

# Notice of Annual General Meeting of Thunderful Group AB

The shareholders in Thunderful Group AB, company reg. no. 559230-0445, (the “**Company**”, “**Thunderful**”), is convened to the Annual General Meeting on Wednesday, May 17, 2023, at 16:00 at Setterwalls Advokatbyrå i Göteborg, Sankt Eriksgatan 5, 404 25 Göteborg.

## Right to participate and registration for the meeting

The shareholder who has been entered in the share register kept by Euroclear Sweden AB as of May 9, 2023, and has notified his/her intention to participate to the Company so that the notification has reached the Company no later than May 15, 2023, has the right to participate in the Annual General Meeting. The notification, and where applicable completed postal voting form, must be sent to Thunderful Group AB, “IR Annual General Meeting”, Kvarnbergsgatan 2, 411 05 Gothenburg. The above may also be submitted electronically and must then be sent to: [ir@thunderfulgroup.com](mailto:ir@thunderfulgroup.com).

The notification must state the full name, personal or organization number, shareholding, address, daytime telephone number and, where applicable, information on the number of assistants (maximum two).

## Nominee-registered shares

To be entitled to participate in the Annual General Meeting, shareholders who have had their shares registered with a nominee must temporarily re-register the shares in their own name. Shareholders who wish such re-registration, so-called registration of voting rights, must notify its trustee in good time before May 11, 2023. The re-registration must be completed with Euroclear Sweden AB on May 11, 2023.

## Proxy etc.

If shareholders are to be represented by a proxy, the proxy must have a written, dated and by the shareholder signed power of attorney for the annual general meeting. The power of attorney may not be older than one year, unless a longer period of validity (however, a maximum of five years) has been stated in the power of attorney. If the power of attorney has been issued by a legal entity, the representative must also have the relevant certificate of registration or equivalent authorization document for the legal entity. To facilitate access, a copy of the power of attorney and other authorization documents should be attached to the notification to the annual general meeting. Proxy forms are kept available on the Company’s website [www.thunderfulgroup.com](http://www.thunderfulgroup.com) and are sent by post to shareholders who contact the Company and state their address.

## About the meeting

The Board has appointed Mats Lönnqvist to open the meeting.

## Proposed agenda

1. Opening of the meeting.
2. Election of chairman at the meeting.
3. Establishment and approval of the electoral register.

4. Approval of the agenda.
5. Election of one or two adjusters.
6. Examination of whether the meeting has been duly convened.
7. Presentation of the annual financial report and the auditor's report, as well as the consolidated annual financial report and the consolidated auditor's report.
8. Resolution regarding adoption of the income statement and the balance sheet, as well as the consolidated income statement and the consolidated balance sheet.
9. Resolution regarding allocation of the Company's profits or losses in accordance with the adopted balance sheet and the determination of a record-date for dividend payouts.
10. Resolution regarding discharge of the members of the Board of Directors and the managing director from liability.
11. Resolution on:
  - (a) determination of the number of board members, and
  - (b) determination of the number of auditors and deputy auditors.
12. Determination of board and auditor fees.
13. Election of
  - (a) board members,
  - (b) the chairman of the board, and
  - (c) auditor(s) and deputy auditors.
14. Resolution authorizing the Board of Directors to decide on issuing.
15. Resolution on:
  - (a) implementation of warrant-based incentive program 2023/2026 for certain key persons, and
  - (b) implementation of employee stock option program 2023/2026 for certain foreign key persons as well as (ii) directed issue of warrants for delivery of shares for employee stock option program 2023/2026.
16. Resolution on adoption of updated Articles of Association.
17. Closing of the meeting.

### **Proposed decision**

The Nomination Committee has been appointed in accordance with the procedure resolved by the Annual General Meeting on April 27, 2022 and has consisted of Anders Holmgren (appointed by Bergsala Holding AB), Celia Grip (appointed by Swedbank Robur Fonder AB),

Klaus Lynged representing himself and Mats Lönnqvist (Chairman of the Board). Anders Holmgren has been appointed chairman of the Nomination Committee.

**Item 2:** The Nomination Committee proposes that the Annual General Meeting elects the solicitor Bo Berndtsson at Setterwalls Advokatbyrå as Chairman at the 2023 Annual General Meeting.

**Item 9:** The Board proposes that no dividend be paid for the financial year 2022 and that the company's available funds of a total of SEK 2,069,366,452 including the profit for the year be capitalized in a new account.

**Item 10:** The auditors recommend that the Annual General Meeting grant the members of the Board and the CEO discharge from liability for the financial year. Decisions on discharge from liability are proposed to be made through separate, individual decisions for each board member and CEO, respectively, in the following order:

- (i) Mats Lönnqvist (Board member and Chairman)
- (ii) Owe Bergsten (Board member)
- (iii) Tomas Franzén (Board member)
- (iv) Oskar Burman (Board member)
- (v) Cecilia Ogvall (Board member)
- (vi) Anders Maiqvist (acting CEO)

**Item 11 (a) - (b):** The Nomination Committee proposes that the Board shall consist of six ordinary members elected by the Annual General Meeting without deputies (a). It is proposed that the number of auditors should amount to one and that no deputy auditor be appointed (b).

**Item 12 (a) - (b):** The Nomination Committee proposes that fees to the Chairman be paid in the amount of SEK 500,000 and to other Board members in the amount of SEK 250,000 for the entire term of office. (a)

Fees to the Company's auditor are proposed to be paid according to an approved invoice. (b)

**Item 13 (a) - (c):** The Nomination Committee proposes re-election of the Board members Mats Lönnqvist, Owe Bergsten and Tomas Franzén, and that Martin Walfisz, Sara Bach and Patrick Svensk be newly elected to the board (a).

Patrick Svensk is proposed to be elected Chairman of the Board (b).

Information about the members proposed and their respective independence vis-à-vis the Company and the Company's major shareholders can be found on the Company's website ([www.thunderfulgroup.com](http://www.thunderfulgroup.com)) and in the Company's annual report.

The Nomination Committee proposes new election of the registered auditing company PricewaterhouseCoopers in Sweden AB (c).

**Item 14:**

The Board of Directors proposes that the Annual General Meeting resolves to authorize the Board of Directors to, until the next Annual General Meeting, on one or more occasions, decide on a new issue of shares, warrants and/or convertibles.

The issuing may take place with or without deviation from the shareholders' preferential rights and with or without a provision on non-cash payment, set-off or other conditions.

The purpose of the authorization and the reason for deviation from the shareholders' preferential rights and/or possibility to decide on issuing with a provision on non-cash payment, set-off or other conditions, is to give the Board of Directors flexibility in its work with financing and enabling accelerated expansion and development of the company group, its market and products, for example through acquisitions of companies, operations or assets where payment is to be made in whole or in part with newly issued shares and/or enable the Board of Directors to quickly raise capital for such acquisitions.

The number of shares issued with support from the authorization or that may be issued through the exercise of warrants and conversion of convertibles issued with support from the authorization, may amount to a maximum of 7,029,059 shares, corresponding to a dilution of approximately 10 percent of all outstanding shares at the time of this notice and the same dilution effect on the key figures for the share that the company reports.

To the extent that a new issue takes place with a deviation from the shareholders' preferential rights, the new issue shall take place on market terms. The Board of Directors has the right to determine other terms for the issue.

**Item 15(a):**

The Board of Directors proposes that the Annual General Meeting resolves to implement a warrant-based incentive program 2022/2025 for certain key persons in accordance with the following.

The Board of Directors proposes that the Annual General Meeting resolves to implement a warrant-based incentive program 2023/2026 for certain key persons through an issue of not more than 490,000 warrants with the right to subscribe for new shares in the company and to approve the transfer of such warrants on the following terms and conditions:

1. With deviation from the shareholders' preferential rights, the warrants may only be subscribed for by the company.
2. The reason for the deviation from the shareholders' preferential rights and the purpose of the implementation of incentive program 2023/2026 is to offer certain key persons the opportunity to participate in a warrant-based incentive program enabling the company to retain and motivate these key persons. An increased ownership commitment is expected to stimulate an increased interest in the business and the earnings trend, enhance the motivation and increase the feeling of affinity with the company. Based on this, the Board assesses that the proposal is to garner positive effects for the future developments of the Company and therefore be of value to the Company and its shareholders.
3. Subscription shall be made on a separate subscription list no later than 24 May 2023.
4. The warrants shall be issued at market value, calculated through an independent valuation using the Black & Scholes model. Such valuation shall be done with the help of the consulting firm Aderio. The reason for the issuing of the warrants to the company, at market value, is that the warrants will be used for the implementation of incentive program 2023/2026.
5. Allotment of warrants shall be resolved by the Board of Directors of the company and will mainly be distributed as follows:
  - (a) Incoming CFO may in total be allotted a maximum of 250,000 warrants;
  - (b) CFO may in total be allotted a maximum of 150,000 warrants; and

- (c) Other key persons within the segment Distribution shall not be allotted more than of 90,000 warrants in total and 30,000 warrants each.
6. Transfer to participants of incentive program 2023/2026 pursuant to clause 5 above shall take place no later than 14 June 2023 (the “**Transfer Date**”) against payment in cash corresponding to the market value of the warrants at the time of transfer, calculated through an independent valuation using the Black & Scholes model. Such valuation shall be done with the help of the consulting firm Aderio. The Board of Directors has the right to prolong the subscription and payment period.
  7. Transfer of a warrant shall require that the employee at the time of offer as well as at the time of allotment is a permanent employee of the company or its subsidiaries and has not resigned or been given notice of dismissal, and also at the same time as the transfer enters into an agreement with the company that inter alia gives the company (or a third party designated by the company) the right (but not an obligation) to acquire all or some of the employee’s warrants in the event that the employee’s employment terminates.
  8. For the warrants and the exercise of the warrants, the terms and conditions set out in the attached terms and conditions of warrants 2023/2026 I, **appendix 15A**, (the “Warrant Terms and Conditions”) apply. Among other things, the Warrant Terms and Conditions include:
    - (a) that each warrant entitles the holder to subscribe for one new share in the company in exchange for cash payments at a subscription price equal to 130 percent of the volume-weighted average price paid for the company’s share on First North, five (5) business days following the 17 May 2023 (but not lower than the quota value of the shares).
    - (b) that the subscription price and the number of shares that each warrants entitles to subscribe for could be subject to recalculation in accordance with the provisions of Clause 8 of the Warrant Terms and Conditions;
    - (c) that the warrants may be exercised during the period 19 May 2023 – 30 June 2026;
    - (d) that the exercise period may be brought forward or be postponed in accordance with the provisions of Clause 8 of the Warrant Terms and Conditions; and
    - (e) that the shares issued pursuant to the exercise of warrants confers to right to dividends in accordance with the provisions of Clause 7 of the Warrant Terms and Conditions.
  9. If all warrants are exercised for subscription of new shares, the share capital will be increased by SEK 4,900.
  10. If the subscription price exceeds the quota value of the shares, the exceeding amount shall be attributed to the free share premium fund (Sw: fria överkursfonden).
  11. The Board of Directors propose that the Board of Directors or the person appointed by the Board of Directors shall be authorized to make the minor formal adjustments to the resolution that may prove necessary in connection with registration with the Swedish Companies Registration Office.

### **Dilution and costs, etc.**

The company resolved at the Annual General Meeting on 2 September 2020 to implement two incentive programs, an incentive program 2020/2023 I for employees and an incentive program 2020/2023 II for board members. Through the incentive programs, a total of 519,220 warrants

have been subscribed for and issued, which entitles to subscription of 519,220 shares, corresponding to a total dilution effect of a maximum of 0.74 percent of the share capital and, per the day of notice of annual general meeting, 0.74 percent of the outstanding votes. Subscription of shares may be made during the period 1 November 2023 up to and including 30 November 2023. If all warrants are exercised, the company's share capital will be increased by SEK 5,192.20. The company or someone designated by the company has the right to acquire the warrants in the event that the employment or board assignment terminates before the exercise of the warrants.

Furthermore, the company resolved at the annual general meeting on 27 April 2022 to implement an incentive program 2022/2025 for certain key persons. Through the incentive programs, a total of 270,000 warrants have been subscribed for and issued, which entitles to subscription of 270,000 shares, corresponding to a total dilution effect of a maximum of 0.38 percent of the share capital and, per the day of notice of annual general meeting, 0.38 percent of the outstanding votes. Subscription of shares may be made during the period 19 May 2025 up to and including 30 June 2025. If all warrants are exercised the company's share capital will be increased by SEK 2,700. The company or someone designated by the company has the right to acquire the warrants in the event that the employment or board assignment terminates before the exercise of the warrants.

The now proposed incentive program may cause a dilution of approximately 0.70 percent of the company's current share capital and votes (in total approximately 2.46 percent of the company's share capital and votes after full dilution, calculated on the number of shares issued if all warrants are exercised under incentive program 2020/2023 I, 2020/2023 II, 2022/2025 as well as proposed employee stock option program 2023/2026 in item 15b of the proposed agenda), calculated on the number of shares that will be added upon full exercise of the incentive program in relation to the number of existing shares, with a corresponding dilution effect on the key figure earning per share.

According to the assessment of the Board of Directors, the proposed issue will only cause limited costs for legal advice and valuation in connection with the implementation of the program. As the warrants will be transferred at market value, the Board of Directors assesses that no salary costs or social security contributions will arise for the company as a result of the incentive program 2023/2026.

**Item 15(b):**

The Board of Directors proposes that the Annual General Meeting resolves to (i) implement an employee stock option program 2023/2026 for certain foreign key persons in the Company and/or subsidiaries of the company ("**Employee stock option program**" or "**ESOP**"), and (ii) in order to ensure the Company's commitments to the Employee stock option program, to issue not more than 450,000 warrants with the right to subscribe for new shares in the company and to approve the transfer of such warrants on the following terms and conditions:

**(i) implementation of the Employee Stock Option Program**

The purpose of implementing the ESOP is to enable the Company to recruit, retain and motivate engaged employees. The Board of Directors assesses that it is desirable for employees to have a clear/increased ownership involvement, that will be corresponding to that of the shareholders. Such ownership involvement is expected to stimulate increased interest in the activities and future outcome, increase the motivation and increase the sense of affinity with the Company. Considering this, it is the Board of Directors assessment that the proposal is expected to have a

positive impact on the Company's continued progress and therefore be positive for the Company and its shareholders.

1. The program shall include a maximum 450,000 employee stock options.
2. The employee stock options shall, at one or more occasions, no later than 31 May 2023 be offered free of charge to senior executives and key persons abroad in segment Games and segment Distribution, whereas
  - (a) vice presidents within segment Games may not be offered more than 120,000 options in total and 80,000 options each;
  - (b) other senior management within segment Games may not be offered more than 150,000 options in total and 30,000 options each;
  - (c) vice presidents within segment Distribution may not be offered more than 120,000 option in total and 80,000 options each; and
  - (d) other senior management within segment Games may not be offered more than 150,000 options in total and 30,000 options each.
3. An offer of employee stock options shall require that the employee at the time of offering as well as at the time of allotment is employed permanently and has not given notice of dismissal or been dismissed.
4. Notification from employee, whom has been offered options, of participation in the Program shall have been given no later to the Company than two weeks after the time of offer. The Board of Directors may prolong this timeframe.
5. Allotment shall be made no later than 14 June 2023 ("**Allotment Day**").
6. Allotment of Employee stock option shall require that the participant is, at the time of allotment, employed permanently in the Company or its subsidiaries and has not given notice of dismissal or been dismissed and also at the same time as the transfer enters into agreement with the Company which, on terms provided by the company, among other things ,gives the Company right (but no obligation) to cancel all or some of the employee's stock option in the event that the employee's employment ceases. The Employee stock options shall vest with one third (1/3) each year during the term.
7. Each Employee stock options entitles the holder to, during the period between 19 May 2026 to 30 June 2026, acquire one new share in the Company in exchange for cash payment in accordance to an exercise price of 130 percent of the volume-weighted average price paid for the company's share on First North, five (5) business days following the 17 May 2023 (however, no less than the Quotient value of the share). The point in time for utilization of vested employee stock option may be brought forward or be postponed and the exercise price as well as the amount of shares each Employee stock option is entitled to acquire may be subject to change in accordance to what follows of corresponding application of the provisions laid down in section 8 in the warrant terms (defined below).
8. The employee stock options do not constitute securities and shall not be able to be transferred or pledged.

## **(ii) Issue of warrants and approval of transfer of such warrants**

In order to enable the Company's delivery of shares in accordance with the ESOP, the Board of Directors propose that the annual general meeting resolves on directed issue of warrants and approves of transfer of warrants. The Board of Directors therefore proposes to issue no more than 450,000 warrants on the following terms:

1. With deviation from the shareholders' preferential rights, the warrants may only be subscribed for by the company
2. The reasons for the deviation from the shareholders' preferential rights are that the warrants are to be used for implementation of the ESOP. That the ESOP will have positive effects for the future developments of the company and therefore be of value to the company and its shareholders has been elaborated under (i) above
3. Subscription shall be made on a separate subscription list no later than 24 May 2023.
4. The warrants shall be issued free of charge.
5. The reason for the warrants being issued free of charge is because they are going to be used for the implementation of the ESOP.
6. The Company shall have the right and the obligation to, on one or more occasions, transfer warrants free of charge to participants of the Employee stock option program in connection when an employee stock option is used to acquire a share in the Company (or in other ways dispose of the warrants in order to ensure the Company's commitments under the ESOP).
7. For the warrants and the utilization of the option right terms apply as shown by attached terms and conditions for warrants 2023/2026 II, **Appendix 15B**, (the "**Warrant terms**"). The Warrant terms inter alia stipulate:
  - (a) that each warrant entitles the holder to subscribe for one new share in the company in exchange for cash payments at a subscription price equal to 130 percent of the volume-weighted average price paid for the company's share on First North, five (5) business days following the 17 May 2023 (but not lower than the quota value of the shares).
  - (b) that the subscription price and the number of shares that each warrants entitles to subscribe for could be subject to recalculation in accordance with the provisions of Clause 8 of the Warrant Terms;
  - (c) that the warrants may be exercised during the period 19 May 2023 – 30 June 2026;
  - (d) that the exercise period may be brought forward or be postponed in accordance with the provisions of Clause 8 of the Warrant Terms; and
  - (e) that the shares issued pursuant to the exercise of warrants confers to right to dividends in accordance with the provisions of Clause 7 of the Warrant Terms.
8. If all warrants are exercised for subscription of new shares, the share capital will be increased by SEK 4,500.
9. If the subscription price exceeds the quota value of the shares, the exceeding amount shall be attributed to the free share premium fund (Sw: fria överkursfonden).
10. The Board of Directors propose that the Board of Directors or a person appointed by the Board of Directors shall be authorized to make the minor formal adjustments to the



resolution that may prove necessary in connection with registration with the Swedish Companies Registration Office.

### **Dilution and costs, etc.**

The company further resolved at the Annual General Meeting on 2 September 2020 to implement two incentive programs, an incentive program 2020/2023 I for employees and an incentive program 2020/2023 II for board members. Through the incentive programs, a total of 519,220 warrants have been subscribed for and issued, which entitles to subscription of 519,220 shares, corresponding to a total dilution effect of a maximum of 0.74 percent of the share capital and, per the day of notice of annual general meeting, 0.74 percent of the outstanding votes. Subscription of shares may be made during the period 1 November 2023 up to and including 30 November 2023. If all warrants are exercised the company's share capital will be increased by SEK 5,192.20. The company or someone designated by the company has the right to acquire the warrants in the event that the employment or board assignment terminates before the exercise of the warrants.

The further resolved at the annual general meeting on 27 April 2022 to implement an incentive program 2022/2025 for certain key persons. Through the incentive programs, a total of 270,000 warrants have been subscribed for and issued, which entitles to subscription of 270,000 shares, corresponding to a total dilution effect of a maximum of 0.38 percent of the share capital and, per the day of notice of annual general meeting, 0.38 percent of the outstanding votes. Subscription of shares may be made during the period 19 May 2025 up to and including 30 June 2025. If all warrants are exercised the company's share capital will be increased by SEK 2,700. The company or someone designated by the company has the right to acquire the warrants in the event that the employment or board assignment terminates before the exercise of the warrants.

The ESOP may cause a dilution of approximately 0.64 percent of the company's current share capital and votes (in total approximately 2.46 percent of the company's share capital and votes after full dilution, calculated on the number of shares issued if all warrants are exercised under incentive program 2020/2023 I, 2020/2023 II, 2022/2025 as well as proposed employee stock option program 2023/2026 in item 15a of the proposed agenda), calculated on the number of shares that are added upon full utilization of the incentive program in relation to the existing number of shares with the corresponding dilutive effect on the earnings per share key figure.

The employee stock option program may incur some costs. Based on the assumption that 100 percent of the employee options included in the Program will be vested, it is calculated that accounting-based personnel costs in accordance with IFRS 2 will amount to approximately MSEK 1.2 between 2023 and 2026 based on the real value of the options when the ESOP starts. The employee options have no market value as they cannot be transferred. The board of Directors has, however, calculated a theoretical value of the options through the so called Black & Scholes model. The calculations have been based on an assumed share price of SEK 18.4, an assumed volatility of 30 percent, a risk-free interest rate of 2.7 percent and a term of 3 years. According to this valuation, the value of the options is approximately SEK 2.6 per option. Actual cost according to IFRS 2 will depend on how many options are earned. When exercising vested options, the Program will entail costs in the form of social insurance contributions. The size of the fee may vary between different countries. Total costs for social security contributions during the duration of the Program depend on how many options are earned and on the value of the options when exercised. On the assumption that 100 percent of the options included in the Program will be earned, an assumed subscription price of SEK 18.4 and an assumed share price of SEK 27.6 when the options are exercised, the costs for the social security contributions amount to approx. MSEK 0.2.

**Item 16:** The Board of Directors proposes that the annual general meeting 2023 resolves to adopt updated Articles of Association with the amendment of a new item 8 regarding shareholders right to participate in the general meetings. The proposed amendment grants an opportunity for the Board of Directors to collect proxies in accordance with the Companies Act Chapter 7 Section 4, an opportunity for the Board of Directors to resolve on that shareholders may exercise their voting right by postal voting prior to the general meeting, that shareholders who wish to participate in the general meeting must notify their intention to do so. Furthermore, the proposed amendment means that shareholders may bring a maximum of two assistants to the general meeting under certain conditions and grants an opportunity for the Board of Directors to decide on non-shareholders right to attendance at the meeting.

After the change the articles of association will the wording as provided by **Appendix 16C**.

The Board of Directors or the person appointed by the Board of Directors is authorised, to make such minor formal adjustments to the resolution and Articles of Association, which may be required for registration with the Swedish Companies Registration Office.

### **Number of shares and votes**

At the time of issuing this notice, the total number of shares in the company amounts to 70,290,597. The company does not hold any own shares, which is why all shares are entitled to vote.

### **Majority requirements**

For a valid resolution in accordance with item 14 and 16, the proposal must be supported by shareholders of at least two thirds of both the votes cast and the shares represented at the meeting. For a valid resolution in accordance with item 15a and 15b, the support of shareholders of at least nine tenths of both the votes cast and the shares represented at the meeting is required.

### **Meeting documents**

The annual report and the auditor's report as well as the consolidated accounts and the consolidated auditor's report for the financial year 2022 and the Boards complete proposals together with related documents will be available on the company's website [www.thunderfulgroup.com](http://www.thunderfulgroup.com), no later than 26 April 2023.

All of the documents above will be sent free of charge to the shareholders who request it from the company and state their address and will be available on the website.

### **Right of question**

Shareholders are informed of their right in accordance with Chapter 7, Section 32 of the Swedish Companies Act (2005: 551) to request information from the Board and the CEO at the Annual General Meeting on matters that may affect the assessment of a matter on the agenda and circumstances that may affect the company's and the Group's financial situation.

### **Processing of personal data**

For information on how your personal data is processed, please see: <https://www.euroclear.com/dam/ESw/Legal/Integritetspolicy-bolagsstammor-svenska.pdf>.

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Gothenburg in April 2023  
The board of Thunderful Group AB

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