

*Denna kallelse till obligationsinnehavarna är endast utformad på engelska.*

Stockholm, 26 March 2018

To the bondholders in:

ISIN: SE0008321616 – Cherry AB (publ) up to EUR 200,000,000 Senior Secured Bonds 2016/2020

**NOTICE OF WRITTEN PROCEDURE – REQUEST TO CHANGE TIMETABLE FOR RESTRUCTURING**

This voting request for procedure in writing has been sent on 26 March 2018 to Bondholders directly registered in the debt register (Sw. *skuldbok*) kept by the CSD. If you are an authorised nominee under the Swedish Financial Instruments Accounts Act or if you otherwise are holding Bonds on behalf of someone else on a Securities Account, please forward this notice to the holder you represent as soon as possible. For further information, please see below under Section 5.3 (*Voting rights and authorisation*).

Nordic Trustee & Agency AB (publ) acts as agent (the "**Agent**") for the holders of the bonds (the "**Bondholders**") in the above mentioned bond issue ISIN SE0008321616 (with an aggregated amount outstanding of EUR 179,887,500) (the "**Bonds**") issued by Cherry AB (publ) (the "**Issuer**"). In its capacity as Agent, and as requested by the Issuer, the Agent hereby initiates a procedure in writing, whereby Bondholders can vote for or against the Issuer's requests.

All capitalised terms used herein and not otherwise defined in this notice (the "**Notice**") shall have the meanings assigned to them in the terms and conditions of the Bonds (the "**Terms and Conditions**").

Bondholders participate by completing and sending the voting form, attached hereto as Schedule 1 (the "**Voting Form**"), and, if applicable, the power of attorney/authorisation, attached hereto as Schedule 2 (the "**Power of Attorney**") or other sufficient evidence, if the Bonds are held in custody other than by the CSD, to the Agent. Please contact the securities firm you hold your Bonds through if you do not know how your Bonds are registered or if you need authorisation or other assistance to participate.

The Agent must receive the Voting Form no later than 17:00 (CET) on 16 April 2018 either by mail, courier or email to the Agent using the contact details set out in Clause 6.7 (*Address for sending replies*) below. Votes received thereafter may be disregarded.

To be eligible to participate in the Written Procedure, a person must meet the criteria for being a Bondholder on 29 March 2018 (the "**Record Date**"). This means that the person must be registered on a Securities Account with the CSD, as a direct registered owner (Sw. *direktregistrerad ägare*) or authorised nominee (Sw. *förvaltare*) with respect to one or several Bonds.

***Disclaimer:** The Request is presented to the Holders, without any evaluation, advice or recommendations from the Agent whatsoever. The Agent has not reviewed or assessed this Notice or the Request (and its effects, should it be adopted) from a legal or commercial perspective of the Holders and the Agent expressly disclaims any liability whatsoever related to the content of this Notice and the Request (and its effects, should it be adopted). The Agent may assume that documentation and other evidence delivered to it pursuant the Request is accurate, correct and complete unless it has actual knowledge that this is not the case, and the Agent does not have to verify the contents of any such documentation. The Holders are recommended to seek legal advice in order to independently evaluate whether the Request (and its effects) is acceptable or not*

## **1. Background**

**1.1** As a consequence of the ComeOn acquisition and the expansion into new business areas in recent years, the Issuer is looking to consolidate its group structure and streamline its organisation and also improve its operational flexibility. Through the proposed amendments, the Issuer will be able to streamline and match its business areas with the group's legal structure, which is expected to simplify operations and clarify the group's position as one of the leading Nordic gaming companies. The proposed amendments are also expected to provide the Issuer with operational flexibility required for the group to be able to capitalise on growth opportunities while working to improve its existing business areas. In addition to the consolidation of the group, Cherry also wishes, as a consequence of its objective of increased flexibility, to adjust the covenant structure for the bonds over the coming year. The changes to the group structure was presented to the bondholders in a written procedure dated 22 December 2017 (the "**Previous Written Procedure**") and were planned to be implemented no later than 31 March 2018. Due to lengthy registration and administrative processes on Malta, the Issuer will not be able to complete its undertakings in the Previous Written Procedure by 31 March 2018.

**1.2** The contemplated restructuring (the "**Restructuring**") includes, amongst other things, that:

- (a) ComeOn Malta Ltd is transferred to Cherry Malta Ltd. The transfer of the shares in ComeOn Malta Ltd will, for tax reasons, initially be transferred via Cherry Casino Syd AB (subject to the share pledge granted over such shares under the share pledge agreements dated 20 July 2016 and 11 May 2017 with Cherry AB (publ) as pledgor and Nordic Trustee & Agency AB (publ) as Security Agent);
- (b) the shares in Play Cherry Ltd are transferred from Cherry Malta Ltd to Roundtable Holding Ltd;
- (c) the shares in Cherry Poland Sp.zo.o are transferred from Cherry Malta Ltd to Roundtable Holding Ltd;
- (d) the shares in Game Lounge Ltd are transferred or contributed from Cherry Malta Ltd (directly or indirectly) to Game Lounge AB, to be held directly by Game Lounge AB or indirectly through a Maltese holding company;
- (e) the Interest Cover Ratio Maintenance Test is adjusted from 2.75:1 to 2.25:1 for the period up to 31 December 2018.

- 1.3 The waivers required to complete the above is to allow the transfer of the shares and a possible deviation from arm's length covenant set out in Clause 14.9 in the Terms and Conditions, all in accordance with the above.

## **2. Waivers and amendments of the Terms and Conditions**

In view of the above and for the purpose of enabling the Issuer to complete the Restructuring, the Issuer hereby kindly requests the Bondholders to consent to the following:

- (a) that the Bondholders waive any covenants or undertakings in the pledge agreements listed in paragraph 1.2(a) in order to allow the transfer of the pledged shares;
- (b) that the Bondholders waive Clause 14.6 and 14.9 of the Terms and Conditions regarding the transfer of assets listed in paragraph 1.2(a)–1.2(d);
- (c) that the Bondholders waive the Issuer's obligations under the Previous Written Procedure to complete the Restructuring and deliver the documents under clause 3 (*Conditions*) no later than 31 March 2018; and
- (d) that the Bondholders waive the obligation under the Terms and Conditions to pledge the shares in Roundtable Holding Ltd and Game Lounge AB no later than 31 March 2018.

## **3. Conditions**

The Issuer acknowledges that the agreement by the Bondholders to the waivers is subject to the conditions that:

- (a) the Issuer undertakes to complete the Restructuring in paragraphs 1.2(a)–1.2(d) above no later than 30 September 2018. For the avoidance of doubt, the change in covenant level in 1.2(e) became effective upon the Bondholders approval on 22 January 2018 of the amendments and waivers set out in the Previous Written Procedure;
- (b) share transfers are made subject to the existing pledge agreements;
- (c) the Issuer's shares in Roundtable Holding Ltd and Game Lounge AB are pledged to the bondholders. For the avoidance of doubt, the pledge agreement regarding the Issuer's shares in Game Lounge AB shall not prevent the Issuer from implementing an incentive program in Game Lounge AB resulting in a maximum dilution of ten (10) per cent. The pledge agreement regarding the Issuer's shares in Roundtable Holding Ltd shall be subject to customary restrictions prohibiting any dilution;
- (d) the transfer of the shares in Play Cherry Ltd from Cherry Malta Ltd to Roundtable Holding Ltd is carried out at a fair market value and on terms and conditions customary for such transaction and that it does not have a Material Adverse Effect;
- (e) the transfer of the shares in Cherry Poland Sp. z o.o from Cherry Malta Ltd to Roundtable Holding Ltd is carried out at a fair market value and on terms and

conditions customary for such transaction and that it does not have a Material Adverse Effect;

- (f) the following is delivered to the Trustee no later than 30 September 2018;
- (i) copies of the constitutional documents of the Issuer, Cherry Malta Ltd, Roundtable Holding Ltd, Game Lounge AB and Cherry Casino Syd AB;
  - (ii) a copy of a resolution of the board of directors of Issuer, Cherry Malta Ltd, Roundtable Holding Ltd, Game Lounge AB and Cherry Casino Syd AB:
    - A. approving the terms of, and the transactions contemplated by, the Restructuring and resolving that it execute, deliver and perform any documents required for the Restructuring; and
    - B. authorising a specified person or persons to execute the Restructuring and any other documents required in connection with the Restructuring and to sign and/or dispatch all documents and notices in connection with the Restructuring;
  - (iii) copies of the following documents duly executed by the parties thereto:
    - A. transfer agreements or corporate documents (as applicable) in respect of the contemplated transfers in paragraphs 1.2(a)–1.2(d) above;
    - B. amendment agreements to the share pledge agreements referred to under paragraph 1.2(a) in this letter, pursuant to which the entity of the relevant pledgor is amended;
    - C. share pledge agreement in respect of the Issuer's shares in Roundtable Holding Ltd;
    - D. share pledge agreement in respect of the Issuer's shares in Game Lounge AB;
    - E. evidence that the Restructuring steps in 1.2(a)–1.2(d) above have been completed and that all steps required for perfection have been carried out; and
    - F. a legal opinion on the validity and enforceability of the share pledge over the shares in Roundtable Holding Ltd, the transfer of ComeOn Malta Ltd and the change of pledgor and preservation of the pledge over the shares in ComeOn Malta Ltd, issued by a reputable law firm;
  - (iv) a copy any other authorisation or other document, opinion or assurance which is customarily delivered, or which the Trustee notifies the Issuer is necessary or desirable, in connection with the entry into and performance of the transactions contemplated by any document relating to the Restructuring or for the validity and enforceability of any action necessary for the Restructuring.

#### **4. Consent**

We kindly ask the Bondholders to confirm that the Bondholders, subject to Clause 3 agree to the Waivers and amendments set out in Clause 2.

The waivers and amendments referred to above are hereafter jointly referred to as the "Requests".

#### **5. Written Procedure**

The following instructions need to be adhered to under the Written Procedure.

##### **5.1 Final date to participate in the Written Procedure**

The Agent must have received the votes by mail, courier or email to the address indicated below no later than 17:00 (CET), 16 April 2018. Votes received thereafter may be disregarded.

##### **5.2 Decision procedure**

The Agent will determine if received replies are eligible to participate under the Written Procedure as valid votes.

When a requisite majority of consents of the total Adjusted Nominal Amount have been received by the Agent, the Requests shall be deemed to be adopted, even if the time period for replies in the Written Procedure has not yet expired.

Information about the decision taken under the Written Procedure will: i) be sent by notice to the Bondholders and ii) be published on the websites of a) the Issuer and b) the Agent.

A matter decided under the Written Procedure will be binding for all Bondholders, irrespective of them responding in the Written Procedure.

##### **5.3 Voting rights and authorisation**

Anyone who wishes to participate in the Written Procedure must on the Record Date (29 March 2018) in the debt register:

- (a) be registered as a direct registered owner of a Securities Account; or
- (b) be registered as authorised nominee in a Securities Account, with respect to one or several Bonds.

##### **5.4 Bonds registered with a nominee**

If you are not registered as a direct registered owner, but your Bonds are held through a registered authorised nominee or another intermediary, you may have two different options to influence the voting for the Bonds.

1. You can ask the authorised nominee or other intermediary that holds the Bonds on your behalf to vote in its own name as instructed by you.
2. You can obtain a Power of Attorney (Schedule 2) from the authorised nominee or other intermediary and send in your own Voting Form based on the authorisation. If you hold your Bonds through several intermediaries, you need to obtain authorisation directly from the intermediary that is registered in the debt register as bondholder of the Securities Account, or from each intermediary in the chain of bondholders, starting with the intermediary that is registered in the debt register as a Bondholder of the Securities Account as authorised nominee or direct registered owner.

Whether one or both of these options are available to you depends on the agreement between you and the authorised nominee or other intermediary that holds the Bonds on your behalf (and the agreement between the intermediaries, if there are more than one).

The Agent recommends that you contact the securities firm that holds the Bonds on your behalf for assistance, if you wish to participate in the Written Procedure and do not know how your Bonds are registered or need authorisation or other assistance to participate. Bonds owned by the Issuer, another Group Company or an Affiliate do not entitle to any voting rights.

#### **5.5 Quorum**

To approve the Request, Bondholders representing at least twenty (20) per cent of the Adjusted Nominal Amount must reply to the request under the Written Procedure in order to form a quorum.

If a quorum does not exist, the Agent shall initiate a second Written Procedure, provided that the relevant proposal has not been withdrawn by the Issuer. No quorum requirement will apply to such second Written Procedure.

#### **5.6 Majority**

Two thirds (2/3) of the Adjusted Nominal Amount for which Bondholders reply under the Written Procedure must consent to the Requests.

#### **5.7 Address for sending replies**

Return the Voting Form, Schedule 1, and, if applicable, the Power of Attorney/Authorisation in Schedule 2 or other sufficient evidence, if the Bonds are held in custody other than Euroclear Sweden, by regular mail, scanned copy by e-mail, or by courier to:

**By regular mail:**

Nordic Trustee & Agency AB (publ)  
Attn: Written Procedure Cherry AB (publ)  
P.O. Box 7329  
S-103 90 Stockholm

**By courier:**

Nordic Trustee & Agency AB  
Attn: Written Procedure Cherry AB (publ)  
Norrandsgatan 23  
111 43 Stockholm

**By email:**

E-mail: [voting.sweden@nordictrustee.com](mailto:voting.sweden@nordictrustee.com)

**6. FURTHER INFORMATION**

For further questions to the Issuer, regarding the request, please contact the Issuer at [christine.rankin@cherry.se](mailto:christine.rankin@cherry.se) or + 46 765 399 492 or [anders.holmgren@cherry.se](mailto:anders.holmgren@cherry.se) or 0708 607 534.

For further questions to the Agent, regarding the administration of the Written Procedure, please contact the Agent at [sweden@nordictrustee.com](mailto:sweden@nordictrustee.com) or +46 8 783 79 00.

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**Stockholm, 26 March 2018**

**NORDIC TRUSTEE & AGENCY AB (PUBL)**

**As Agent**

**Enclosed:**

<b>Schedule 1</b>	Voting Form
<b>Schedule 2</b>	Power of Attorney/Authorisation

# VOTING FORM

## Schedule 1

For the Bondholders meeting in Cherry AB (publ) up to EUR 200,000,000 senior secured callable bond 2016/2020 ISIN: SE0008321616.

The undersigned Bondholder or authorised person/entity (the “**Voting Person**”), votes either **For** or **Against** the amendment and waiver Request by marking the applicable box below.

***NOTE:** If the Voting Person is not registered as Bondholder (as defined in the Terms and Conditions), the Voting Person must enclose a Power of Attorney/Authorisation, see Schedule 2.*

☐ **For** the Request

☐ **Against** the Request

Name of the Voting Person: \_\_\_\_\_

Capacity of the Voting Person:

Bondholder:

☐

<sup>1</sup>

authorised person:

☐

<sup>2</sup>

Voting Person's reg.no/id.no  
and country of incorporation/domicile: \_\_\_\_\_

Securities Account number at Euroclear Sweden: \_\_\_\_\_

*(if applicable)*

Name and Securities Account number of custodian(s):  
*(if applicable)* \_\_\_\_\_

Nominal Amount voted for (in EUR): \_\_\_\_\_

Day time telephone number, e-mail address and contact person:  
\_\_\_\_\_

\_\_\_\_\_  
Authorised signature and Name <sup>3</sup>

\_\_\_\_\_  
Place, date:

<sup>1</sup> When voting in this capacity, no further evidence is required.

<sup>2</sup> When voting in this capacity, the person/entity voting must also enclose Power of Attorney/Authorisation (*Schedule 2*) from the Bondholder or other proof of authorisation showing the number of votes held on the Record Date.

<sup>3</sup> If the undersigned is not a Bondholder according the Terms and Condition and has marked the box "authorised person", the undersigned – by signing this document – confirms that the Bondholder has been instructed to refrain from voting for the number of votes cast with this Voting Form.



# POWER OF ATTORNEY/AUTHORISATION

## Schedule 2

For the Bondholders meeting in Cherry AB (publ) up to EUR 200,000,000 senior secured callable bond 2016/2020 ISIN: SE0008321616.

**NOTE:** This Power of Attorney/Authorisation document shall be filled out if the Voting Person is not registered as Bondholder on the Securities Account, held with Euroclear Sweden. It must always be established a coherent chain of power of attorneys derived from the Bondholder. I.e. if the person/entity filling out this Power of Attorney/Authorisation in its capacity as "other intermediary", the person/entity must enclose its Power of Attorney/Authorisation from the Bondholder.

Name of person/entity that is given authorisation (Sw. *Befullmäktigad*) to vote as per the Record Date:

\_\_\_\_\_

Nominal Amount (in EUR) the person/entity is authorised to vote for as per the Record Date:

\_\_\_\_\_

Name of Bondholder or other intermediary giving the authorisation (Sw. *Fullmaktsgivaren*):

\_\_\_\_\_

We hereby confirm that the person/entity specified above (Sw. *Befullmäktigad*) has the right to vote for the Nominal Amount set out above.

We represent an aggregate Nominal Amount of: EUR \_\_\_\_\_

We are:

☐ Registered as Bondholder on the Securities Account

☐ Other intermediary and holds the Bondholder through (specify below):

\_\_\_\_\_

Place, date: \_\_\_\_\_

\_\_\_\_\_  
Name:

Authorised signature of Bondholder / other intermediary (Sw. *Fullmaktsgivaren*)