



## PRESS RELEASE

Stockholm, Sweden 7 December 2023

# WELCOME TO ATTEND MAG INTERACTIVE AB (PUBL)'S ANNUAL GENERAL MEETING

*MAG Interactive AB (publ) hereby gives notice of its annual general meeting to be held at MAG Interactive AB (publ)'s premises at Drottninggatan 95A, Stockholm, on Wednesday 17 January 2024 at 14:00 CET. The convention hall opens for registration to the annual general meeting at 13:30 CET.*

### Participation

Any person is entitled to participate at the annual general meeting if they

*are* either entered in the share register maintained by Euroclear Sweden AB on Tuesday, 9 January 2024 or, if the shares are registered in the name of a nominee, temporarily have registered the shares on the record date for voting rights registrations which is on Thursday 11 January 2024;

*and* have notified the company at the latest on Thursday 11 January 2024 in one of the following ways:

- by email to [evelina.petterson@roschier.com](mailto:evelina.petterson@roschier.com)
- in writing to address: Roschier Advokatbyrå, Att. Evelina Petterson, PO Box 7358, SE-103 90 Stockholm, Sweden

The notification must include the shareholder's name, personal ID number or company registration number, address, telephone number, and any potential assistants. Shareholders represented by proxy should submit proxy forms well in advance of the meeting.

The personal data obtained from the share register maintained by Euroclear Sweden AB, the notification of participation at the annual general meeting and the information regarding proxies and assistants will be used for registration, preparation of the voting register for the annual general meeting and, where applicable, minutes from the annual general meeting. The personal data will only be used for the annual general meeting 2024.

### Nominee registered shares

In order to be entitled to participate at the annual general meeting, shareholders whose shares are registered in the name of a nominee through a bank or other nominee must re-register their shares in their own names. Such voting registration, which may be temporary, must be duly effectuated no later than four banking days before the general meeting, i.e. on Thursday 11 January 2024 to be considered in preparations of the share register. Shareholders should inform their nominees well in advance of this date.

**Proxies, etc.**

Shareholders who are represented by proxy must issue a proxy form for their proxy. If the proxy form has been issued by a legal entity, an attested copy of the certificate of registration of the legal entity evidencing its authority to issue the proxy form must be attached to the form. The original proxy form and the certificate of registration, where applicable, should be sent to Roschier Advokatbyrå, Att. Evelina Pettersson, PO Box 7358, SE-103 90 Stockholm, Sweden, well in advance of the annual general meeting. Proxy forms are available at MAG Interactive's website, [www.maginteractive.com](http://www.maginteractive.com).

**Agenda**

1. Opening of the meeting and election of the chairman of the annual general meeting.
2. Preparation and approval of the voting register.
3. Approval of the agenda.
4. Election of one or two persons to verify the minutes.
5. Determination of whether the meeting has been duly convened.
6. Presentation by the CEO.
7. Presentation of the parent company's annual report and auditor's report, as well as the consolidated financial statements and the auditor's report.
8. Resolutions to adopt the parent company's income statement and balance sheet, as well as the consolidated income statement and the consolidated balance sheet.
9. Resolutions to allocate the company's profit or loss in accordance with the approved balance sheet.
10. Resolution to discharge the board members and the CEO from liability.
11. Determination of:
  - A. The number of board members to be appointed by the annual general meeting.
  - B. The number of auditors and alternate auditors to be appointed by the annual general meeting.
12. Determination of:
  - A. The fees to be paid to the board members.
  - B. The fees to be paid to the auditors.
13. Election of chairman of the board of directors and other board members.
14. Election of auditors.
15. Resolution to grant the board of directors the authority to issue new shares, whether applying or disapplying pre-emption rights for the company's shareholders.

16. Resolution regarding (a) a long-term share savings program; (b) issue of warrants; and (c) transfer of shares and/or warrants.
17. Closing of the annual general meeting.

## **Resolutions proposed by the board of directors**

### **Item 9 – Resolutions to allocate the company's profit or loss in accordance with the approved balance sheet**

The board of directors proposes that no dividend is paid and that the profit for the year is carried forward.

### **Item 15 – Resolution to grant the board of directors the authority to issue new shares, whether applying or disapplying pre-emption rights for the company's shareholders**

The board of directors proposes that the shareholders adopt a resolution at the annual general meeting granting the board of directors the authority, on one or more occasions, for the period until the next annual general meeting, to issue new shares, either applying or disapplying shareholders' pre-emption rights.

If the board of directors resolves to issue new shares disapplying the shareholders' pre-emption rights, the reason for this must be to implement an acquisition agreement, or, alternatively, to procure capital for such acquisition.

The number of shares issued by virtue of the authority may not exceed an increase of ten (10) per cent of the share capital based on the share capital of the company on the date of the annual general meeting.

### **Item 16 – Resolution regarding (a) a long-term share savings program; (b) issue of warrants; and (c) transfer of shares and/or warrants**

The board of directors proposes that the annual general meeting resolves on (A) a long-term share savings program (the "**Share Savings Program 2024/2027**"), (B) issuance of warrants and (C) transfer of shares and/or warrants, in accordance with the below.

#### ***Background, rationale and summary***

The board of directors considers it to be in the interest of the company and the shareholders that the executive management and the employees of the company are made part of the company's development by being offered participation in an incentive program. The reasons for the proposal are to contribute to the possibilities to retain and attract qualified personnel and to increase motivation of the employees of the company by being involved in and working for a positive revenue growth during the period covered by the Share Savings Program 2024/2027.

In light of the terms and conditions, size of allotment and other circumstances, the board of directors considers the Share Savings Program 2024/2027, in accordance with the below, to be reasonable and advantageous for the company and its shareholders.

The program is suggested to have a three-year performance period. Participation in the program is suggested to be offered to all employees within the company, conditional upon that the employee makes an initial investment in the company's shares ("**investment shares**"). For each investment

share, the participant may receive three additional shares free of charge in MAG Interactive after the performance period, whereof one is conditional upon retained employment (“**retention shares**”), one is conditional upon retained employment and the fulfilment of a performance criteria concerning the company's average annual revenue growth during the program (“**performance share A**”) and one is conditional upon retained employment and the fulfilment of a performance criteria concerning the company's total revenue (“**performance share B**”) (performance share A and performance share B, together “**performance shares**”) (retention shares and performance shares, together “**share rights**”). The board of directors' intention is to propose a similar incentive program to the AGM 2025.

**A. The board of directors' proposal for resolution on implementation of the Share Savings Program 2024/2027**

The board of directors proposes that the annual general meeting resolves to implement the Share Savings Program 2024/2027 mainly in accordance with the following terms:

In total, the Share Savings Program 2024/2027 shall consist of no more than 135,000 share rights, whereof 45,000 retention shares, 45,000 performance shares A and 45,000 performance shares B.

Participation in the Share Savings Program 2024/2027 requires that participants make a personal investment in the company's shares or allocate already held shares to the program. Each participant shall be offered to participate with a maximum number of investment shares which shall be allocated to the Share Savings Program 2024/2027.

The Share Savings Program 2024/2027 shall, in accordance with the below, be offered to: all employees of the company (including employees in MAG Games Ltd) as of 31 January 2024 (approximately 103 persons), including members of the company's executive management team that are not founders or large shareholders of the company. Participants within each category shall be offered to participate with a maximum number of investment shares as is outlined in the table below:

<b>Categories of participants</b>	<b>Maximum number of investment shares</b>
Group 1 – Executive management (3 persons)	22,500
Group 2 – Other employees (100 persons)	22,500
<i>Total number of investment shares</i>	<i>45,000</i>

For each investment share that is bought and allocated to the program, participants may be granted one retention share, one performance share A and one performance share B free of charge.

Allotment of share rights is conditional upon that the participants employment with the company has not been terminated, with certain exceptions for common “good leaver” conditions. In case a participant’s employment with the company is terminated on good leaver grounds during the performance period, the participant shall be granted share rights pro-rated in relation to the time remaining of the performance period.

Allotment of performance shares is, in addition to what is outlined above, subject to the fulfilment of the performance conditions set out below concerning the company’s average annual revenue

growth and total revenue, respectively, during the performance period, where the participant is allotted one performance share A if a performance condition regarding the average annual revenue growth is fulfilled and one performance share B if a performance condition regarding the total revenue is fulfilled. Fulfilment of the performance condition for performance share A shall be calculated based on a comparison between the average revenue in the company's quarterly reports during the period from and including 1 March 2026, up to and including 28 February 2027 and the average revenue in the company's quarterly reports during the period from and including 1 March 2023, up to and including 29 February 2024. Performance shares will only be allotted if the revenue has grown during the performance period. Performance fulfilment for performance share A is calculated to a maximum of one (1) share at 15% average annual revenue growth with pro-rated allotment in case of performance fulfilment between 5% and 15% average annual revenue growth. Performance fulfilment for performance share B is calculated to a maximum of one (1) share at a total revenue of SEK 500 million at the end of the performance period, with pro-rated allotment from performance fulfilment of performance share A up to a total revenue of SEK 500 million. The number of performance shares to be allotted will be rounded upwards to the nearest whole number of shares.

Notice of participation in the Share Savings Program 2024/2027 shall have been received by the company on 30 April 2024 at the latest, and the board of directors shall be entitled to extend this time period. The allotment of share rights to participants shall be made promptly after the expiration of the performance period.

The share rights will vest three years after the program start (1 March 2027).

Vesting of share rights is accelerated, under certain conditions, in case of a merger in which the company is absorbed by another company or in case of a public offer for all shares in the company whereby the offeror acquires more than 2/3 of the shares in the company, including shares that the offeror or a closely related party to the offeror acquire outside, but in connection with, the offer.

The holders can exercise allotted and vested share rights during the period from and including 1 April 2027 up to and including 1 June 2027. The board of directors may, in individual cases, extend the exercise period to no later than 5 July 2027 if the holder, due to applicable rules, cannot exercise the share rights during the initial exercise period.

For employees resident outside of Sweden, participation requires that such participation is in accordance with applicable laws, and that the board of directors, in its sole discretion, consider it to be possible with reasonable administrative and economic efforts.

The share rights shall be governed by separate agreements with each participant. The board of directors shall be responsible for the preparation and management of the Share Savings Program 2024/2027 within the above-mentioned substantial terms.

### ***B. The board of directors' proposal for an issue of warrants***

In order to enable the company's delivery of shares under the Share Savings Program 2024/2027, the board of directors proposes that the annual general meeting resolves to issue not more than 135,000 warrants of series 2024/2027, free of charge, to a wholly owned subsidiary of MAG Interactive AB (publ) (the "**Subsidiary**") in accordance with the following:

Each warrant of series 2024/2027 entitles the holder to subscription for one (1) share in MAG Interactive AB (publ) during the period from 1 February 2024, or the later date on which the warrants are registered, up to and including 25 July 2027. Subscription for new shares by way of exercising warrants of series 2024/2027 shall be made at a price per share of SEK 0.025975, which corresponds to the quota value of the shares. The exercise price and the number of shares that each warrant of series 2024/2027 entitles to may be subject to recalculation in the event of a bonus issue, share split, rights issue, or similar actions, wherein the recalculation terms in the complete terms and conditions of the warrants shall be applied. The subscription of warrants of series 2024/2027 shall be made no later than on 8 April 2024. However, the board of directors shall be entitled to extend the subscription period. There can be no over-subscription. For complete terms, see [Appendix 1](#) and [Appendix A1](#).

If the warrants of series 2024/2027 are exercised in full, the share capital will increase by SEK 3,506.493507.

### ***C. The board of directors' proposal for approval of transfer of shares and/or warrants***

The board of directors proposes that the annual general meeting resolves to approve that the Subsidiary may transfer shares and/or warrants of series 2024/2027 to the participants in the Share Savings Program 2024/2027 in connection with the allotment of the share rights in accordance with the terms set out in section A.

#### ***Dilution effect, market value, costs, etc.***

The board of directors' proposal to resolve on issuance of warrants entails a dilution effect corresponding to a maximum of approximately 0.51 per cent of the shares and votes in the company if the proposed warrants are exercised in full. The dilution effect is calculated as the relation between the additional shares that the warrants will be exercised for and the sum of the current number of shares and the additional shares that the warrants will be exercised for. Residual warrants will be cancelled and as such will not result in any dilution effect for the shareholders.

The Share Savings Program 2024/2027 is expected to have only marginal effects on the company's key ratios.

The board of directors' assessment is that the Share Savings Program 2024/2027 will trigger costs mainly related to administration, accounting salary costs and social security contributions.

The total costs for administration are estimated to amount to approximately SEK 200,000.

The share rights will be accounted as an employee expense over the performance period, without affecting the company's cash flow. If share rights are allotted, the Share Savings Program 2024/2027 will also entail social security contributions. The total costs for social security contributions during the performance period will depend on the participants employee status, the number of share rights that will be vested, and the value of the benefit that the participant will receive, i.e. the value of the retention shares and performance shares at exercise in 2027. Social security contributions will be expensed in the income statement during the performance period based on the value of the share rights.

Based on the assumption that 100 per cent of the share rights included in the Share Savings Program 2024/2027 are vested, a share price of SEK 30 upon exercise of the retention shares and

performance shares and an average social security cost of 31.42 per cent, the total costs for the program are calculated to amount to approximately SEK 5.1 million during the period 2024-2027, which corresponds to 4.7 percent of the company's annual employee cost (including social security contribution) based on the budgeted employee costs for the financial year 2023/2024.

All of the calculations above are preliminary and aim only to present an example of the potential costs that the Share Savings Program 2024/2027 may incur. Actual costs may therefore deviate from what is stated above.

### ***Previous incentive programs in MAG Interactive AB (publ)***

The company currently has one ongoing share savings program, two ongoing warrant programs and two ongoing employee stock option programs for key employees and other employees. These previously approved incentive programs are, together with the Share Savings Program 2024/2027, expected to entail a dilution of approximately 4.76 per cent of the total number of outstanding shares provided that all outstanding and proposed warrants are exercised in full. The dilution effect is calculated as the relation between the additional shares that the warrants will be exercised for and the sum of the current number of shares and the additional shares that the warrants will be exercised for. For a more detailed description of the company's other share related incentive programs, reference is made to the annual report for the financial year 2022/2023.

### ***Preparation of the proposal***

The proposal has been prepared by the board of directors together with external advisors.

## **Resolutions proposed by the Nomination Committee**

MAG Interactive AB (publ)'s nomination committee consists of Kaj Nygren (NMO Invest AB and Playful Days AB), Johan Persson (Johan Persson, Fredrik Stenh and Anders Larsson), Joachim Spetz (Swedbank Robur Fonder) and Henrik Sandell (Didner & Gerge Fonder), who together represent approximately 55 per cent of the voting rights in respect of all shares in the company. The chairman of the board of directors, Jonas Eriksson, is co-opted to the nomination committee. The nomination committee proposes the following.

### **Item 1 – Chairman of the annual general meeting**

Jonas Eriksson is proposed as chairman of the annual general meeting 2024.

### **Item 11A – Number of board members**

The nomination committee proposes that the number of board members elected at the annual general meeting shall be six and that no deputy board members shall be appointed.

### **Item 11B – Number of auditors and alternate auditors**

The nomination committee proposes that a registered auditing firm shall be appointed as auditor and that no deputy auditors shall be appointed.

### **Item 12A – Fees to the board of directors**

It is proposed that the following fees shall be paid to the board of directors:

- Chairman of the board of directors: SEK 450,000.

- Other board members not employed by the company: SEK 220,000.

#### **Item 12B – Fees to the auditor**

It is proposed that fees are paid to the company's auditors upon approval of their invoices.

#### **Item 13 – Election of chairman of the board of directors and other board members**

The nomination committee proposes that the following board members are elected for the period until the end of the next annual general meeting:

Re-election of each of the board members Daniel Hasselberg, Taina Malén, Asbjørn Søndergaard, Jonas Eriksson, Britt Boeskov and Åsa Linder.

It is proposed that Jonas Eriksson is elected as chairman of the board of directors.

#### **Item 14 – Election of auditors**

Based on the audit committee's recommendation it is proposed that PricewaterhouseCoopers AB is elected as auditor for the period until the end of the next annual general meeting. Subject to the approval by the general meeting of the nomination committee's proposal, PricewaterhouseCoopers AB has informed that authorised public accountant Henrik Boman will be the new auditor-in-charge.

### **Other information**

#### **Shares and voting rights**

MAG Interactive AB (publ)'s share capital amounts to SEK 688,172.805219 divided into 26,494,653 shares. All shares are of the same class and one (1) share entitles the holder to one (1) vote at general meetings.

#### **Majority rules**

The resolution proposed by the board of directors in item 15 on the agenda will only be validly adopted if shareholders holding no less than two thirds (2/3) of both the votes cast and the shares represented at the meeting vote in favour of the resolution. The resolution proposed by the board of directors in item 16 on the agenda will only be validly adopted if shareholders holding no less than nine tenths (9/10) of both the votes cast and the shares represented at the meeting vote in favour of the resolution.

#### **Further information**

Information about all of the individuals proposed as members of MAG Interactive AB (publ)'s board of directors, information about the proposed auditor, the justified statements by the nomination committee regarding the proposed board members, and the nomination committee's complete proposals can be found on the company's website, [www.maginteractive.com](http://www.maginteractive.com), and will be sent free of charge to shareholders who request the company to do so.

Complete proposals regarding items 15 and 16 on the agenda, concerning authority for the board of directors to issue new shares and the Share Savings Program 2024/2027 will be made available at the company and on the company's website, [www.maginteractive.com](http://www.maginteractive.com), and will be sent free of charge to shareholders who request the company to do so.



Accounting documents and the auditor's report will be made available at the company and on the company's website, [www.maginteractive.com](http://www.maginteractive.com), no later than on 3 January 2024, and will be sent free of charge to shareholders who request the company to do so.

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For additional information, please contact:

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#### **About MAG Interactive**

MAG Interactive is a leading mobile game developer focused on casual social games. With passionate, creative teams and a data-driven business model, MAG delivers world-class gaming experiences to millions of players worldwide. MAG specializes in word games and trivia, with a portfolio of titles including QuizDuel, Wordzee, Primetime, Word Bubbles, Word Mansion, Tile Mansion, Ruzzle, Word Domination and WordBrain, that have been downloaded over 350 million times. MAG has studios in Stockholm and Brighton and was listed in 2017 on the Nasdaq First North Premier Growth Market with the ticker MAGI. FNCA Sweden AB is appointed Certified Advisor to MAG Interactive. For more information visit [www.maginteractive.com](http://www.maginteractive.com).