



PRESS RELEASE

Stockholm, Sweden 15 December 2022

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 18 January 2023 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, 10 January 2023 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 12 January 2023;

and have notified the company at the latest on Thursday 12 January 2023 in one of the following ways:

- by email to evelina.pettersson@roschier.com
- in writing to address: Roschier Advokatbyrå, Att. Evelina Pettersson, 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 2023.

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 12 January 2023 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.

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. Resolution regarding adoption of amended articles of association.
18. 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 loss 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 2023/2026**"), (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 a new 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 2023/2026.

In light of the terms and conditions, size of allotment and other circumstances, the board of directors considers the Share Savings Program 2023/2026, 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 two additional shares free of charge in MAG after the performance period, whereof one is conditional upon retained employment ("**retention shares**"), and 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 shares**"), (together "**share rights**"). The board of directors' intention is to propose a similar incentive program at the AGM 2024.

A. The board of directors' proposal for implementation of the Share Savings Program 2023/2026

The board of directors proposes that the annual general meeting resolves to implement the Share Savings Program 2023/2026 mainly in accordance with the following terms:

In total, the Share Savings Program 2023/2026 shall consist of no more than 130,000 share rights, whereof 65,000 retention shares, and 65,000 performance shares.

Participation in the Share Savings Program 2023/2026 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 2023/2026.

The Share Savings Program 2023/2026 shall, in accordance with the below, be offered to: all employees of the company (including employees in MAG Games Ltd) as of 31 January 2023 (approximately 104 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:

Categories of participants	Maximum number of investment shares
Group 1 – Executive management (4 persons)	15,000
Group 2 – Other employees (100 persons)	50,000
<i>Total number of investment shares</i>	<i>65,000</i>

For each investment share that is bought and allocated to the program, participants may be granted one retention share and one performance share 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 a performance condition concerning the company's average annual revenue growth during the performance period (the "**performance condition**"). Fulfilment of the performance condition 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 2025, up to and including 28 February 2026 and the average revenue in the company's quarterly reports during the period from and including 1 March 2022, up to and including 28 February 2023. Performance shares will only be allotted if the revenue has grown during the performance period. Performance fulfilment is calculated to a maximum of one (1) share at 20% average annual revenue growth with pro-rated allotment in case of performance fulfilment between 5% and 20% average annual revenue growth. 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 2023/2026 shall have been received by the company on 30 April 2023 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 2026).

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 2026 up to and including 1 June 2026. The board of directors may, in individual cases, extend the exercise period to no later than 4 July 2026 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 2023/2026 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 2023/2026, the board of directors proposes that the annual general meeting resolves to issue not more than 130,000 warrants of series 2023/2026, free of charge, to a wholly owned subsidiary of MAG Interactive AB (publ) (the "**Subsidiary**") in accordance with the following:

Each warrant of series 2023/2026 entitles the holder to subscription for one (1) share in MAG Interactive AB (publ) during the period from 1 February 2023, or the later date on which the warrants are registered, up to and including 25 July 2026. Subscription for new shares by way of exercising warrants of series 2023/2026 shall be made at a price per share of SEK 0.025974, which corresponds to the quota value of the shares. The exercise price and the number of shares that each warrant of series 2023/2026 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

2023/2026 shall be made no later than on 8 April 2023. 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 2023/2026 are exercised in full, the share capital will increase by SEK 3,377.

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 2023/2026 to the participants in the Share Savings Program 2023/2026 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 0.49 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 2023/2026 is expected to have only marginal effects on the company's key ratios.

The board of directors' assessment is that the Share Savings Program 2023/2026 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 2023/2026 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 2026. 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 2023/2026 are vested, a share price of SEK 54 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 5.5 million during the period 2023-2026, which corresponds to 8 percent of the company's annual employee cost (including social security contribution) based on the employee costs during the financial year 2021/2022.

All of the calculations above are preliminary and aim only to present an example of the potential costs that the Share Savings Program 2023/2026 may incur. Actual costs may therefore deviate from what is stated above.

Previous incentive programs in MAG Interactive AB (publ)

The company currently has three ongoing warrant programs and three ongoing employee stock option programs for key employees and other employees. These previously approved incentive programs are, together with the Share Savings Program 2023/2026, expected to entail a dilution of approximately 5.77 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 2021/2022.

Preparation of the proposal

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

Item 17 – Resolution regarding adoption of amended articles of association

The board of directors proposes that the annual general meeting resolves to update the articles of association by inserting a new paragraph in accordance with the following:

§ 10

The board of directors may collect proxies pursuant to the procedure stated in Chapter 7, Section 4, second paragraph of the Swedish Companies Act (2005:551).

The board of directors may decide before a general meeting that the shareholders shall be able to exercise their voting rights by post before the general meeting pursuant to the procedure stated in Chapter 7 Section 4 a of the Swedish Companies Act (2005:551). Postal voting may be made by electronic means if the board of directors so decides.

Resolutions proposed by the Nomination Committee

MAG Interactive AB (publ)'s nomination committee consists of Joachim Spetz (Swedbank Robur Fonder), Henrik Sandell (Didner & Gerge Fonder), Kaj Nygren (NMO Invest AB and Playful Days AB), and Johan Persson (Johan Persson, Fredrik Stenh and Anders Larsson), who together represent approximately 56 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 2023.

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 and Jonas Eriksson, and election of Britt Boeskov and Åsa Linder as new board members. Teemu Huuhtanen and Andras Vajlok have informed the nomination committee that they are not available for re-election.

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 Niklas Renström will continue as 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 items 15 and 17 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, and will be sent free of charge to shareholders who request the company to do so.

Complete proposals regarding items 15, 16 and 17 on the agenda, concerning authority for the board of directors to issue new shares, the Share Savings Program 2023/2026 and the amended articles of association will be made available at the company and on the company's website, 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, no later than on 4 January 2023, and will be sent free of charge to shareholders who request the company to do so.

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 New QuizDuel, Wordzee, Primetime, Word Bubbles, 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. Email: info@fnca.se. Telephone: +46 (0)8-528 00 399. For more information visit www.maginteractive.com.