed that the authorised auditor Joakim Thilstedt will continue as auditor-in-charge.

## **§ 18**

### Approval of the procedure of the Nomination Committee (agenda item 18)

The Chairman presented the main terms of the Nomination Committee's proposal regarding the procedure of the Nomination Committee.

The Meeting resolved in accordance with the Nomination Committee's proposal in Appendix 4 regarding the procedure of the Nomination Committee to apply until the General Meeting resolves to change the procedure of the Nomination Committee.

## § 19

### Resolution regarding guidelines for remuneration to the senior executives (agenda item 19)

The Chairman of the Remuneration Committee, Natalie Tydeman, presented the main contents of the Board's proposal for remuneration to the senior executives and the Board's proposal on an incentive plan.

Oskar Börjesson, representing Skandia Life and Skandia Funds, informed that Skandia Life and Skandia Funds intended to vote against the long-term incentive plan for 2019 (agenda item 20(a)) and presented the reasons for this.

The Meeting resolved, in accordance with the Board's proposal in [Appendix 5](#), regarding guidelines for remuneration to the senior executives.

## § 20

### Resolutions regarding 2019 Long Term Incentive Plan, comprising adoption of a long-term incentive plan 2019; amendments of the articles of association; authorisation for the Board to issue Class C Shares; authorisation to resolve to repurchase own Class C Shares; transfer of own Class B Shares; Swap Agreement with a third party in relation to LTIP 2019 (agenda items 20(a)-(f))

The Meeting resolved, in accordance with the Board's proposal in [Appendix 6](#), regarding 2019 long-term incentive plan.

It was noted that Skandia Life and Skandia Funds voted against the proposal.

The Meeting voted, by electronic voting devices, and resolved, with 94.9 per cent of the votes cast and 92.5 per cent of the shares represented at the Meeting, in accordance with the Board's proposal in [Appendix 7](#) regarding amendments of the articles of association.

The Meeting voted, by electronic voting devices, and resolved, with 94.9 per cent of the votes cast and 92.5 per cent of the shares represented at the Meeting, in accordance with the Board's proposal in [Appendix 8](#) regarding authorisation for the Board to issue and repurchase own Class C Shares and to resolve on transfer of own Class B Shares to the participants in the plan.

Since the required majority was achieved to approve the Board's proposal under item 20(e), the proposal under item 20(f) was not tried.

It was noted that there is a total of 545,662 Class A Shares and 66,796,582 Class B Shares in NENT and that, after the Annual General Meeting's resolution on amendments of the articles of association in accordance with item 20(b) above allowing NENT to issue shares of Class C, the number of Class A and Class B Shares will be unaltered.

## § 21

### Resolutions regarding bonus issue comprising amendments of the articles of association and bonus issue (agenda items 21(a)-(b))

The Meeting voted, by electronic voting devices, and resolved, with 99.9 per cent of the votes cast and 99.9 per cent of the shares represented at the Meeting, in accordance with the Board's proposal in [Appendix 9](#), regarding bonus issue and amendments of the articles of association.

The new articles of association is included in [Appendix 10](#).

**§ 22**

Closing of the Annual General Meeting (agenda item 22)

Since all items on the agenda had been addressed, the Annual General Meeting was declared closed.

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At the minutes:

Henrik Wållgren

Minute checkers:

Tone Myhre-Jensen

Erik Durhan

Hjalmar Ek

**PROPOSED AGENDA**

1. Opening of the Annual General Meeting.
2. Election of Chairman of the Annual General Meeting.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of one or two persons to check and verify the minutes.
6. Determination of whether the Annual General Meeting has been duly convened.
7. Remarks by the Chairman of the Board.
8. Presentation by the Chief Executive Officer.
9. Presentation of the Annual Report and the Auditor's Report.
10. Resolution on the adoption of the Income Statement and the Balance Sheet.
11. Resolution on the treatment of the company's earnings as stated in the adopted Balance Sheet, and record day.
12. Resolution on the discharge of liability of the Board and the Chief Executive Officer.
13. Determination of the number of members of the Board.
14. Determination of the remuneration to the members of the Board and the auditor.
15. Election of Board members;
  - (a) Anders Borg (re-election, proposed by the Nomination Committee).
  - (b) David Chance (re-election, proposed by the Nomination Committee).
  - (c) Henrik Clausen (re-election, proposed by the Nomination Committee).
  - (d) Simon Duffy (re-election, proposed by the Nomination Committee).
  - (e) Kristina Schauman (re-election, proposed by the Nomination Committee).
  - (f) Natalie Tydeman (re-election, proposed by the Nomination Committee).
16. Election of the Chairman of the Board.
17. Determination of the number of Auditors and election of Auditor.
18. Approval of the procedure of the Nomination Committee.
19. Resolution regarding guidelines for remuneration to the senior executives.
20. Resolutions regarding 2019 Long Term Incentive Plan, comprising:
  1. Adoption of a long-term incentive plan 2019.
  2. Amendment of the articles of association.
  3. Authorisation for the Board to issue Class C Shares.
  4. Authorisation to resolve to repurchase own Class C Shares.
  5. Transfer of own Class B Shares.
  6. Swap Agreement with third party in relation to LTIP 2019.
21. Resolutions regarding bonus issue comprising:
  1. Amendments to the Articles of Association.
  2. Bonus issue.
22. Closing of the Annual General Meeting.

**Approval of the procedure of the Nomination Committee (item 18)**

The Nomination Committee proposes that the work of preparing proposals to the 2020 Annual General Meeting regarding the Board and auditor, in the case that an auditor should be elected, and their remuneration, Chairman of the Annual General Meeting and the procedure for the Nomination Committee shall be performed by a Nomination Committee. This procedure shall apply until the General Meeting resolves to change the procedure for appointing the Nomination Committee.

The Nomination Committee will be formed during September in consultation with the largest shareholders of the company as of the last business day in August. The Committee shall consist of at least three members appointed by the largest shareholders of the company who have wished to appoint a member. The Chairman of the Board will also be a member of the Nomination Committee, and will act as its convenor. The members of the Nomination Committee will appoint the Committee's Chairman at their first meeting.

The Nomination Committee is appointed for a term of office commencing at the time of its formation and ending when a new Committee is formed. If a member resigns during the Committee term, the Committee may choose to appoint a new member. The shareholder that appointed the resigning member shall in such case be asked to appoint a new member, provided that the shareholder still is one of the largest shareholders in the company. If that shareholder declines participation on the Nomination Committee, the Committee may choose to ask the next largest qualified shareholder to participate (the Chairman shall however continue to contact the shareholders that are next in line if required to form a Nomination Committee composed of three members, including the Chairman of the Board). In the event of changes to the ownership structure of the company, the Committee may choose to amend its composition in order to ensure that the Committee appropriately reflects the ownership of the company. However, unless there are special circumstances, the composition of the Nomination Committee may remain unchanged following changes in the ownership structure of the company that are either minor or occur less than three months prior to the Annual General Meeting.

The Nomination Committee shall have the right to upon request receive personnel resources such as secretarial services from the company, and to charge the company with costs for recruitment consultants and related travel if deemed necessary.



**Guidelines for remuneration to the senior executives (item 19)**

NENT's remuneration policy is designed to drive and reward company and individual performance, be market competitive to attract and retain key talent, and to incentivise creation of long-term shareholder value by requiring executives to build and maintain significant shareholding in NENT.

Total remuneration may consist of fixed salary, variable components in the form of short-term ('STI') and long-term incentive ('LTI') plans, pension and other benefits/allowances.

- Fixed salary shall be fair and competitive based on the individual executive's responsibilities and performance.
- The STI shall be based on fulfilment of established targets for the Group and in the senior executives' area of responsibility. The result shall be linked to measurable targets (qualitative, quantitative, general, individual). The targets within each area of responsibility are defined to promote NENT's development in the short and long-term. The maximum payment under the STI shall generally not exceed 100 percent of the senior executives' fixed salary.
- The LTI shall be linked to certain pre-determined financial and/or share or share-price related performance criteria and shall ensure a long-term commitment to the development of NENT and align the senior executives' incentives with the interest of shareholders.
- By way of exception, additional one-off arrangements can be made on a case by case basis when deemed necessary, subject to Board approval. Each such arrangement shall be capped and never exceed two (2) times the individual's annual base salary.
- All benefits/allowances including pensions follow the competitive market practice in the applicable country of executives' employment or residence.
- The maximum notice period in any senior executive's contract is twelve months during which time salary payment will continue.

The Board of Directors shall be entitled to deviate from these guidelines if special reasons for doing so exist in any individual case.

## 2019 Long Term Incentive Plan (item 20)

### ***Resolution regarding the Board's proposal to implement a long-term incentive plan 2019 (item 20 (a))***

The Board proposes that the Annual General Meeting resolves to adopt a long-term incentive plan ("LTIP 2019") for the Group Executive Management (GEM), other senior executives and key employees within NENT. LTIP 2019 is proposed to comprise no more than 500,000 Class B Shares in NENT. Within the scope of LTIP 2019, the participants will be granted Performance Share Awards, which after a three-year vesting period entitle them to Class B Shares. Vesting of Performance Share Awards is conditional upon the achievement of performance conditions and subject to continued employment throughout the vesting period, with certain customary exceptions. To further incentivise creation of long-term shareholder value, the CEO and members of GEM are required to build and maintain a significant shareholding in NENT.

#### *Rationale for the proposal*

In preparation for the split with MTG and becoming listed as an independent company, the Remuneration Committee undertook a comprehensive review of the remuneration policies and practices. It was concluded that the remuneration policy for NENT would be designed to (i) increase transparency to be more effective, (ii) increase flexibility to better suit the fast-moving industry and (iii) increase long-term shareholder alignment through a share-based LTIP and a strengthened share ownership requirement for the CEO and GEM. As a consequence, the share deferral feature that existed in previous short-term incentive plans has been removed as it caused undesired insider trading complexity and was not aligned with wider Nordic market practice.

LTIP 2019 is a key component of NENT's remuneration policy. In order to allow for a broader participation across NENT and to align award levels with market practice, award levels at grant have been reduced and split into five tiers. To provide clarity and line-of-sight for a broader group of participants, the plan focusses on two strategically important operational performance targets, which are outlined in more detail below. The performance targets are measured over a one-year performance period to allow the Board flexibility to quickly respond and adjust to changing market conditions.

The purpose of LTIP 2019 is to attract, motivate and retain key talent within NENT and to align participants' interests with those of the shareholders. Through LTIP 2019, the participants' remuneration and allotment of shares is tied to the group's business performance and profitable growth objectives. In summary, the Board believes that the implementation of LTIP 2019 will have a positive effect on the group's value growth and will ensure the participants' long-term commitment to the company. Consequently, the Board believes that LTIP 2019 is beneficial to the shareholders as well as the group.

#### *Allotment of Performance Share Awards*

LTIP 2019 is proposed to include approximately 100 senior executives and key employees in NENT divided into five tiers: the CEO ("Tier 1"), other members of GEM ("Tier 2-3"), and two additional tiers for other senior executives and key employees ("Tier 4-5"). The number of Performance Share Awards granted shall be based on maximum award values for each tier expressed as a percentage of 2019 base salary. The proposed 2019 maximum award values are; 125% for Tier 1, 75% for Tier 2, 60% for Tier 3, 50% for Tier 4 and 30% for Tier 5.

Each maximum award value shall thereafter be converted into a maximum number of Performance Share Awards, based on the following calculation: the volume-weighted average of the market price of NENT's Class B Shares on Nasdaq Stockholm during the five trading days immediately following the publication of the company's interim report for the first quarter 2019, reduced by the present value of estimated dividend payments for the period until Class B Shares are vested under the Performance Share Awards.

#### *Performance conditions*

The number of Performance Share Awards that vest in 2022 is dependent on the achievement of two equally weighted NENT targets; (i) organic sales growth (organic sales growth refers to growth excluding

the effects of acquisitions/divestments and adjusted for currency effects), and (ii) operating income (operating income before Items Affecting Comparability (IAC) may be adjusted for extraordinary or non-budgeted items or events not related to the ordinary course of business including acquisitions/divestments) for the 2019 financial year. Threshold and maximum target levels will be established by the Board at grant. If the minimum threshold level is achieved, 25% of the Performance Share Awards will vest. If the maximum level is achieved, 100% of the Performance Share Awards will vest. For target achievement between the threshold and maximum level, the vesting outcome will be measured linearly. The threshold and maximum target levels and the actual outcome resolved by the Board in 2020 will be fully disclosed in the annual report for 2019.

The participants' maximum profit per Performance Share Award in LTIP 2019 is limited to four times the volume-weighted average of the market price of NENT's Class B Shares on Nasdaq Stockholm during the five trading days immediately following the publication of the company's interim report for the first quarter 2019 (the "Share Price Cap"). If the value of NENT's Class B Share exceeds the Share Price Cap at vesting, the number of Class B Shares that each right entitles the participant to receive at vesting will be reduced correspondingly.

#### *Share ownership requirement*

To ensure that senior executives build and maintain a significant shareholding in NENT, vesting is conditional on a share ownership requirement for the CEO and the full GEM population, comprising 17 executives. The CEO and members of GEM are required to accumulate NENT shares toward target ownership levels that are based on a percentage of net salary. For the CEO, the target ownership level has been increased to 150% and, for the members of GEM, amounts to 75% and 50% depending on tier. For current GEM members, 33% of the requirement must be met each year over three years. For externally appointed GEM members, 20% of the requirement must be met each year over five years.

#### *Conditions for the Performance Share Awards*

Following the vesting period, each vested Performance Share Award entitles the participant to receive one Class B Share free of charge. However, vesting is conditional upon that the participant, with certain customary exceptions, at the time of the publication of NENT's interim report for the first quarter of 2022 still is employed by the NENT Group.

In addition to the conditions above, the following terms shall apply for the Performance Share Awards:

- granted free of charge after the Annual General Meeting 2019;
- may not be transferred or pledged; and
- can be granted by the company or any other company within the group.

#### *Scope and cost of LTIP 2019*

The maximum number of Class B Shares which may be delivered under LTIP 2019 is limited to 500,000, representing approximately 0.7% of the outstanding shares and 0.7% of the outstanding votes in the company.

The total cost of LTIP 2019 is estimated to amount to no more than SEK 86 million, which corresponds to approximately 0.7% of total employment cost for 2018. The cost will be distributed over the years 2019-2022. The total cost includes salary costs of SEK 66 million, social security costs of SEK 19 million and administration costs of SEK 1 million. The calculation of total salary costs is based on the maximum number of Performance Share Awards being delivered to participants, calculated at grant with a reduction of the present value of estimated dividends during a three-year period, an annual attrition rate of 10% and a share price at grant of SEK 220. The calculation of social security costs is based on a 10% annual share price increase and an average annual social security tax rate of 19%.

The costs are expected to have a limited effect on NENT's key ratios.

#### *Delivery of Class B Shares under LTIP 2019*

To ensure delivery of Class B Shares under LTIP 2019, the Board proposes that the Annual General Meeting resolves to issue a new class of shares (Class C Shares) with the sole purpose of facilitating the delivery of Class B Shares to participants in the incentive programs. With authorisation from the Annual General Meeting, the Board will resolve on a directed issue of Class C Shares to a third party and subsequently repurchase the Class C Shares from the third party. The Class C Shares will then be held by the company, where after the appropriate number of Class C Shares will be reclassified into Class B Shares and subsequently be delivered to the participants under LTIP 2019 (items 20 (b)-(e)).

Resolution in accordance with items 20 (c)-(e) require approval of at least nine tenths (9/10) of the shares represented and votes cast at the general meeting. In the event that the required majority under item 20 (c)-(e) below is not reached, the company intends to enter into an agreement with a third party, under which the third party shall, in its own name, buy and transfer Class B Shares in the company to the participants in accordance with LTIP 2019.

#### *Preparation and administration of LTIP 2019*

In accordance with guidelines provided by the Board, the incentive program has been prepared by the Remuneration Committee in consultation with external advisors.

The Board or the Remuneration Committee shall be responsible for preparing the detailed terms and conditions of LTIP 2019, in accordance with the terms and guidelines resolved on by the Annual General Meeting. It is further proposed that the Board shall be entitled to make other adjustments, if it so deems appropriate, should changes occur in the NENT Group or its operating environment that would entail that the adopted conditions for LTIP 2019 no longer are in line with its purpose. Any such adjustments shall only be made in order to fulfil the main objectives of the LTIP 2019.

***Amendment of the articles of association (item 20 (b))***

In order to secure delivery of Class B Shares to the participants in LTIP 2019 (item 20 (a) above), 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 Class B Shares to the participants in share-based incentive programs as resolved by the shareholders. The Class C Shares shall carry one vote per share and shall not be entitled to dividends. Further, the Class C Shares shall be redeemable upon a resolution by the Board. The Class C Shares shall also be convertible into Class B Shares upon a resolution by the Board.

Thus, the Board proposes that the Annual General Meeting resolves that § 5 in the articles of association shall be amended whereby a new share class is introduced (Class C Shares). The Class C Shares may, upon decision of the Board of Directors, be reclassified into Class B Shares.

**Current wording**

The shares shall be issued in two series, designated Class A and Class B. Class A shares may be issued in a maximum number of 200,000,000 and Class B in a maximum number of 200,000,000. Each Class A share entitles the holder to ten voting rights and each Class B share to one voting right.

In the event that the Company decides to issue new Class A or Class B shares by means of a cash issue or through an issue offsetting debt, owners of Class A and Class B shares shall have preferential rights to subscription for new shares of the same type in relation to the number of shares already held (primary preferential rights). Shares not subscribed for on the basis of primary preferential rights shall be offered for subscription to all shareholders (subsidiary preferential rights). If the number of shares offered in this manner is insufficient for subscription based on subsidiary preferential rights, the shares shall be distributed in relation to the number of shares already held and, when this is not possible, by drawing of lots.

In the event that the Company decides that new shares of either Class A or B alone shall be issued through a cash issue or through an issue of offsetting debt, all shareholders, irrespective of whether they own Class A or Class B shares, shall have preferential rights to the subscription of new shares in relation to the number of shares already held.

What is set out above with regard to preferential rights shall apply mutatis mutandis in the event of issues of warrants and convertible debentures and shall not limit the right to resolve upon an issue with deviation from the shareholders' preferential rights.

If the share capital is increased by a bonus issue, where new shares are issued, new shares of Class A and Class B 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. This shall not entail any restrictions on the possibility of issuing new shares of a new class by means of a bonus issue, following the required amendment to

**Proposed wording****§ 5  
Shares**

The company may issue shares of **three** classes, Class A, Class B and **Class C**. Class A shares may be issued in a maximum number of 200,000,000 and Class B in a maximum number of 200,000,000 **and Series C in a maximum number of 200,000,000**. Each share of Class A shall carry ten votes, and each share of Class B and C, respectively, shall carry one vote. **Shares of either class may be issued up to an amount corresponding to the entire share capital.**

**Owners of Class C shares are not entitled 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 quota value of the share.**

In the event of new issues of shares of Class A, Class B **and Class C** where payment is not to be made in kind, owners of shares of Class A, Class B **and Class C** shall enjoy pre-emption rights to subscribe for new shares of the same class pro rata to the number of shares previously held by them (primary pre-emption right). Shares which are not subscribed for pursuant to the primary pre-emption rights shall be offered to all shareholders (secondary pre-emption right). If the shares thus offered are not sufficient for the subscription pursuant to the secondary pre-emption rights, the shares shall be allocated between the subscribers pro rata to the number of shares previously held and, to the extent such allocation cannot be effected, by the drawing of lots.

In the event of new issues of shares of Class A, Class B **or Class C** where payment is not to be made in kind, all shareholders shall, irrespective of whether their shares are of Class A, Class B **or Class C**, have pre-emption rights to subscribe for new shares pro rata to the number of shares previously held by them.

The stipulations regarding preferential rights shall apply mutatis mutandis for new issues of warrants and convertible debt and shall not infringe on the possibility to resolve on an issue in which the preferential rights of shareholders are waived.

If the share capital is increased by a bonus issue, where

the articles of association.

Shares of Class A shall be subject to reclassification to shares of Class B. Owners of shares of Class A shall be entitled to, during January and July each year ("the Reclassification Periods"), to request that all or part of their shares of Class A shall be reclassified to shares of Class B. A request for reclassification shall be made by written notification and must have been received by the company's Board of Directors no later than on the last day during the relevant Reclassification Period. Such request shall state (i) the number of class A shares that the shareholder wishes to reclassify or (ii) the percentage of the total number of votes in the company that the shareholder wishes to hold, after reclassification has been completed of all Class A shares requested for reclassification during the relevant Reclassification Period. When making a request in accordance with alternative (ii) above, the shareholder shall also state the total number of shares of Class A and shares of Class B that the shareholder holds at the time of the request.

By the end of each Reclassification Period, the Board of Directors shall consider the question of reclassification. Immediately thereafter, the Board of Directors shall report the reclassification to the Swedish Companies Register (Sw. Bolagsverket) for registration. The reclassification is effected when it has been registered and the reclassification been noted in the CSD Register.

new shares are issued, new shares of Class A and Class B 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. **Class C shares do not carry rights to participate in bonus issues.** Following a requisite amendment in 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 share capital, which in any case shall not fall below the minimum share capital, may, upon the request of an owner of Class C shares and a resolution by the company's board of directors or the general meeting, take place through redemption of Class C shares. A request from an owner of Class C shares shall be made in writing to the board of directors and the board shall process the request promptly. When a resolution on reduction has been passed, an amount corresponding to the reduction amount shall be transferred to the company's reserve fund, if required funds are available. The redemption amount per Class C share shall correspond to the quota value of such shares.**

**Following notice of the redemption resolution, holders of shares shall promptly receive payment for the shares, or, if authorisation 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 decision of the board of directors be reclassified into Class B Shares. Immediately thereafter, the board of directors shall report the reclassification to the Swedish Companies Registration Office for registration. The reclassification is effected then it has been registered and the reclassification been noted in the Swedish Central Securities Depository.**

Shares of Class A shall be subject to reclassification to shares of Class B. Owners of shares of Class A shall be entitled to, during January and July each year ("the Reclassification Periods"), to request that all or part of their shares of Class A shall be reclassified to shares of Class B. A request for reclassification shall be made by written notification and must have been received by the company's Board of Directors no later than on the last day during the relevant Reclassification Period. Such request shall state (i) the number of Class A shares that the shareholder wishes to reclassify or (ii) the percentage of the total number of votes in the company that the shareholder wishes to hold, after reclassification has been completed of all Class A shares requested for reclassification during the relevant Reclassification Period. When making a request in accordance with alternative (ii) above, the shareholder shall also state the total number of shares of Class A and shares of Class B that the shareholder holds at the time of the request.

By the end of each Reclassification Period, the Board of Directors shall consider the question of

reclassification. Immediately thereafter, the Board of Directors shall report the reclassification to the Swedish Companies Register (Sw. Bolagsverket) for registration. The reclassification is effected when it has been registered and the reclassification been noted in the CSD Register.

***Authorisation for the Board to issue Class C Shares (item 20 (c))***

The Board proposes that the Annual General Meeting resolves to authorise the Board, during the period until the next Annual General Meeting, to resolve to issue not more than 500,000 Class C Shares at the quota value. With deviation from the shareholders' preferential rights, a third party shall be entitled to subscribe for the new Class C Shares at a subscription price corresponding to the quota value of the shares. The purpose of the authorisation and the reason for the deviation from the shareholders' preferential rights in connection with the issue of shares is to ensure delivery of shares to participants in LTIP 2019.

***Authorisation to resolve to repurchase own Class C Shares (item 20 (d))***

The Board proposes that the Annual General Meeting resolves to authorise the Board, during the period until the next Annual General Meeting, on one or more occasions, to repurchase its own Class C Shares. The repurchase may only be effected through a public offer directed to all holders of Class C Shares and shall comprise all outstanding Class C Shares. The purchase may be affected at a purchase price corresponding to the quota value of the shares. Payment for the Class C shares shall be made in cash. The purpose of the repurchase authorisation is to ensure the company's compliance with its obligations under LTIP 2019.

***Transfer of own Class B Shares (item 20 (e))***

The Board proposes that the Annual General Meeting resolves that Class C Shares that the company purchases by virtue of the authorisation to repurchase its own Class C Shares in accordance with item 20 (d) above, following reclassification into Class B Shares, may be transferred to participants in LTIP 2019 in accordance with the approved terms.

The Board further proposes that the Annual General Meeting resolves that a maximum of 500,000 Class B Shares may be transferred to participants in accordance with the terms of LTIP 2019.



**Amendments to the articles of association and bonus issue (item 21)*****Amendments to the Articles of Association (item 21 (a))***

With reference to the Board of Directors' proposal to resolve on a bonus issue in accordance with item 21(b) below, the Board of Directors proposes that the Annual General Meeting resolves upon the following amendments to the Articles of Association:

**Current wording**

The share capital shall be not less than SEK 500,000 and not more than SEK 2,000,000. The number of shares shall be not less than 50,000,000 and not more than 200,000,000.

**Proposed wording****§ 4****Share capital and  
number of shares**

The share capital shall be not less than SEK **100,000,000** and not more than SEK **400,000,000**. The number of shares shall be not less than 50,000,000 and not more than 200,000,000.

***Bonus issue (item 21 (b))***

The Board of Directors proposes that the Annual General Meeting resolves upon a bonus issue, entailing an increase in the share capital of SEK 134,184,488. The amount by which the share capital is to be increased shall be transferred to the share capital from unrestricted equity. No new shares will be issued.

## Articles of Association

**Nordic Entertainment Group AB (publ), reg. no. 559124-6847**

**Adopted at the Annual General Meeting on 22 May 2019**

### **§ 1 Name**

The registered name of the company is Nordic Entertainment Group AB (publ).

### **§ 2 Office**

The company's registered office is in Stockholm municipality.

### **§ 3 Operations**

The company shall develop and sell goods and services within the media, information and communications businesses and other activities compatible therewith. The company shall also be entitled to own and manage real estate as well as shares and other movables, and carry on other activities compatible therewith. The company shall have the right to guarantee or otherwise pledge security for obligations assumed by other companies within the same group.

### **§ 4 Share capital and number of shares**

The share capital shall be not less than SEK 100,000,000 and not more than SEK 400,000,000. The number of shares shall be not less than 50,000,000 and not more than 200,000,000.

### **§ 5 Shares**

The company may issue shares of three classes, Class A, Class B and Class C. Class A shares may be issued in a maximum number of 200,000,000 and Class B in a maximum number of 200,000,000 and Series C in a maximum number of 200,000,000. Each share of Class A shall carry ten votes, and each share of Class B and C, respectively, shall carry one vote. Shares of either class may be issued up to an amount corresponding to the entire share capital.

Owners of Class C shares are not entitled 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 quota value of the share.

In the event of new issues of shares of Class A, Class B and Class C where payment is not to be made in kind, owners of shares of Class A, Class B and Class C shall enjoy pre-emption rights to subscribe for new shares of the same class pro rata to the number of shares previously held by them (primary pre-emption right). Shares which are not subscribed for pursuant to the primary pre-emption rights shall be offered to all shareholders (secondary pre-emption right). If the shares thus offered are not sufficient for the subscription pursuant to the secondary pre-emption rights, the shares shall be allocated between the subscribers pro rata to the number of shares previously held and, to the extent such allocation cannot be effected, by the drawing of lots.

In the event of new issues of shares of Class A, Class B or Class C where payment is not to be made in kind, all shareholders shall, irrespective of whether their shares are of Class A, Class B or Class C, have pre-emption rights to subscribe for new shares pro rata to the number of shares previously held by them.

The stipulations regarding preferential rights shall apply mutatis mutandis for new issues of warrants and convertible debt and shall not infringe on the possibility to resolve on an issue in which the preferential rights of shareholders are waived.

If the share capital is increased by a bonus issue, where new shares are issued, new shares of Class A and Class B 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. Class C shares do not carry rights to participate in bonus issues. Following a requisite amendment in the Articles of Association, the

forementioned stipulation shall not infringe on the possibility to issue shares of a new class by a bonus issue.

Reduction of share capital, which in any case shall not fall below the minimum share capital, may, upon the request of an owner of Class C shares and a resolution by the company's board of directors or the general meeting, take place through redemption of Class C shares. A request from an owner of Class C shares shall be made in writing to the board of directors and the board shall process the request promptly. When a resolution on reduction has been passed, an amount corresponding to the reduction amount shall be transferred to the company's reserve fund, if required funds are available. The redemption amount per Class C share shall correspond to the quota value of such shares.

Following notice of the redemption resolution, holders of shares shall promptly receive payment for the shares, or, if authorisation 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 decision of the board of directors be reclassified into Class B Shares. Immediately thereafter, the board of directors shall report the reclassification to the Swedish Companies Registration Office for registration. The reclassification is effected then it has been registered and the reclassification been noted in the Swedish Central Securities Depository.

Shares of Class A shall be subject to reclassification to shares of Class B. Owners of shares of Class A shall be entitled to, during January and July each year ("the Reclassification Periods"), to request that all or part of their shares of Class A shall be reclassified to shares of Class B. A request for reclassification shall be made by written notification and must have been received by the company's Board of Directors no later than on the last day during the relevant Reclassification Period. Such request shall state (i) the number of Class A shares that the shareholder wishes to reclassify or (ii) the percentage of the total number of votes in the company that the shareholder wishes to hold, after reclassification has been completed of all Class A shares requested for reclassification during the relevant Reclassification Period. When making a request in accordance with alternative (ii) above, the shareholder shall also state the total number of shares of Class A and shares of Class B that the shareholder holds at the time of the request.

By the end of each Reclassification Period, the Board of Directors shall consider the question of reclassification. Immediately thereafter, the Board of Directors shall report the reclassification to the Swedish Companies Register (Sw. *Bolagsverket*) for registration. The reclassification is effected when it has been registered and the reclassification been noted in the CSD Register.

## **§ 6 The Board of directors**

The Board of directors shall consist of no less than three and no more than nine directors.

## **§ 7 Auditors**

The Company shall have no more than three auditors with up to three deputy auditors. The auditor's term of office shall last until the end of the Annual General Meeting which is held during the first, second, third or fourth financial year after the auditor was elected.

## **§ 8 Financial year**

The company's financial year shall be the calendar year.

## **§ 9 Notice of a general meeting**

Notice of a general meeting of shareholders shall be published in the Swedish Official Gazette (Sw. *Post-och Inrikes Tidningar*) as well as on the company's website. At the time of the notice, an announcement with information that the notice has been issued shall be published in Svenska Dagbladet.

## **§ 10 Participation at the general meeting**

A shareholder that wishes to participate at the proceedings at the general meeting shall, firstly, have been registered as shareholder in a transcript of the entire share register with respect to the situation five business days before the meeting, and secondly, register with the company no later than on the registration day set forth in the notice convening the meeting. Such registration day must not be a Sunday, any other public holiday, a Saturday, Midsummer's Eve, Christmas Eve, New Year's Eve or any day earlier than five business days prior to the meeting.

A shareholder attending a general meeting may be accompanied by an assistant, however only where the shareholder has provided notification hereof in accordance with the foregoing paragraph.

## **§ 11 Central securities depository clause**

The shareholder or nominee who on the record date is registered in the share register and in a central securities depository register pursuant to Chapter 4 of the Central Securities Depositories and Financial Instruments Accounts Act (1998:1479) or any person who is registered in a central securities depository account pursuant to Chapter 4, Section 18 paragraph 6-8 of the mentioned Act, shall be deemed to be authorised to exercise the rights set out in Chapter 4, Section 39 of the Companies Act (2005:551).

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