

**Resolution regarding incentive program 2017 for senior executives and employees through issuance of warrants to the subsidiary Gears of Leo AB and subsequent transfer to the participants**

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*Upon recommendation of the remuneration committee, the board of directors of LeoVegas AB, reg. no. 556830-4033, (the “Company”), proposes that the extra general meeting on 23 August 2017 resolves to implement an incentive program through issuance of warrants to Gears of Leo AB, reg. no. 556939-6459, (the “Subsidiary”), with subsequent transfer to senior executives, employees and other key persons within the Company and the group (“Incentive program II 2017/2020”) in accordance with the below.*

**Background and purpose**

*The annual general meeting held on 17 May 2017 resolved to issue not more than 1,000,000 warrants to implement an incentive program for the group’s employees. All warrants were subscribed for by the Subsidiary and registered with the Companies Registration Office on 31 May 2017. The proposal below aims to replace the former incentive program. The reason for the board of directors’ new program is that the share price of the Company’s shares have had a strong development (the price has risen from SEK 38 on 12 April 2017, when the notice to the annual general meeting was issued, to SEK 59.25 on 31 May 2017, which was the last day for the participants to notify their participation in the program), which effected the program’s mechanics in a negative way and as a consequence the aim with the program was completely set out of play, why the board now proposes a new incentive program. On 23 July 2017, the board of directors has also resolved to cancel all outstanding warrants from the previous program from the annual general meeting 2017.*

*The purpose of the proposal, as of the previous program, is to establish conditions to maintain and increase the motivation of senior executives, other employees and other key persons within the Company and the group. The board of directors finds that it is in all shareholders’ interest that senior executives, other employees and other key persons have a long term interest in developing a high value of the Company’s share. A long term ownership engagement is expected to stimulate an increased interest for the business and result in a whole as well as to increase the motivation for the participants and to create a common interest for the Company’s shareholders and the participant.*

*Resolutions in accordance with items 6A - 6B below shall be made as one resolution and are therefore conditional on each other. A resolution in accordance with this item is valid where supported by shareholders representing at least nine tenths of both the votes cast and the shares represented at the general meeting.*

*A description of other incentive programs, the preparation of the proposal, costs for the program and effect on important key figures etc. is presented in 6C. Note that this is not an item that requires a resolution by the shareholders.*

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Stockholm in July 2017  
LeoVegas AB (publ)

*the board of directors*

**Resolution regarding issue of warrants to the Subsidiary**

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*The board of directors of the Company proposes that the extra general meeting resolves to issue a maximum of 1,000,000 warrants, which may result in a maximum increase in the Company's share capital of EUR 12,000.000022. The warrants shall entitle to subscription of new shares in the Company.*

*The following terms shall apply to the issuance:*

- 1. The warrants shall be subscribed for by the Subsidiary, with the right and obligation to, at one or several occasions, transfer the warrants to senior executives, other employees and key persons, who are or will become employed by the Company or within the group, at a price that is not less than the fair market value of the warrant according to the Black & Scholes valuation model and otherwise on the same terms as in the issuance.*
- 2. The warrants shall be subscribed for by the Subsidiary no later than on 31 August 2017 on a separate subscription list, with a right for the board to extend the subscription period.*
- 3. The warrants shall be subscribed for by the Subsidiary at a price corresponding to the warrant's market value at the time for subscription in accordance with the Black & Scholes valuation model.*
- 4. Each warrant entitles to subscription of one (1) new share in the Company during the period from 1 June 2020 up to and including 15 June 2020 or the earlier date set forth in the terms for the warrants.*
- 5. The subscription price shall be determined to an amount equal to 170 percent of the average of the mean, calculated for each trading day during the period from 9 August 2017 up to and including 22 August 2017, of the highest and lowest price paid for a share according to the official price list at Nasdaq First North Premier. In the absence of a quotation of paid price for any of the days in question, the last quoted bid price shall be used in the calculation (SEK 103.25 based on a preliminary calculation). Days for which neither a paid price nor a bid price is quoted shall be excluded from the calculation. The calculated subscription price shall be rounded to the nearest SEK 0.01, where SEK 0.005 shall be rounded upwards to SEK 0.01. The subscription price may not amount to less than the quota value of the company's shares.*
- 6. A new share subscribed for by exercise of a warrant has a right to dividends as of the first record day for dividends following registration of the new share issue with the Companies Registration Office and after the share has been registered in the share register maintained by Euroclear Sweden AB.*

*The purpose of the issuance and the deviation from the shareholders preferential rights is to implement the Incentive program II 2017/2020. The purpose is to establish conditions to maintain and increase the motivation of senior executives, other employees and other key persons within the Company and group. The board of directors finds that it is in all*

*shareholders interest that senior executives, other employees and other key persons, have a long term interest in developing high value of the Company's share. A long term ownership engagement is expected to stimulate an increased interest for the business and result in a whole as well as to increase the motivation for the participants and to create a common interest for the Company's shareholders and the participant.*

- 7. The complete terms and conditions for the warrants are set out in Exhibit 1, including conditions regarding re-calculation, in certain cases, of the subscription price and the number of shares a warrant entitles to.*
- 8. The board of directors or a person appointed by the board of directors shall be authorised to make such minor adjustments in the above resolution that may be required in connection with the registration with the Swedish Companies Registration Office.*

*The board of directors' report and the auditor's statement according to Ch. 14 § 8 of the Swedish Companies Act are attached as Exhibit 2 and Exhibit 3, respectively.*

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**Proposal regarding approval of transfer of warrants**

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*The board of directors proposes that the extra general meeting resolves to approve that the Subsidiary may transfer a maximum of 1,000,000 warrants in the Company of series II 2017/2020, to senior executives, other employees and other key persons within the Company and group, or in any other matter dispose of the warrants to fulfill the obligations under Incentive program 2017/2020.*

*Senior executives, employees and key persons within the Company and group will within Incentive program II 2017/2020, be offered to acquire warrants in accordance with two categories as set out below:*

- A. and other senior key persons (maximum 22 persons) are offered to acquire a maximum of 10,000 warrants per person and in total a maximum of 220,000 warrants; and*
- B. Other employees and key persons (maximum 450 persons) are offered to acquire a between a maximum of 500 warrants and a maximum of 7,500 warrants per person and in total a maximum of 780,000 warrants.*

*The board of directors of the Company, who is not also employed within the group, will not participate in Incentive program II 2017/2020.*

*To be able to acquire warrants the participant must have been employed or active by assignment within the Company or group no less than six months.*

*Notification to acquire warrants shall be made during the period from 31 August 2017 up to and including 11 September 2017. The warrants shall be transferred to the participants between 12 September 2017 and 15 September 2017. The board of directors shall, however, be entitled to extend the time for notification of participation and time for transfer and offer a corresponding notice and transfer period for new participants who acquire warrants after the initial notification period is ended, provided that a transfer under the above distribution does not exceed the maximum issued warrants.*

*There will be no guaranteed allocation. In case of over notification by the above categories the allotment shall be made follows. First, allocation shall be made pro rata in relation to the number of warrants notified. Secondly, allocation shall be made through the drawing of lots executed by the Company*

*Transfer of the warrants shall be made at a price equal to the warrant's market value the day before the day of transfer, which shall be calculated according to the Black & Scholes valuation model or other generally accepted valuation model. Valuation of the options shall be performed by an independent appraiser or audit firm. In connection with the transfer of the warrants to the participants, the Company or the Subsidiary shall through an agreement reserve the right to repurchase the warrants, if the participant's employment or assignment in the group ceases or if the participant, in turn, wishes to transfer the warrants.*

*The Subsidiary shall be entitled to retain warrants that later may be offered to*

*current and future senior executives, employees and other key persons within the group in accordance with the proposed acquisition and allotment principles.*

*The warrants shall be transferred to senior executives, employees and other key persons no later than before the annual general meeting 2018, where any not transferred warrants shall be cancelled.*

*A general meeting in the Subsidiary shall also approve the subsequent transfers of warrants as set out above.*

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***Preparations of the board of directors proposal for Incentive program II 2017/2020, costs for the program, other outstanding share based incentive programs, dilution etc.***

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*Incentive program II 2017/2020 has been prepared by the board of directors and members of the group management and external advisors and in accordance with guidelines for remuneration to senior executives adopted by the annual general meeting 2017 as well in accordance with guidelines from the remuneration committee, and in consultation with major shareholders.*

***Valuation***

*Transfer of the warrants shall be made at a price equal to the warrant's fair market value the day before the transfer day, which means no social fees should arise for the group in connection with the transfer of warrants. The warrants' fair market value, according to a preliminary valuation based on the market value of the underlying share of SEK 60.75, SEK 3.01 per warrant, assuming an exercise price of SEK 103.25 per share. The Black & Scholes valuation model has been used for the valuation, assuming a risk free interest rate of -0.45 percent and a volatility of 31 percent, taking into account that no dividends and other distributions to shareholders are expected during the period of the program.*

***Costs and effects on key figures***

*As the warrants are subscribed for and transferred at fair market value, it is the Company's assessment that there will be no social fees for the Company as a result of the subscriptions and transfers. The costs will therefore consist only of minimal costs for the implementation and administration of Incentive program II 2017/2020.*

*Upon full exercise of the warrants and at a subscription price of SEK 103.25, the Company will receive proceeds amounting to SEK 103,250,000.*

***Dilution***

*The total number of registered shares and votes at the time of this proposal amount to 99,695,470. The maximum dilution of Incentive program II 2017/2020 is estimated to be a maximum of approximately 0.99 per cent of the total number of shares and votes in the Company (calculated on the number of existing shares the Company without consideration to outstanding warrants), assuming full subscription and exercise of all warrants offered and that the warrants under the previous "Incentive Program I 2017/2020" are cancelled. The dilution of Incentive program II 2017/2020 taking into account the full subscription and exercise of all warrants outstanding in the Company is estimated to approximately 2.92 per cent of the total number of shares and votes in the Company, provided that full subscription and exercise of all issued warrants occurs and that the warrants under the previous "Incentive Program I 2017/2020" are cancelled.*

***Other outstanding share based incentive programs***

*For a description of the Company's other share based incentive programs refer to the Company's annual accounts for 2016, and the Company's website. Other than there described programs no other share based incentive programs exists within the Company.*

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*Terms for Warrants in LeoVegas AB (publ), series II 2017/2020*

**1 Definitions**

*The following terms shall have the following meaning when used herein.*

<b>"Share"</b>	<i>mean each share in the Company issued and outstanding from time to time;</i>
<b>"Swedish Companies Act"</b>	<i>means the Swedish Companies Act (2005:551), as amended from time to time;</i>
<b>"Business Day"</b>	<i>means a day that is not a Sunday or other public holiday and on which Swedish banks are open to the general public;</i>
<b>"Company"</b>	<i>means LeoVegas AB (publ), reg.no. 556830-4033;</i>
<b>"Bank"</b>	<i>means the bank or account operator that the company uses for actions related to the Warrants;</i>
<b>"Warrant holder"</b>	<i>means a person who is the holder of a Warrant;</i>
<b>"Subscription"</b>	<i>means subscription for shares in the Company, by utilizing the Warrant in accordance with Chapter 14 of the Swedish Companies Act;</i>
<b>"Subscription Price"</b>	<i>means the price at which Subscription of new shares, by utilizing the Warrant, can be made;</i>
<b>"Warrant"</b>	<i>means a right to subscribe for one new share in the Company against cash payment in accordance with these terms;</i>
<b>"Euroclear"</b>	<i>means Euroclear Sweden AB or other central securities depository (Sw. värdepapperscentral) in accordance with the Central Securities Depository and Financial Instrument Accounts Act (1998:1479).</i>

**2 Warrants and registration**

- 2.1 *The number of Warrants amounts to a total maximum of 1,000,000.*
- 2.2 *The Company shall, on request, issue warrant certificates payable to a certain person or order, each representing one Warrant or multiples thereof. The Company will effect exchanges and conversions of Warrant certificates upon request from a Holder.*
- 2.3 *The Company's board of directors is entitled to resolve that the Warrants shall be registered with Euroclear in a securities register pursuant to the Central Securities Depositories and Swedish Financial Instruments Accounts Act (1998:1479). In case such a resolution is not passed, what is stated in Sections **Fel! Det går inrte att hitta någon referenskölla.-Fel! Det går inrte att hitta någon referenskölla.** below shall not apply. In case such a resolution is passed, what is stated in Sections **Fel! Det går inrte att hitta någon referenskölla.-Fel! Det går inrte att hitta någon referenskölla.** below shall apply instead of what is stated in Section **Fel! Det går inrte att hitta någon referenskölla.** above.*

- 2.4 *A Holder shall, after a resolution according to Section **Fel! Det går inrte att hitta någon referenskölla.** has been passed, upon the Company's request be obliged to immediately submit to the Company or Euroclear all the warrant certificates representing the Warrants and supply the Company with the necessary information on the securities account in which the Holder's Warrants shall be registered according to the below.*
- 2.5 *The Warrants shall be registered by Euroclear in a securities register pursuant to the Central Securities Depositories and Swedish Financial Instruments Accounts Act (1998:147) and consequently no physical securities will be issued.*
- 2.6 *The Warrants are registered on an account in the Company's Central Securities Depository register on behalf of the Warrant holder. Registrations relating to the Warrants shall be made by the Bank.*
- 2.7 *In the event that the Company's board of directors has passed a resolution in accordance with Section **Fel! Det går inrte att hitta någon referenskölla.** above, the board of directors will be free to resolve, within the restrictions that may follow from law or other regulations, that the Warrants shall no longer be registered by Euroclear in a securities register. If such a resolution is passed, what is stated in Section **Fel! Det går inrte att hitta någon referenskölla.** above shall apply instead of what is stated in Sections **Fel! Det går inrte att hitta någon referenskölla.-Fel! Det går inrte att hitta någon referenskölla.** above.*

### **3 Right to subscribe for new shares**

- 3.1 *During the period as from 1 June 2020 up to and including 15 June 2020, or the earlier date set forth in section 8 below, Warrant holders are entitled to subscribe for one (1) new Share for each Warrant. The subscription price shall be determined to an amount equal to 200 percent of the average of the mean, calculated for each trading day during the period from 9 August 2017 up to and including 22 August 2017, of the highest and lowest price paid for a share according to the official price list at Nasdaq First North Premier. In the absence of a quotation of paid price for any of the days in question, the last quoted bid price shall be used in the calculation (SEK 103.25 based on a preliminary calculation). Days for which neither a paid price nor a bid price is quoted shall be excluded from the calculation. The calculated subscription price shall be rounded to the nearest SEK 0.01, where SEK 0.005 shall be rounded upwards to SEK 0.01. The subscription price may not amount to less than the quota value of the company's shares.*
- 3.2 *The Subscription Price as well as the number of shares which each Warrant entitles the holder to subscribe for, may be subject to adjustment in cases specified in section 8 below. The Subscription Price may, however, never be less than the share's quota value.*
- 3.3 *Subscription can only be made for the full number of shares exercisable under the Warrants, that the Warrant holder would like to utilize. At Subscription any excess portion of the Warrant which can not be utilized shall be disregarded.*

#### **4 Subscription**

- 4.1 *Subscription is made by the Warrant holder Subscribing for the shares, in writing, in accordance with an established form, indicating the number of shares that are subscribed for. Subscription is binding and may not be revoked.*
- 4.2 *If Subscription is not made within the period set forth in section **Fel! Det går inrte att hitta någon referenskölla.**, any and all rights pursuant to the Warrants shall expire.*
- 4.3 *Such Subscription shall, for registration purposes, be made in a written notification on a specified form to the Company or to whom the Company assign. Where applicable the Warrant Holder shall simultaneously submit to the Company the warrant certificates representing the number of Warrants that the notification concerns.*

#### **5 Payment for new share**

*At Subscription, payment for the number of shares relating to the Subscription shall be made immediately. Payment shall be made, in cash, to an account designated by the Company.*

#### **6 Registration in the share register**

*After Subscription allotment will be effected by the new shares being registered in the Company's share register as interim shares. The registration on the Central Securities Depository account will be final after the registrations with the Companies Registration Office and Euroclear are final. As stated in sections 7 and **Fel! Det går inrte att hitta någon referenskölla.** below, such final registration may be postponed in certain cases.*

#### **7 New shares' right to dividends etc.**

*Subscription made at such time that it can not be effected at the latest on the tenth calendar day preceding the record date for a dividend approved by or proposed to the general meeting that year, will be executed only after the dividend record date. Shares which have been issued due to Subscription effected after the dividend record date, will be temporarily registered in the Central Securities Depository account, which means that they are not entitled to receive dividends.*

#### **8 Adjustment of Subscription Price etc.**

*Regarding the rights that a Warrant holder shall have in the situations set out below, the following shall apply:*

##### **8.1 Procedure**

- 8.1.1. *The Recalculations shall be made by the Company in accordance with Clause 8.2 below.*
- 8.1.2. *Should, however, the Warrant holder not agree on an adjustment of the Terms and Conditions recalculated by the Company in accordance with Clause 8.2 below, the Warrant holder shall have the right to request an independent determination of the appropriate adjustment as set out below.*
- a) *Unless the Company and the requesting Warrant holder have, within thirty (30) days from the request for independent determination, agreed on a qualified expert (hereinafter referred to as the "Expert"),*

*the Stockholm Chamber of Commerce shall, at the request of the requesting Warrant holder, appoint the Expert, such appointment to be final and binding on the Warrant holder and the Company.*

- b) The Expert shall independently consider the event that occurred and its effect on the Warrants and/or Shares and/or the Warrant holder. In doing this, the Expert may obtain a valuation or other assistance from a reputable third party instructed by the Expert.*
- c) The Expert shall decide on the appropriate adjustments in accordance with these Terms and Conditions in order to fully compensate the Warrant holder for any dilution and other adverse effects. The Expert shall as far as possible apply the adjustment principles set out in Clause 8.2 (Recalculations) and/or any other relevant provisions of these Terms and Conditions and/or any Warrant holder agreement regarding the holding of Warrants, Shares and/or any other Interests in the Company.*
- d) The Expert shall render his decision within thirty (30) days from the date when he was appointed.*
- e) The Expert's decision shall be final and binding on the Company and all Warrant holders.*
- f) The costs incurred by, and reasonable remuneration to, the Expert shall be divided equally between the Company on the one part and the requesting Warrant holder on the other part.*

## **8.2 Recalculations**

### **8.2.1.**

*A recalculated number of Shares which every Warrant confers the right to subscribe for, shall be applied in the case of a Subscription being executed after the decision on any of the circumstances set in Clause 8.2.2 to Clause 8.2.20.*

### **8.2.2. Bonus Issue**

*In the event the Company carries out a bonus issue, Subscription shall - where notice of Subscription is made at such time that it cannot be effected at the latest on the tenth calendar day prior to the shareholders' meeting which resolves upon the issue - be effected only after the shareholders' meeting has resolved to carry out the bonus issue. Shares which is issued as a consequence of Subscription executed after such a resolution shall be registered on an interim basis in the securities account and do not entitle to participation in the issue. Final registration in the securities account shall take place only after the record date for the issue.*

*In conjunction with Subscription effected after the resolution to carry out the bonus issue, a re-calculated Subscription Price as well as a re-calculated number of Shares which each Warrant shall entitle to Subscribe for shall apply. The re-calculations shall be made by the Company in accordance with the following formulas:*

$$\text{Re-calculated Subscription Price} = \frac{\text{Previous Subscription Price} \times \text{number of shares prior to the bonus issue}}{\text{Number of shares following the bonus issue}}$$

$$\text{Re-calculated number of Shares that each Warrant entitles to Subscribe for} = \frac{\text{The previous number of Shares that each Warrant entitled to Subscribe for} \times \text{number of Shares prior to the bonus issue}}{\text{Number of Shares following the bonus issue}}$$

*When recalculating in accordance with the above formula, any shares held by the Company shall be disregarded. The recalculated Subscription Price and number of Shares, recalculated in accordance with the above, shall be determined by the Company as soon as possible following the shareholders' resolution regarding the bonus issue, but will not be applied until after the record date for the issue.*

#### **8.2.3. Reverse split or split**

*If the Company carries out a reverse share split or a share split, subsection 8.2.2 above shall apply correspondingly, whereby the record date shall be deemed to be the date on which the reverse share split or share split is effected by Euroclear upon request by the Company.*

#### **8.2.4. New share issue in accordance with the shareholders' priority rights**

*In the event the Company carries out a new issue of shares - with priority rights for shareholders to Subscribe for new Shares in exchange for cash payment or payment through set-off of claims - the following shall apply with respect to the right to participate in the issue for Shares which are issued as a consequence of the Subscription through exercise of Warrants:*

*I. Should the Company's Shares not be listed, at the time of the issuance, a recalculation of the Subscription Price and the number of Shares each Warrant entitles to subscribe for shall be adjusted in accordance with the principles set forth in this item 8.2.4 II. The recalculation shall be made by the Company and shall be made on the basis that the value of the Warrants shall remain unchanged.*

*II. Should the Company's Shares be listed at the time of the issuance, the following shall apply with respect to the rights to participate in the new issue:*

*III. Where the board of directors resolves to issue Shares subject to approval by the shareholders or in accordance with an authorization by the shareholders, the resolution to issue Shares shall set forth the last date on which Subscription through the exercise of Warrants shall be executed in order for Shares, which is issued as a consequence of Subscription, shall entitle the Warrant holders to participate in the issue. Such date may not be earlier than ten calendar days following the resolution to issue shares.*

III. Where the shareholders have resolved upon the issue, the Subscription - for which notice for Subscription is made at such time that it cannot be effected on or before the tenth calendar day prior to the shareholders' meeting which decides upon the issue - shall be effected only after the Company has effected recalculation in accordance with this subsection 8.2.4, penultimate paragraph. Shares which are issued as a consequence of such Subscription shall be registered on an interim basis in the share register account and shall not entitle to participation in the issue.

Where Subscription is made at such time that no right to participate in the new issue arises, a recalculated Subscription Price as well as a recalculated number of Shares which each Warrant entitles to subscribe for shall apply. Recalculations shall be made by the Company in accordance with the following formulas:

$$\text{Recalculated Subscription Price} = \frac{\text{The Subscription Price x the average share price of the Share during the Subscription Period set forth in the issue resolution (average price of Share)}}{\text{The average price of Share increased by the theoretical value of the subscription right calculated on the basis thereof}}$$

$$\text{Recalculated number of Shares that each Warrant entitles to Subscribe for} = \frac{\text{The previous number of Shares that each Warrant entitled to subscribe for x (the average price of Share increased by the theoretical value of the subscription right calculated on the basis thereof)}}{\text{The average price of Share}}$$

The average price of a Share shall be deemed to correspond to the average for each trading day during the Subscription Period of the calculated mean value of the highest and lowest price paid for the Share according to market quotation. In the absence of a quoted paid price, the bid price which is quoted as the closing price shall form the basis for the calculation. Days when no paid price or bid price is quoted, shall be excluded from the calculation.

The theoretical value of the subscription right shall be calculated according to the following formula:

$$\text{The value of a subscription right} = \frac{\text{The maximum number of new Shares which may be issued pursuant to the issue resolution x (the average price of share minus the Subscription Price for the new Share)}}{\text{The number of Shares prior to the issue resolution}}$$

When recalculating in accordance with the above formula, any Shares held by the Company shall be disregarded. If a negative value arises, the theoretical value of the subscription right shall be determined to be zero.

*The recalculated Subscription Price and the recalculated number of Shares as set forth above shall be determined by the Company two Business days after the expiration of the Subscription Period and shall apply to Subscriptions executed thereafter.*

*During the period until the recalculated Subscription Price and recalculated number of Shares that each Warrant entitles to subscribe for are determined, Subscription shall only be executed on a preliminary basis, whereupon the full number of Shares according to the not yet recalculated number of Shares will be registered in the share register account on an interim basis. In addition, a special note shall be recorded to the effect that the Warrant may entitle the Holder to additional shares pursuant to the recalculated number of Shares. Final registration in the share register account shall be effected following the determination of the recalculations.*

**8.2.5. *Issue of warrants and convertibles in accordance with the shareholders' priority rights***

*Where the Company carries out an issue in accordance with Ch. 14 or Ch. 15 of the Companies Act - with priority rights for the shareholders in exchange for cash payment or payment through set-off of claims - the provisions contained in subsection 8.2.4 I, and 8.2.4 II first paragraph (i) and (ii), shall apply correspondingly, with respect to the right to participate in the issue for Shares that have been issued as a consequence of Subscription through exercise of the Warrant.*

I. Om Bolagets Aktier eller teckningsrätter vid tidpunkten för emissionen inte är föremål för marknadsnotering, ska omräkning ske, dels av Teckningskursen, dels av det antal Aktier som varje Teckningsoption ger rätt att teckna i enlighet med denna punkt 8.2.5 angivna principer. Omräkningen som ska utföras av Bolaget, ska ha som utgångspunkt att värdet på Teckningsoptionerna ska lämnas oförändrat.

*Should the Company's Shares or subscription rights not be listed, at the time of the issuance, a recalculation of the Subscription Price and the number of Shares each Warrant entitles to subscribe for shall be adjusted in accordance with the principles set forth in this item 8.2.5. The recalculation shall be made by the Company and shall be made on the basis that the value of the Warrants shall remain unchanged.*

II. Om Bolagets Aktier eller teckningsrätter vid tidpunkten för emissionen är föremål för marknadsnotering, ska vid Teckning som verkställts på sådan tid att rätt till deltagande i emissionen inte uppkommer tillämpas en omräknad Teckningskurs liksom en omräkning av det antal Aktier som varje Teckningsoption berättigar till Teckning av. Omräkningarna utföres av Bolaget och enligt följande formler:

*Should the Company's Shares or subscription rights be listed at the time of the issuance, where Subscription is made at such time that no right to participate in the issue arises, a recalculated Subscription Price as well as a recalculated number of Shares which each Warrant entitles to Subscribe for shall be applied. Recalculations shall be made by the Company in accordance with the following formulas:*

$$\text{Recalculated Subscription Price} = \frac{\text{Previous Subscription Price} \times \text{the average share price of the share during the}}{\text{the average share price of the share during the}}$$

$$\text{Recalculated number of Shares that each Warrant entitles to Subscribe for} = \frac{\text{Subscription Period set forth in the resolution approving the issue (average price of Share)} \times \text{Previous number of Shares that each Warrant entitles to Subscribe for} \times \text{The average price of Share increased by the value of the subscription right}}{\text{Average price of Share increased by the value of the subscription right}}$$

The value of the subscription right shall be deemed to correspond to the average mean value of the highest and lowest prices paid for such rights each trading day during the Subscription Period according to market quotation. In the absence of a quoted paid price, the final bid price shall form the basis for the calculation. Days when no paid price or bid price is quoted, shall be excluded from the calculation.

The recalculated Subscription Price and the recalculated number of Shares as set forth above shall be determined by the Company two Business Days after the expiration of the Subscription Period and shall apply to Subscriptions made after such time.

In relation to notice of Subscription effected during the period until the recalculated Subscription Price and recalculated number of Shares have been determined, the provisions set forth in the final paragraph of subsection 8.2.4 above shall apply correspondingly.

**8.2.6. Other offers directed to the shareholders**

In the event the Company, under circumstances other than those set forth in subsections 8.2.2- 8.2.5 above, directs an offer to the shareholders, with a priority rights pursuant to the principles set forth in Ch. 13, section 1 of the Companies Act, to acquire securities or rights of any kind from the Company, or where the Company resolves, pursuant to the above stated principles, to distribute to its shareholders such securities or rights without consideration (the offer), the following shall apply, with respect to Subscriptions requested at such a time that the thereby acquired Shares do not carry rights to participate in the offer:

I. Should the Company's Shares not be listed, at the time of the issuance, a recalculation of the Subscription Price and the number of Shares each Warrant entitles to subscribe for shall be adjusted in accordance with the principles set forth in this item 8.2.6. The recalculation shall be made by the Company and shall be made on the basis that the value of the Warrants shall remain unchanged.

II. Should the Company's Shares be listed at the time of the issuance, a recalculated Subscription Price as well as a recalculated number of Shares which each Warrant entitles to Subscribe for shall be applied. Recalculations shall be made by the Company in accordance with the following formulas:

$$\text{Recalculated} = \frac{\text{Previous Subscription Price} \times \text{the average}}$$



<i>Subscription Price</i>	<i>share price of the share during the notice period set forth in the offer (the average price of share)</i>
	<hr/>
	<i>Average price of share increased by the value of the right to participate in the offer</i>
<i>Recalculated number of Shares that each Warrant entitles to Subscribe for</i>	<i>Previous number of Shares that each Warrant entitles to Subscribe for x (the average price of Share increased by the value of the purchase right)</i>
=	<hr/>
	<i>Average price of Share</i>

*In the event the shareholders received purchase rights and trading in such rights has taken place, the value of the right to participate in the offer shall be deemed to be equivalent to the value of the purchase right. The value of the purchase right in such circumstances shall be deemed to correspond to the average mean value of the highest and lowest prices paid each trading day during the application period according to market quotation. In the event no paid price is quoted, the bid price quoted as the closing price shall be used in the calculation instead. Days when no paid price or bid price is quoted, shall be excluded from such calculation.*

*In the event the shareholders have not received purchase rights or where such trading in purchase rights mentioned in the previous paragraph has otherwise not taken place, recalculation of the Subscription Price and number of Shares shall take place, thereby applying, to the greatest extent possible, the principles set forth above in this subsection 8.2.6, whereupon the following shall apply. If market quotation of the securities or rights which are offered to the shareholders takes place, the value of the right to participate in the offer shall be deemed to correspond to the average of the calculated mean values, for each trading day during a period of 25 trading days commencing on the first day for the market quotation, of the highest and lowest price paid during the said day, for transactions in these securities or rights at the market place, where applicable, decreased by any consideration paid for such securities or rights in connection with the offer. In the absence of a quotation of paid price, the last bid price quoted shall be used in the calculation instead. If neither a selling price nor a bid price is quoted on certain given day or days, such day shall be excluded from the calculation of the value of the right to participate in the offer. When recalculation of the Subscription Price and the number of Shares is made according to this paragraph, the above mentioned period of 25 trading days shall be deemed to correspond to the application period determined in the offer. In the event no such market quotation takes place, the value of the right to participate in the offer shall, to the greatest extent possible, be based upon the change in the market value of the Company's Shares, which may be deemed to have occurred as a consequence of the offer.*

*The Subscription Price and number of Shares recalculated in accordance with the above shall be determined by the Company as soon as possible after the expiration of the offer and shall be applied on Subscriptions effected after such determination.*

*In relation to Subscriptions which are effected during the period until the re-calculated Subscription Price and recalculated number of Shares have been determined, the provisions set forth in the final paragraph of subsection 8.2.4 above shall apply correspondingly.*

**8.2.7. Warrant holders' rights at an issue of warrants and convertibles in accordance with the shareholders' priority rights**

*Where the Company carries out a new share issue or an issue in accordance with Ch. 14 or Ch. 15 of the Companies Act - with priority rights for the shareholders to subscribe for new Shares in exchange for cash payment or payment through set-off of claims - the Company is entitled to decide that all Warrant holders are entitled to the same priority rights that are bestowed upon the shareholders. In connection with this, each Warrant holder, disregarding that Subscription has not been made, will be considered as owners of the number of Shares that the Warrant holder would have received if the Subscription had been executed before the issue.*

*Should the Company direct such an offer intended in subsection 8.2.6 above, to its shareholders, the provisions set forth in previous paragraph will apply correspondingly. However, the number of Shares which the Warrant holder shall be deemed to be owner of shall be determined after the Subscription Price which applied at the time of the resolution of the offer.*

*If the Company resolves to give the Warrant holders' priority rights, in accordance to the provisions set forth in this subsection 8.3.6, recalculation according to subsections 8.2.4, 8.2.6 or 8.2.6, shall not be made.*

**8.2.8. Dividend**

*I. Should the Company's Shares not be listed, and the Company resolves to pay a dividend to the shareholders whether in cash or in kind, the Company shall, recalculate the Subscription Price shall be reduced by the dividend per Share.*

*II. Should the Company's shares be listed, at the time of the issuance, and in the event the Company resolves to pay a dividend to the shareholders recalculation of the Subscription Price and the number of Shares each Warrant entitles the Warrant holder to Subscribe for, shall be made regarding Subscriptions requested at such a time that the Shares thereby received do not carry rights to receive such dividend. The recalculation shall be based upon the total dividend. The recalculation shall be made by the Company in accordance with the following formulas:*

$$\begin{aligned}
 \text{Recalculated Subscription Price} &= \frac{\text{Previous Subscription Price} \times \text{the average share price of the Share during a period of 25 trading days calculated from the day on which the Share is quoted without any right to dividend (the average price of Share)}}{\text{Average price of Share increased by the dividend paid per Share}} \\
 \text{Re-calculated number of} &= \frac{\text{Previous number of Shares that each}}{\text{Average price of Share increased by the dividend paid per Share}}
 \end{aligned}$$

*Shares that each Warrant entitles to Subscribe for*

*Warrant entitles to subscribe for x  
(the average price of Share increased  
by the dividend paid per Share)  
Average price of Share*

*The recalculated Subscription Price and the recalculated number of Shares as set out above shall be determined by the Company at the latest by the time of payment of the dividend in question and shall apply to Subscriptions executed thereafter.*

*In the event that notice for Subscription has been made but, due to the regulations in Section 7 above, final registration on the SR Account has not been made, it shall be specifically noted that each Warrant after recalculations may entitle the Warrant holder to additional Shares. Final registration in the SR Account is made after the re-calculations has been determined, but in no event earlier than the time stated in Section 7 above. In the event that the Company is no longer a company registered with Euroclear, Subscription for Shares is effected by the new Shares being registered as interim shares in the Company's share register. Final registration in the share register is made after the recalculated Subscription Price and the recalculated number of Shares which each Warrant entitles to have been determined.*

**8.2.9. Repayment to the shareholders by reduction of share capital**

*In the event the Company's share capital or statutory reserve is reduced through a repayment to the shareholders, the following shall apply:*

*I..Should the Company's Shares not be listed, a recalculation of the Subscription Price and the number of Shares each Warrant entitles to subscribe for shall be effected in accordance with the principles set forth in this item 8.2.9. The recalculation shall be made by the Company and shall be made on the basis that the value of the Warrants shall remain unchanged.*

*II. Should the Company's Shares be listed, a recalculated Subscription Price as well as a recalculated number of Shares which each Warrant entitles to Subscribe for shall be applied. Recalculations shall be made by the Company in accordance with the following formulas:*

<i>Recalculated Subscription Price</i>	<i>=</i>	<i>Previous Subscription Price x the average share price of the Share during a period of 25 trading days calculated from the day of which the Share is quoted without any right to participate in the distribution (the average price of Share)</i> <hr/> <i>Average price of Share increased by the amount repaid per Share</i>
<i>Recalculated number of Shares that each Warrant entitles to Subscribe for</i>	<i>=</i>	<i>Previous number of Shares that the Warrant entitles to Subscribe for x (the average price of Share increased by the amount repaid per Share)</i> <hr/> <i>Average price of Share</i>

When re-calculating in accordance with the above and in the event that reduction is effected through redemption of shares, a repayment amount according to the calculation below shall be used instead of the actual amount that will be repaid per Share according to the following:

$$\text{Calculated repayment per Share} = \frac{\text{The actual amount that has been repaid per redeemed Share reduced by the average share price of the Shares during a 25 day period immediately prior to the day the Share is quoted without the right to participate in the reduction (the average price of Share)}}{\text{The number of Shares in the Company that serves as basis for the redemption of Shares reduced with the number 1}}$$

The average price of Share is calculated in accordance with the provisions set forth in subsection 8.2.4 above.

The recalculated Subscription Price and recalculated number of Shares as set out above shall be determined by the Company two Business Days after the expiration of the stated period of 25 trading days, and shall apply to Subscriptions made after such time.

Subscriptions shall not be executed during the period commencing with the adoption of the resolution to reduce the share capital up to and including the day on which the recalculated Subscription Price and recalculated number of Shares is determined.

#### 8.2.10. **Repurchase of shares etc.**

In the event the Company - without reducing the share capital - should carry out a repurchase of its own shares, but where the measure due to its technical structure and financial effects, is equivalent to a reduction, the recalculation of the Subscription Price as well as of the number of Shares that each Warrant entitles to Subscription of shall be made by applying, to the extent possible, the principles set forth in subsection 8.2.9.

#### 8.2.11. **Change of the currency of share capital**

In the event the Company carries out a change of the currency of its share capital resulting in that the share capital of the Company shall be determined in a currency other than SEK, the Subscription Price shall be recalculated into the same currency as the currency of the share capital and be rounded off to two decimals. Such recalculation of the currency shall be made with application of the exchange rate which has been used when re-calculating the currency of the share capital.

The recalculated Subscription Price in accordance with above shall be determined by the Company and shall be applied on Subscriptions which are effected as from the day the currency change of the share capital became effective.

#### 8.2.12. **Reasonable recalculation**

In the event that the Company carries out measures set forth in subsections 8.2.2- 8.2.6 or subsections 8.2.8- 8.2.11 above or other similar measure with

*similar effect and, if, according to the Company's opinion, the application of the intended re-calculation formula with regard to the technical structure or for another reason, may not be possible or result that the economic compensation the Warrant Holders shall receive becoming unreasonable in relation to that of the shareholders, the Company shall make the re-calculation of the Subscription Price as well as the number of Shares that each Warrant entitles to Subscribe for, for the purpose of the re-calculation leading to a reasonable result.*

#### **8.2.13. Rounding**

*In conjunction with recalculations in accordance with the above, the Subscription Price shall be rounded to the nearest SEK 0.10, whereupon SEK 0.05 shall be rounded upwards and the number of Shares rounded off to two decimals. Only whole Shares may be Subscribed for. In the event that the Subscription Price is determined in another currency than SEK, the Subscription Price shall, upon recalculation in accordance with the above, be rounded off to two decimals.*

#### **8.2.14. Liquidation**

*In the event it is resolved that the Company shall enter into liquidation according to Ch. 25 of the Companies Act, notice for Subscription may not thereafter be made, regardless of the reasons for liquidation. The right to make notice for Subscription shall terminate upon the resolution to place the Company in liquidation regardless of whether such resolution has entered into effect.*

*No later than two months prior to the determination by the shareholders' meeting as to whether the Company shall be placed into voluntary liquidation according to Ch. 25, section 1 of the Companies Act, notice shall be given to the Warrant Holders in accordance with Section 11 below in respect of the intended liquidation. The notice shall state that notice of Subscription may not be made following the adoption of a resolution by the shareholders' meeting to place the Company in liquidation.*

*In the event the Company gives notice of an intended liquidation in accordance with the above, each Warrant holder - irrespective of what is set forth in Section 4 regarding the earliest time at which notice for Subscriptions may be made - shall be entitled to make a notice for Subscription from the day on which the notice is given, provided it is possible to effect Subscription not later than the tenth calendar day prior to the shareholders' meeting at which the issue of the Company's liquidation shall be addressed.*

#### **8.2.15. Merger and de-merger**

*In the event the shareholders' meeting approves a merger plan, in accordance with Ch. 23, section 15 of the Companies Act, pursuant to which the Company is to be merged into another company, or in the event the shareholders' meeting approves a demerger plan, in accordance with Ch. 24, section 17 of the Companies Act, pursuant to which the Company will be dissolved without liquidation, notice for Subscription may not thereafter be made.*

No later than two months prior to final determination by the Company in respect of a merger or demerger as set forth above, notice shall be given to Warrant holders in accordance with Section 12 below of the intended merger or demerger. The notice shall set forth the principal contents of the intended merger plan or demerger plan and each Warrant holder shall be notified that Subscription may not be made following a final decision regarding the merger or demerger.

In the event the Company gives notice regarding a intended merger or demerger in accordance with the above, each Warrant holder – irrespective of what is set forth in Section 4 above regarding the earliest time at which notice for Subscription may be made – shall be entitled to make a notice for Subscription from the date on which notice is given, provided it is possible to effect Subscription not later than the tenth calendar day prior to the shareholders' meeting at which the merger plan or demerger plan is to be approved.

#### **8.2.16. Simplified merger and buy out procedure**

In the event the Company's board of directors prepares a merger plan in accordance with Ch. 23, section 28 of the Companies Act, pursuant to which the Company is to be merged into another company or if the Company's Shares will be subject to a buy out procedure in accordance with Ch. 22 the same law, the following shall apply.

In the event a Swedish limited liability company owns all the shares of the Company and the Company's board of directors publishes its intention to prepare a merger plan in accordance with the legislation referred to in the preceding paragraph, the Company shall provided that the final day for notice for Subscription pursuant to Section 4 above occurs after such publication, determine a new final date for notice for Subscription (expiration date). The expiration date shall occur within 60 days of the publication.

If publication has been made in accordance with the above set forth in this subsection 8.2.17, each Warrant holder – irrespective of what is set forth in Section 4 above regarding the earliest time at which notice for Subscription may be made – shall be entitled to such notification to and including the expiration date. Not later than three weeks prior to the expiration date, the Company shall notify the Warrant holders, pursuant to Section 11 below, of such right and that notice for Subscription may not be made after the expiration date.

#### **8.2.17. Restoration of rights**

Notwithstanding the provisions set forth in subsections 8.2.14, 8.2.15 and 8.2.16 above stating that notice for Subscriptions may not be made following the decision of liquidation, approval of a merger plan/demerger plan or the end of a new expiration date at a merger or demerger, the right to make a notice for Subscription shall be reinstated in the event the liquidation is terminated or where the merger or demerger is not executed.

#### **8.2.18. Bankrupt**

*In the event the Company is declared bankrupt, notice for Subscription may not thereafter be made. Where, however, the bankruptcy decision is reversed by a court of higher instance, notice for Subscription may again be made.*

**8.2.19. Listing**

*What is stated above concerning quoting on a market will apply if the Company's Shares are subject to public and organized trading on a regulated market or other organized multilateral trading facility. Reference to trading then shall apply to such a regulated market or other multilateral trading facility. At the date of the issuance of the Warrants the Shares are listed at Nasdaq First North Premier which at that time is a multilateral trading facility.*

**8.2.20. Quota value**

*the measures and re-calculations stated in any of the subsections 8.2.21 - 8.2.12 above would result in a recalculation of the Subscription Price that would amount to a number less than the Share's quota value, the quota value shall nevertheless be paid for the Share.*

**8.2.21. Equivalent terms and conditions for companies that are not Central Securities Depository Companies**

*In cases where the provisions concerning recalculation refer to the record date and, at the time of the recalculation, the Company is not a Central Securities Depository Company, a comparable date used in equivalent terms and conditions for companies that are not Central Securities Depository Companies shall apply instead of the record date.*

**9 Compensation**

*If, in the application of the adjustments in this Clause 8.2, it is not practicable or legally possible to apply a reduced Subscription Price, the number of Shares which each Warrant entitles the Warrant holder to purchase shall, in a secondary step, be recalculated (i.e. increased) in order to compensate the Warrant holder for the non-reduction in the Subscription Price, i.e. increased krona per krona.*

**10 Nominee**

*För Teckningsoption som är förvaltarregistrerad enligt lag om värdepapperscentraler och kontoföring av finansiella instrument ska vid tillämpningen av dessa villkor förvaltaren betraktas som Optionshavare.*

**11 Notices**

**11.1** *Notices concerning the Warrants shall be sent to each Warrant holder who has informed the Company of his/her/its mail address.*

**11.2** *In the event that the Warrants are registered with Euroclear in a, notices concerning the Warrants shall, instead of what is stated in Section Fel! Det går inrte att hitta någon referenskölla. above, be sent to each registered*

*Warrant holder or other right holder who is registered in an account the Company's securities register.*

- 11.3 *Notices shall, if applicable, also be given to the market place and be made public in accordance with the rules applicable to such market place.*

## **12 *Amendments of the terms and conditions***

*The Company is entitled to amend these terms to the extent it is required by legislation, court decisions or decisions of authorities, or if there under other circumstances – according to the Company's opinion – are practical reasons that are appropriate or necessary and the Warrant holders' rights are not materially impaired.*

## **13 *Confidentiality***

*The Company, the Bank or Euroclear may not without necessary authorization disclose information regarding the Warrant holders to third parties. The Company shall be entitled to the following information from Euroclear about the Warrant holder's account in the share register of the Company: (i) the Warrant holder's name, personal identity number or other identity number and address and (ii) the number of Warrants.*

## **14 *Limitation of the Company's, the Bank's and the Central Register of Securities' liability***

- 14.1 *With respect to the actions incumbent on the Company, the Bank or Euroclear, none of the Company, the Bank or Euroclear – in the case of Euroclear, subject to the provisions of the Central Securities Depositories and Swedish Financial Instruments Accounts Act – shall be held liable for damage arising as a result of Swedish or foreign legislation, any action of a Swedish or foreign authority, acts of war, strikes, blockades, boycotts, lockouts, or similar circumstances. The exemption in respect of strikes, blockades, boycotts and lockouts applies also in cases where the Company, the Bank or Euroclear itself takes or is the subject of such measure or conflict.*

- 14.2 *Furthermore neither shall the Company, the Bank nor Euroclear shall be liable for damage arising in other cases if the Company, the Bank or Euroclear, as appropriate, has exercised normal caution. In addition, under no circumstances shall the Company, the Bank or Euroclear be held liable for any indirect damage. A Warrant holder is hereby made aware that he/she/it is responsible for that the documents sent to the Company are correct and have been duly signed and that the Company is informed of changes that are made with regard to information provided.*

- 14.3 *If the Company, the Bank or Euroclear is prevented from making payment or taking any measure due to a circumstance referred to in the first paragraph, the taking of such measure may be postponed until such hinder no longer exists. If the Company as a result of such a circumstance is prevented from making or receiving a payment, the Company or the Warrant holder shall not be required to pay interest.*

## **15 *Applicable law and dispute resolution***

*These Terms and Conditions and relating legal matters with connection to the Warrants shall be governed and interpreted by Swedish law.*

*Any dispute with respect to these Terms and Conditions shall be decided through arbitration according to the Arbitration Institute of the Stockholm Chamber of Commerce.*



*The arbitration shall take place in Stockholm. The Swedish language shall be used during the proceedings.*

*Arbitration called for in accordance with this arbitration clause is subject to confidentiality. The confidentiality applies for all information which is obtained during the procedure as well as the decision or the arbitration decision which is communicated as a result of the procedure. Information covered by confidentiality may not in any form be forwarded to a third party. If the Warrants are transferred to a third party, such third party shall automatically be bound by this arbitration clause.*

**16     *Transfer and Title to Warrants***

*A transfer of a Warrant may be effected by an instrument of transfer in any usual or common form, subject to the terms of any Warrant holder agreement regarding the holding of Warrants in the Company.*

\* \* \* \* \*

**The Board of Directors' Report according to Ch. 14 § 8 of the Swedish Companies Act**

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*The board of directors of LeoVegas AB (publ), reg. no. 556830-4033, (the "Company") has proposed that the extra general meeting shall resolve to issue a maximum of 1,000,000 warrants.*

*The following events of major importance for the Company have occurred after the annual accounts were presented on 11 April 2017.*

*Information regarding events of major importance for the Company that have occurred after the annual accounts for the financial year 1 January 2016 - 31 December 2016 were presented can be found in the interim report for the period 1 January 2017 - 31 March 2017. Events of major importance for the Company during the period thereafter can be found in press releases published after the publication of the interim report for the period 1 January 2017 - 31 March 2017 on 3 May 2017.*

*The annual accounts for 2016 and the above mentioned interim report together with the press releases may be found on the Company's webpage, [www.leovegasgroup.com](http://www.leovegasgroup.com).*

Stockholm on 23 July 2017

*The board of directors of LeoVegas AB (publ)*

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Anna Frick

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Mårten Forste

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Per Brilioth

---

Patrik Rosén

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Robin Ramm-Ericson

---

Babba Canales

---

Tuva Palm

*Exhibit 3*

*Auditor's Statement according to Ch. 14 § 8 of the Swedish Companies Act for  
LeoVegas AB (publ)*

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Se bifogade yttrande./ *Please see the attached statement.*