

HUGO GAMES A/S  
MINUTES OF THE  
ANNUAL GENERAL MEETING  
HELD ON 25 APRIL 2017

## **Annual general meeting**

Year 2017, on 25 April at 02.00 p.m., the annual general meeting in Hugo Games A/S, CVR-no. 33 59 71 42, was held at Haakon VII's gate 9, 0161, Oslo, Norway.

The agenda was as follows:

1. The Board of Directors' report on the Company's activities in the past year.
2. Presentation and adoption of the audited annual report, including the determination of the remuneration for the Board of Directors.
3. Discharge from liability of the Board of Directors and the Executive Management.
4. Distribution of profit or loss as recorded in the adopted annual report.
5. Election of members to the Board of Directors.
6. Appointment of auditor.
7. Any proposals from the Board of Directors or shareholders:
  - a. Amendment of the Board of Directors' authorization to issue warrants (clause 2.2 of the articles of association).
  - b. Amendment to the Company's policy on incentive pay.
  - c. Extension of the authorization to the Board of Directors to increase the share capital (clause 2.4 of the articles of association) from DKK 25,000,000 to DKK 45,000,000.
  - d. Extension of the authorization to the Board of Directors to increase the share capital (clause 2.5 of the articles of association) from DKK 25,000,000 to DKK 45,000,000.
  - e. Extension of the authorization to the Board of Directors to increase the share capital (clause 2.6 of the articles of association) from DKK 25,000,000 to DKK 45,000,000.
  - f. Extension of the total authorization to increase the share capital (clause 2.7 of the articles of association) from DKK 25,000,000 to DKK 45,000,000.
8. Any other business.

The board of directors had, in accordance with the company's articles of association provision 5.10, elected board member and attorney Rasmus Lund as Chairman.

The Chairman opened the general meeting by stating that the general meeting had been timely and duly convened and was competent to transact business according to the agenda. The Chairman further stated that 31.5% of the company's share capital was present, in person or by proxy.

The Chairman noted that as announced in the notice of 3 April 2017 convening the general meeting, the share capital of the Company was increased between the date of the notice and the date of the general meeting. The Chairman further noted that the size of the announced increase of the share capital of the Company had been amended slightly compared to the numbers presented in the notice.

The Chairman stated that the current share capital of the Company was at the time of the general meeting nominal DKK 24,877,021.50 made up of 49,754,043 shares each of nominal DKK 0.50, due to a capital increase of nominal 2,239,947.50 made up of 4,479,895 shares each of nominal DKK 0.50.

The Chairman stated that the difference in numbers was a technicality which did not prevent the general meeting from being duly convened and competent to transact business according to the agenda.

Hereafter the Chairman continued according to the announced agenda.

### **Item 1. The Board of Directors' report on the Company's activities in the past year**

Board member Rasmus Lund presented the Board of Director's report on the Company's activities in the past year, including

- The re-structuring of the Company, including acquisition of the game studio Fuzzy Frog Ltd.,
- Performance (rating and monetization) of games launched,
- Signing of some of the world's greatest football clubs,
- The Company's commercial strategy and the pipeline of anticipated new games for 2017,
- The development of the market for the Company's games, and
- Financial overview of the Company, investments made, performance of the Company's games

all as further described in the Company's Annual Report.

The general meeting acknowledged the Board of Director's report.

### **Item 2. Presentation and adoption of the audited annual report, including the determination of the remuneration for the Board of Directors**

The Board of Directors proposed to adopt the audited annual report as presented to the shareholders prior to the annual general meeting.

The Board of Directors proposed that the members of the Board of Directors for the year 2017 should receive a fixed remuneration of DKK 15,000, the chairman of the audit committee should receive a fixed remuneration of DKK 45,000 and the chairman of the Board of Directors should receive a fixed remuneration of DKK 60,000.

It was further proposed, that the members of the Board of Directors may be granted warrants exercisable at market value in the Company in combination with the above mentioned fixed remuneration.

The annual report, including the proposed remuneration for the Board of Directors, was adopted by the general meeting by all votes present.

### **Item 3. Discharge from liability of the Board of Directors and the Executive Management**

It was proposed to discharge the Board of Directors and the Executive Management from liability in respect of the preparation of and the information in the annual report.

The Chairman stated that the members of the Board of Directors as well as members of the Executive Management whom are also shareholders of the Company, due to conflict of interest was not able to vote on the matter.

The proposal to discharge the Board of Directors and the Executive Management from liability was adopted by the general meeting by all other votes present.

#### **Item 4. Distribution of profit or loss as recorded in the adopted annual report**

The Board of Directors proposed that no dividend be declared in respect of the 2016 financial year.

Further, the Board of Directors proposed that the consolidated loss of DKK 59,470,000 for the year 2016 be transferred to retained earnings.

The proposal not to declare dividend was approved by the general meeting by all votes present.

The proposal that the consolidated loss of DKK 59,470,000 for the year 2016 be transferred to retained earnings was approved by the general meeting by all votes present.

#### **Item 5. Election of members to the Board of Directors**

The Board of Directors proposed reelection of Bertel Maigaard, Caspar Rose and Rasmus Lund to the Board of Directors as well as election Henrik Nielsen and Richard Flower.

The Chairman stated that no other candidates had been proposed.

The Chairman further stated that the proposal of 5 candidates to the Board of Directors would require a vote to expand the Board of Directors from its current size of 4 members to 5 members.

The chairman took the proposal to a vote. The proposal to expand the Board of Directors from 4 to 5 members was adopted by the general meeting by all votes present.

The Chairman continued with the election of the members to the Board of Directors and following a vote stated that the candidates were elected by the general meeting.

#### **Item 6. Appointment of auditor**

The Board of Directors proposed reelection of the Company's auditor GRANT THORNTON, statsautoriseret revisionspartnerselskab.

The proposal was adopted by the general meeting by all votes.

#### **Item 7.a. Amendment of the Board of Directors' authorization to issue warrants (clause 2.2 of the articles of association)**

It was proposed to increase the Board of Directors' authorization to issue warrants with the right to subscribe for shares in the Company from 500,000 shares of DKK 0.50 equal to a nominal amount of DKK 250,000 to 10,000,000 shares of DKK 0.50 equal to a total nominal amount of DKK 5,000,000.

Further, it was proposed that the Board of Directors also shall be entitled to issue warrants to management and employees in subsidiaries which warrants can be exercised below market value as reflected in the Company's articles of association.

Further, it was proposed that the Board of Directors also shall be entitled to issue warrants to members of the Company's Board of Directors which warrants can be exercised at market value.

The proposal was in its entirety reflected in the amended articles of association made available to the shareholders prior to the general meeting:

The proposal to increase the Board of Directors' authorization to issue warrants, including the authorization to issue warrants to management and employees in subsidiaries as well as to members of the Company's Board of Directors, as reflected in the amended articles of association, was adopted by the general meeting by all votes.

#### **Item 7.b. Amendment of the Company's policy on incentive pay**

It was proposed to amend the Company's policy on incentive pay to reflect the authorization granted under item 7.b.

The proposed amended policy on incentive pay had been made available to the shareholders prior to the general meeting.

The proposed amended policy on incentive pay was adopted by the general meeting by all votes.

#### **Item 7.c to 7.f. Extension of the authorization to the Board of Directors to increase the share capital (clause 2.4 to 2.7 of the articles of association) from DKK 25,000,000 to DKK 45,000,000**

Due to the nature of item 7.c to 7.f, the Chairman proposed to transact the items together. The general meeting approved with all votes.

The Board of Directors explained that the extension of the authorizations would make it easier for the management of the Company to execute the Company's three-year strategy, "3-fold strategy", hereby ensuring sufficient cash for potential acquisitions and game development.

Generally it was proposed to extend the authorization of the Board of Directors to increase the share capital of the Company from nominal DKK 25,000,000 to nominal DKK 45,000,000 with or without preferential rights for existing shareholders as detailed below.

The proposals were in their entirety reflected in the amended articles of association made available to the shareholders prior to the general meeting. It was specifically proposed;

- i) to replace the first paragraph of section 2.4 in the Company's articles of association with the following paragraph:

*"Until 6 February 2020, the Board of Directors is authorized, with preferential right for the existing shareholders of the Company, to increase the Company's share capital one or more times by up to a total nominal amount of DKK 45,000,000 by cash payment. The capital increase can take place below market price."*

- ii) to replace the first paragraph of section 2.5 in the Company's articles of association with the following paragraph:

*"Until 6 February 2020, the Board of Directors is authorized, without preferential right for the existing shareholders of the Company, to increase the Company's share capital one or more times*

*by up to a total nominal amount of DKK 45,000,000 by cash as well as non-cash payment, or by conversion of debt. The capital increase shall take place at market price."*

- iii) to replace the first paragraph of section 2.6 in the Company's articles of association with the following paragraph

*Until 6 February 2020, the Board of Directors is authorized, with preferential right for the existing shareholders of the Company, to increase the Company's share capital one or more times by up to a total nominal amount of DKK 45,000,000 by conversion of the Company's reserves into share capital by the issue of bonus shares (in Danish: fondsforhøjelse). The capital increase shall take place at market price*

- iv) to replace the first paragraph of section 2.7 in the Company's articles of association with the following paragraph

*"The combined total share capital increase, performed pursuant to the given authorizations in provisions 2.3, 2.4, 2.5 and 2.6, cannot exceed nominal DKK 45,000,000."*

#### **Item 8. Any other business**

There were no other items to be transacted.

As there were no further comments, the Chairman thanked the general meeting for a pleasant meeting and hereafter the general meeting was adjourned.

Oslo, \_\_\_ April 2017

As chairman of the meeting:

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Rasmus Lund