



*Please note that this is a translation for information purposes only – in case of any discrepancies between this version and the Swedish, the Swedish version shall prevail.*

## **SUMMONS TO THE ANNUAL GENERAL MEETING OF NET ENTERTAINMENT NE AB (PUBL)**

The shareholders of Net Entertainment NE AB (publ) are summoned to the Annual General Meeting (AGM) on Wednesday 18 April 2012, at 3:00 p.m. at Spårvagnshallarna, Birger Jarlsgatan 57A, Stockholm.

### **Registration etc.**

Shareholders who wish to participate in the shareholders' meeting must:

- be entered into the share register kept by Euroclear Sweden AB no later than 12 April 2012,
- announce their intention to participate in the AGM no later than by 12 April 2012.

The notification of participation in the AGM must be made in writing to the Company at Net Entertainment NE AB (publ), AGM, Luntmakargatan 18, 3 tr, 111 37 Stockholm, Sweden. The notification may also be made on the Company's website [www.netent.com/agm](http://www.netent.com/agm) or by email: [agm@netent.com](mailto:agm@netent.com). Upon notification the shareholder is requested to state their name, personal/corporate identity number, address, telephone number and ownership of shares. If a shareholder is represented by proxy, the proxy and other authorization documents must be brought to the meeting, and these documents should also be submitted in connection with the notification of participation. The proxy may only be valid for a maximum of five years from the date of issuance. If a shareholder plans to bring one or two advisors to the meeting, their participation should also be indicated in the notification. A proxy form for shareholders who wish to participate in the meeting by means of a proxy is available on the Company's website [www.netent.com/agm](http://www.netent.com/agm) and will be sent to shareholders upon request.

In order to participate in the meeting, a shareholder, whose shares are registered in the name of a bank or a nominee, must temporarily register the shares in his own name at Euroclear Sweden AB. Shareholders who desire such a re-registration must inform the nominee well in advance of 12 April 2012.

## Proposed agenda

1. Opening of the meeting
2. Election of chairman of the meeting
3. Drawing up and approval of the voting list
4. Approval of the agenda
5. Election of one or two persons to verify the minutes
6. Resolution as to whether the meeting has been duly convened
7. Presentation of the annual report and auditor's report along with the consolidated financial statement and group audit report
8. Presentation by the CEO
9. Resolution on the adoption of the income statement and the balance sheet, along with the group income statement and the group balance sheet
10. Resolution on the allocation of the Company's profits in accordance with the adopted balance sheet
11. Resolution on discharge from liability for the members of the Board of Directors and the CEO
12. Determination of the number of members of the Board of Directors
13. Determination of remuneration for the members of the Board of Directors and the auditors
14. Election of members and chairman of the Board of Directors
15. Election of Auditors
16. Resolution on the nominating committee for the annual general meeting 2013
17. Resolution on guidelines for remuneration to senior executives
18. A share split and automatic redemption procedures including
  - a) resolution on carrying out share splits,
  - b) resolution on the reduction of share capital by automatic redemption of shares, and
  - c) resolution on an increase of share capital by means of bonus issue.
19. Resolution on the authorization for the Board of Directors to decide on the issuing of new shares
20. Resolution regarding incentive program comprising of issuance of share option rights to employees
21. Closing of the meeting

## **Proposals for resolutions**

### *Election of chairman of the meeting (agenda item 2)*

The nominating committee, consisting of Per Hamberg (appointed by the Hamberg family), chairman, Christoffer Lundström (Provobis Invest AB), Eugene Steiner (the Kling family), and Vigo Carlund, chairman of the Board of Directors, propose Vigo Carlund as chairman of the meeting.

### *Resolution on the allocation of the Company's profits in accordance with the adopted balance sheet (agenda item 10)*

The Board of Directors proposes that no dividends shall be given for the financial year 2011. The Board of Directors has proposed a redemption procedure in accordance with the contents of agenda item 18 below.

### *Election of the Board of Directors etc. (agenda item 12 - 15)*

The nominating committee proposes

- that the Board of Directors consists of seven regular directors,
- that the remuneration for the Board of Directors consists of SEK 580,000 for the chairman and SEK 240,000 for each of the members of the board elected by the AGM who are not employees of the Company, and
- in addition thereto, remuneration to the chairman of the audit committee shall be SEK 60,000,
- that remuneration for the auditor be given in accordance with the approved invoice, and
- re-election of the regular members of the board Vigo Carlund, Fredrik Erbing, Mikael Gottschlich, Peter Hamberg and Pontus Lindwall and new election of Michael Knutsson och Maria Redin for the period up to the end of the next AGM. Niclas Eriksson has declined re-election. Vigo Carlund is proposed to be appointed chairman of the Board of Directors. If Vigo Carlund's assignment should end ahead of time, the Board of Directors will elect a new chairman internally.
- re-election of Deloitte AB, with Therese Kjellberg being chief auditor, as auditors for the period up to the end of next AGM 2013.

The nominating committee's statement regarding its proposition on the Board of Directors and information regarding the proposed directors can be found on the Company's website.

*Resolution on the nominating committee for the AGM in 2013 (agenda item 16)*

The nominating committee proposes that the AGM decides on the following order for the preparation of election of board members and auditors.

The work to prepare a proposal for Board of Directors, auditors, and remuneration thereof, and proposal for chairman of the AGM 2013 shall be performed by a nominating committee. The nominating committee shall, after consulting the largest shareholders as of 31 August 2012, form during October 2012 for a term commencing on the date of the public release of the Company's interim report for the third quarter 2012 until the formation of the next nominating committee.

The chairman of the Board of Directors shall be a member of the nominating committee and be responsible for the summoning of the nominating committee. In addition, the nominating committee shall constitute of three more members. The majority of the nominating committee members shall not be members of the Board of Directors or be employed by the Company. At least one member of the nominating committee shall be independent of in relation to the Company's largest shareholder from a votes perspective or group of shareholders that collaborates concerning the affairs of the Company, If a member of the nominating committee resigns prior to the end of the term, a replacement can be appointed after consulting with the largest shareholders of the Company. Unless special circumstances so requires, no changes should be made to the composition of the nominating committee if only marginal changes to the number of votes has occurred or if a changes occurs less than three months prior to the AGM.

The nominating committee shall appoint a chairman at the first meeting of the term. The nominating committee shall have the right to obtain resources from the Company such as for example secretarial assistance, or use of executive search consultants if deemed necessary at the expense of the Company.

*Resolution on guidelines for remuneration to senior executives (agenda item 17)*

The Board of Directors proposes that the AGM decide on the following guidelines for remuneration to senior executives.

Remuneration and other conditions of employment for senior executives must, from both a short-term and long-term perspective, be competitive and create good prerequisites for keeping and motivating competent employees and attracting new employees when needed. In order to achieve this, the Company must have just and internally balanced conditions which are also competitive in the market. The conditions of employment for senior executives should contain a well-balanced combination of fixed and variable salaries, incentive programs related to shares, pension benefits, and conditions for giving notice and severance pay. Compensation should be based on performance, and should therefore consist of a combination of fixed and adjustable salaries, where adjustable compensation constitutes a relevantly large part of total compensation. The Board of Directors must be able to deviate from the guidelines provided that there are special grounds in a specific case.

*Share split and automatic redemption procedures (agenda item 18)*

The Board of Directors proposes that the AGM make decisions on an automatic procedure for redemption in accordance with the contents of agenda items 18a – 18c below. It is proposed that all resolutions are conditional upon each other and made jointly as one resolution. The approval of shareholders by at least two thirds of both the

votes given and the shares that are represented at the meeting are required for a valid Resolution.

*Resolution on implementation of share split (agenda item 18a)*

The Board of Directors proposes that the annual general meeting resolve to carry out a division of the Company's shares, a so-called share split, whereby an existing share in the Company, of both series A and series B, is divided into two shares. One of these shares will be a so-called redemption share. The Board of Directors proposes that the Board of Directors be authorized to determine the record day for the share split, which, at the time of this summons is predicted to be 26 April 2012.

*Resolution on the reduction of the share capital by automatic redemption of shares (agenda item 18b)*

The Board of Directors proposes that the AGM decide that share capital should be decreased by SEK 595,283.4258 by repurchasing 5,610,000 series A shares and 33,943,716 series B shares for repayment to shareholders. Shares to be repurchased are constituted of the shares that are called redemption shares after the share split is carried out according to the above. Payment for each redemption share will be SEK 2,00, of which approximately SEK 1.985 exceeds the quota value. Any repurchased redemption shares of series A or series B that are held by the Company will be repurchased without repayment and such an amount will be allocated to a free fund to be used by the AGM. The total redemption amounts to SEK 79,107,432. The Board of Directors proposes that trading in series B redemption shares should occur during the time from and including 30 April 2012, up to and including 14 May 2012. The Board of Directors proposes that the Board of Directors is authorized to determine the record day for the repurchase of redemption shares, which at the time of this summons is predicted to be 18 May 2012. Payment is scheduled to occur through Euroclear Sweden AB on 23 May 2012.

*Resolution on an increase of share capital by means of a bonus issue (agenda item 18c)*

In order to bring about a timely redemption procedure without the requirement of permission from the Swedish Companies Registration Office or general court, the Board of Directors proposes that the annual general meeting resolves to restore the Company's share capital to its original amount by increasing the Company's share capital by SEK 595,283.4258 through a bonus issue by transfer from the Company's free equity capital to the Company's share capital. No new shares will be issued in connection with the increase in share capital.

*Resolution on authorization for the Board of Directors to decide on issuing new shares (agenda item 19)*

The Board of Directors proposes that the annual general meeting on one or more occasions authorize the Board of Directors, with or without deviation from the shareholders' preferential rights, to decide on issuing shares, convertible and/or warrants that represent issuance of, conversion to or new issuance of a total of at most 4,300,000 series A and/or series B shares (corresponding to an increase of approximately 10 percent of the capital after the proposed shares split and automatic redemption procedure under agenda item 18) for cash payment and/or with a provision on issue in kind or set-off, or otherwise with conditions. Exercise of the authorization must not result in the share of series A shares exceeding 14.2 percent of the total amount of shares.

The purpose of the authorization is to increase the Company's financial flexibility and its ability to make payment with in-house financial instruments in connection with any acquisitions of companies and businesses that the Company may carry out. The basis for the determination of the subscription price must, subject to market rate discount, be the market value at the respective time of issuing regarding shares issued without preferential rights for the shareholders.

Resolutions by the AGM on the authorization for the Board of Directors to decide on the issuing of shares, convertible and/or share option rights, are applicable only if the shareholders accede to it by at least two thirds of both the votes recorded and the shares represented at the meeting.

*Resolution on the introduction of incentive program, issue of share option rights to employees (agenda item 20).*

The Board of Directors of the Company find it appropriate, and in the interest of all shareholders, that employees in the group be offered long-term contracts. The Board of Directors therefore proposes that the AGM should decide on a long-term incentive program including the issuance of share option rights for senior executives and key individuals in accordance with the below. That which is indicated also constitutes cause for deviation from the preferential rights of shareholders upon issuance.

The maximum dilution effect is calculated to amount to a maximum of approximately 0.88 percent of the total number of shares, and approximately 0.39 percent of the total number of votes in the Company, provided that there is full subscription and full utilisation of all share option rights. With regard to outstanding share option rights in accordance with previous share option rights programs, the total dilution consists of about 3.16 percent of the total number of shares and about 1.41 percent of the total votes in the Company.

For the sake of guidance, the Meeting will be informed that the Board of Directors is considering encouragement for participation in the incentive program by giving a cash remuneration that will be paid one month before the distributed options expire. The remuneration will be paid only with the provision that the participant is still employed in the group and that certain other provisions are fulfilled. The net cash remuneration may at most amount to 50 percent of the premium paid.

A prerequisite for program participation by the senior executives and key individuals is that they, prior to subscription, enter into an agreement with the Company governing ownership of the share option rights. The agreement contains, among other things, conditions that he or she who wish to sell their share option rights or terminates their employment with the Company prior to executing the rights is obliged to offer the Company to buy back the share option rights at prevailing market price. If the shareholders of the Company declares their intention to accept a public offer from third party to sell half or more of the of the total number of shares in the Company, the participants of incentive program are obliged to sell their share option rights at the same terms and conditions as the shareholders. The holders of share option rights are also obliged to participate through sale or substitution of their share option rights in any restructuring that may be deemed necessary before a sale of the Company, assuming they retain the equivalent rights upon such a sale or substitution as prior to the transaction.

The proposal under this point is based on the number of shares before the proposed share split and automatic redemption procedure. Any recalculation according to share

option rights provisions may not be made for the proposed share split and automatic redemption procedure according to item 18 above.

#### *Issue of share option rights to employees*

The Board of Directors proposes that the AGM decide that the Company, with deviation from the preferential right of shareholders, should issue at most 350,000 share option rights with the following right of subscription of 350,000 B shares in the Company on the following conditions.

The right to subscribe to share option rights will accrue to certain temporary employees in the group in accordance with principles given below. Subscription of share option rights will occur at the latest on 1 June 2012, and payment will occur at the latest on 15 June 2012. Oversubscription may not occur.

Employees will be offered the opportunity to subscribe to share option rights at the market price according to the following:

Category 1 (CEO) will be offered the opportunity to subscribe to at most 160,000 share option rights.

Category 2 (other senior executives – 5 persons) will be offered the opportunity to subscribe to a maximum of 100,000 share option rights, of which 50,000 is the highest amount offered to a single individual.

Category 3 (other key employees – 20 persons) will be offered the opportunity to subscribe to a maximum of 90,000 share option rights, of which 10,000 is the highest amount offered to a single individual.

The total number of share option rights that can be provided to employees in categories 1-3 above shall however amount to a maximum of 350,000 share option rights. Full subscription by all individuals in category 1-3 can thus not take place.

An offer of subscription to share option rights for employees outside of Sweden requires that there are no legal or tax prohibitions, and that the Board of Directors believes that such an offer can occur with reasonable administrative and/or financial resources.

The holder of a share option right has the right, during the time from and including 1 August 2015, up to and including 1 October 2015, for one (1) share option right, to subscribe to one (1) new B share in the Company at a subscription price corresponding to 130 percent of the B share's average last buying price on the NASDAQ OMX in Stockholm during the period from and including 11 May 2012, up to and including 25 May 2012, however at the lowest at a subscription price corresponding to the quota value of the B share.

With full subscription and full utilization of the proposed share option rights, the Company's share capital may increase by SEK 10,353 by the issuance of at most 350,000 shares, each with a quota value of SEK 0.0301, but with the provision for an increase that may be caused by recalculation according to the conditions of the share option rights as a result of share issuances etc. These new shares constitute, with full utilization, approximately 0.88 percent of the total number of shares and approximately 0.39 percent of the total number of votes in the Company.

For a resolution by the Meeting according to the proposal in accordance with this point, it is required that the resolution be acceded to by shareholders representing at least nine tenths of both the votes given and the shares represented at the Meeting.

**Other**

Copies of financial statements, auditor's report and other documents with complete proposals, including a special information brochure concerning the proposed redemption of shares, and other documents in accordance with the Companies Act will be made available to shareholders at the Company from and including 28 March 2012, and on the Company's website, and will be sent free of charge to shareholders who provide their postal address on request.

On 15 March 2012 there was a total of 39,553,716 shares in the Company, consisting of 5,610,000 series A shares and 33,943,716 series B shares, corresponding to a total of 90,043,716 votes. The Company possessed no treasury shares at the time of the summons.

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Stockholm, in March 2012  
Net Entertainment NE AB (publ)  
The Board of Directors