

## **The shareholder´s proposal regarding board program 2021**

The shareholders Topline Capital Partners LP, Novobis AB, Knutsson Holdings AB and Atle Sundal Holding AS (below "The Shareholders") proposes that the General Meeting pass a resolution on the implementation of a board program 2021 (the "**Board Program 2021**"). The proposal is divided into the following items.

- A. Resolution regarding issue and approval of transfer of warrants, series 2021-2024 C
- B. Other matters in relation to the Board Program 2021

### **A. Issue of warrants, series 2021-2024 C**

The Shareholders proposes that the General Meeting resolve to carry out a private placement in respect of not more than 75 000 warrants of series 2021-2024 C, entailing an increase in the share capital of not more than SEK 3 947.37 if the private placement is fully taken up.

#### **1. The resolution according to item A. above shall otherwise be governed by the following terms and conditions**

- 1.1 The right to subscribe for the warrants, with derogation from the shareholders' pre-emption rights, shall vest in Scout Gaming Group AB (the "**Company**"), with right and obligation to transfer the warrants to members of the Board of Directors of the Company in accordance with below.  
  
No oversubscription is allowed.
- 1.2 The reason for derogation from the shareholders' pre-emption rights is to implement an incentive programme in order to contribute to the Company's long-term value creation and to create a shared interest between the Company's Board of Directors and its shareholders.
- 1.3 The warrants shall be issued at no consideration.
- 1.4 Subscription for the warrants shall take place on the same day as the date of the resolution to issue warrants. The Board of Directors shall be entitled to extend the subscription period.
- 1.5 Each warrant entitles the holder to subscribe for one new share in the Company.
- 1.6 The warrants may be exercised for subscription of new shares during the period commencing on 15 June 2024, up to and including 15 July 2024.
- 1.7 The subscription price per share shall correspond to 120 percent of the volume weighted average price according to Nasdaq First North Growth

Market's official price list for the share during the trading days that fall during the period commencing on 26 May 2021, up to and including 8 June 2021.

- 1.8 Any share premium shall be transferred to the unrestricted premium reserve.
- 1.9 The shares subscribed for based on the warrants shall carry a right to participate in dividends for the first time on the next record date for dividends, which occurs after subscription is completed.
- 1.10 Other terms and conditions according to the complete terms and conditions for series 2021-2024 C.

## **2. Approval of transfer of warrants, series 2021-2024 C**

- 2.1 The Shareholders proposes that the General Meeting approves the Company's transfer of warrants series 2021-2024 C in accordance with the following.
- 2.2 The right to acquire warrants from the Company shall vest members of the Board of Directors of the Company (the "Participants") in accordance with the table below.
- 2.3 Initially, each Participant will be offered to acquire warrants in accordance with the table set out below. Any remaining warrants may be allotted to other Participants in the category pro rata in relation to the number of warrants that each Participant has applied for. However, such allotment may at most result in that the maximum number of warrants per person within the category is exceeded by fifty (50) percent.

Category	Number of Participants	Number of warrants per Participant	Total number of warrants per category
ABoard of Directors	Max. 5	Max. 15 000	Max. 75 000

- 2.4 The warrants shall be transferred on market terms at a price (premium) based on an estimated market value of the warrants that has been calculated by an independent valuation institute using the Black & Scholes valuation model.

The value of the warrants has preliminary been calculated to SEK 6.02 per warrant based on a share price of SEK 45, a subscription price per share of SEK 54, a term of 3.1 years, a riskfree interest rate of -0.27 percent and a

volatility of 45 percent. The value takes the maximum value of 2.5 into consideration.

The preliminary calculation above assumes that no dividends are paid to shareholders during the warrant's term. Such dividends are fully compensated for by recalculation in accordance with the complete terms and conditions for series 2021-2024 C.

The final valuation of the warrants takes place in connection with the Participant's acquisition of the warrants and will be based on market conditions at that time.

- 2.5 The Participant's maximum gross profit per warrant shall be limited to two (2) times the volume weighted average price according to Nasdaq First North Growth Market's official price list for the share during the trading days that fall during the period commencing on 26 May 2021, up to and including 8 June 2021, whereby the subscription price per share subscribed for based on the warrants may be increased SEK by SEK in order to achieve such limitation. The final gross profit of the warrants (that shall be included in the formula for recalculation of the subscription price) shall be based on the volume weighted average price according to Nasdaq First North Growth Market's official price list for the share during the ten trading days that fall directly before 15 June 2024.
- 2.6 Allotment requires that the warrants can be legally acquired and that, in the Board of Director's opinion, such acquisition can take place using a reasonable amount of administrative and financial resources.
- 2.7 Application for acquisition of warrants shall take place as soon as possible after 8 June 2021. The Board of Directors is authorized to extend the application period.
- 2.8 Payment for allotted warrants shall be made within 5 days after application for acquisition. The Board of Directors is authorized to extend the payment period.
- 2.9 The Company reserves the right to repurchase warrants if the Participant's service contract with the Company is terminated or if the Participant in turn wishes to transfer warrants. In addition, the Company reserves the right to repurchase warrants during a certain period of time at the end of the term of the warrants. The warrants shall otherwise be governed by market terms.
- 2.10 Warrants held by the Company that are not transferred to Participants or that is repurchased from Participants, may be cancelled through a decision by the Board of Directors. The cancellation shall be notified to the Swedish Companies Registration Office.

## **B. Other matters in relation to the Board Program 2021**

### **1.1 Costs for the Company and effects on key figures etc.**

The Company's earnings per share will not be affected by the issue, since the warrants' strike price exceeds the current market value of the shares at the time of the issue. The Company's future earnings per share may be affected by the potential dilutive effect of the warrants in the event the Company reports a positive result and the strike price is lower than the market value. The warrants will be transferred at market value, which means that no taxable benefit value will arise and thus no social fees for the Company. For Participants who are taxed in countries other than Sweden, costs relating to social security contributions will arise in connection with the exercise of the warrants. The cost is calculated to amount to a maximum of SEK 0,1 million assuming that the maximum gross profit for the warrants is achieved in accordance with Section 2.5 and 3.5, respectively. The warrant programme will give rise to certain, limited costs in the form of external consulting fees and administration of the warrant programme.

### **1.2 Dilution of existing shares and votes**

Based on the number of shares and votes outstanding in the Company, the Board Program 2021 implies, upon exercise of all 75,000 warrants, a full dilution corresponding to approximately 0.36 percent of the total number of shares and votes outstanding in the Company. If all outstanding and proposed incentive programs in the Company are included in the calculation, the maximum dilution amounts to approximately 4.67 percent, however, subject to the recalculation of the number of shares that each warrant entitles to subscribe for that may occur as a result of certain issues etc.

### **1.3 Calculation of the market value**

The independent valuation institute, PricewaterhouseCoopers, makes a calculation of the value of the warrants applying the Black & Scholes valuation model.

### **1.4 Other share-related incentive programmes**

The Company's share-related incentive programs are described in the Company's annual report for the financial year 2020.

### **1.5 Authorizations for the Board of Directors**

The General Meeting authorizes the Board of Directors to execute the resolution under item 2 above. In addition, the Board of Directors, or a person appointed by the Board of Directors, shall be authorized to make minor adjustments to the resolution above that may be necessary in connection with the registration with the Swedish Companies Registration Office and Euroclear Sweden AB, respectively.

**1.6 The background and rationale for the proposal**

The shareholder Joel Lindeman wishes to implement an incentive programme in order to contribute to the Company's long-term value creation and to create a shared interest between the Company's Board of Directors and its shareholders.

**1.7 Preparation of the proposal**

The basis for the Board Program 2021 has been prepared by the Shareholders. The work has been supported by external advisors and after consultation with the Board of Directors. The shareholder Joel Lindeman has thereafter submitted a request to the Board of Directors to present this proposal for the General Meeting. The Board of Directors has not had any controlling influence over the final preparation of the terms.

**1.8 Majority requirements**

The resolution by the General Meeting regarding the implementation of the Board Program 2021 in accordance with the above requires that shareholders representing not less than nine-tenths of the votes cast as well as the shares represented at the General Meeting approve the resolution.