

EGMONT

Egmont International Holding A/S
Legal Department
Vognmagergade 11
DK-1148 Copenhagen K
Denmark

Tel +45 33 30 55 50
Fax +45 33 32 45 08

www.egmont.com
CVR 75 27 20 14

**CHARTER
of
THE EGMONT FOUNDATION**

**CHARTER
of
THE EGMONT FOUNDATION**

Introduction

The Egmont H. Petersen Foundation was founded pursuant to the Charter of March 31, 1920 in accordance with the wishes of Egmont Harald Petersen, printer to the Royal Danish Court. The Foundation was established by his widow, Elisabeth Egmont-Petersen and his five children, Dagmar Christensen, Axel Egmont-Petersen, Inger Egmont-Petersen, Karen Egmont-Petersen and Holger Egmont-Petersen.

Upon its creation, the Foundation took over the business enterprises established by Egmont H. Petersen in 1878 and subsequent years; among the assets thus acquired was the Gutenberghus building located in Vognmagergade. It was the Foundation's objective to continue to operate the entities acquired and thereby earn funds to be utilized for charitable purposes.

The Charter was amended to a minor extent as of November 11, 1957, February 18, 1971 and April 19, 1977, and as of March 16, 1978. A thorough revision of the charter, with a view to adapting it to such developments as had occurred since the establishment of the Foundation, was effected by adoption of the Charter of June 26, 1979.

As of September 5, 1984, the Charter was amended in one single respect. A new revision of the Charter was made in 1985 as a consequence of the legislation on foundations, i.e., as regards the Foundation, Act No. 286 of June 6, 1984. The revised Charter as adopted on March 26, 1985 was amended on April 7, 1989 and December 19, 1991.

The Foundation as per January 1, 1992 was merged with the Nordisk Film Foundation, the original name of which was Erna and Carl Bauders Foundation, founded on November 26, 1957 by Erna Bauder, widow of Carl Bauder, stockbroker, and their son, Carl Bauder with the objective to develop the Nordisk Film business and to utilize thereby earned funds for charitable purposes. Following the merger the Charter was amended on June 19, 1992 with regard to provisions on secondary names, objectives, disbursement of surplus and board of trustees. At the same time the name of the Foundation was changed from "Egmont H. Petersens Fond" to "Egmont Fonden".

As of December 19, 1997, Sections 19 and 20 of the Charter were amended and the provisions on alternates for the members of the Board of Trustees were cancelled.

As of April 29, 1999, Section 18 of the Charter was amended to the effect that the Board of Trustees in future shall consist of 6 members.

As of March 17, 2014 amendments were made to Sections 1, 14, 18, 19, 26, 27, 28 and 29 of the Charter.

As of 26 August 2015, Section 18 of the Charter was amended to the effect that the requirement for board members to be resident in Denmark was deleted. In addition, all references to the Ministry of Justice were replaced with the Danish Business Authority as a result of the entry into force of Danish Act no. 712 on Commercial Foundations dated 25 June 2014, under which the Danish Business Authority is the supervising authority for commercial foundations.

As of 8 February 2017 and 30 March 2017, amendments were made to Chapter V of the Charter regarding the Foundation's Management.

I. Name, Registered Office and Object

Section 1.

The Name of the Foundation is "Egmont Fonden".

The Foundation also operates under the secondary names "Egmont H. Petersens Fond", "Nordisk Film Fonden", "Erna og Carl Bauders Fond", "Egmont Foundation" and "Gutenberghus".

Section 2.

The Registered Office of the Foundation is located in the municipality of Copenhagen.

Section 3.

The object of the Foundation is to engage in commercial enterprise and thereby acquire funds to be utilized for charitable purposes.

Section 4.

The commercial activities of the Foundation are carried out in Denmark and abroad by the Foundation itself or by the Foundation through general or limited partnerships, limited companies or other business enterprises with limited liability.

Section 5.

The commercial activities of the Foundation comprise publishing, including but not limited to, the publishing of magazines and books, film, radio and television production, distribution and operation, the development and sale of games and other children's activity products as well as other such undertakings which cater to the demand for entertainment, advertising, the communication of news and related activities.

The Foundation shall be able to engage in other branches of business when such activities are deemed to constitute a natural development of the commercial activities of the Foundation. The nature of such activities must be approved by the Danish Business Authority.

II. The Foundation's Charitable Activities

Section 6.

The Foundation provides assistance to persons unable to support themselves or their families due to

- (i) illness, pregnancy and childbirth, separation and divorce, loss of provider or other changes in status,
- (ii) handicap, whether of a physical or some other nature, or any serious burden upon the provider,
- (iii) insufficient educational or developmental opportunities or other impediments to one's or one's family's adaptation to society.

Section 7.

The Foundation provides assistance to persons not in possession of the necessary means for

- a) education or fulfilment of any other need related thereto, as well as for
- b) participation in youth work and other recreational activities which promote their health and personal development.

Section 8.

Assistance pursuant to Sections 6 and 7 is granted by the Foundation in the form of personal financial support or through the financing of other reasonably justified measures. The assistance is either given directly or through appropriate enterprises or institutions.

Section 9.

The charitable purposes of the Foundation on the whole comprise the prevention or remedy of problems in areas of social welfare and health as well as education, recreational activities, enlightenment or other fields with a bearing on human relations and development or quality of life.

Section 10.

The Foundation may in certain cases award grants of a limited amount for other charitable purposes than those referred to in Section 9, provided that any such grant may be said to follow from the position that the Foundation occupies by virtue of its charitable or commercial activities.

Section 11.

Furthermore, the purpose of the Foundation is to engage in community activities beneficial to industry and trade and to the production of Danish movie production, artistically or technically. Incidental hereto, the Foundation may institute the Nordisk Film Award to be awarded to persons or institutions that have made a valuable contribution within the field of moving pictures.

III. The Foundation's Capital

Section 12.

The Foundation's capital consists of a capital fund ("grundkapital") and a reserve fund ("reservefond") comprising assets which are placed in or intended for placement in commercial enterprise, as well as a charitable fund ("legatfond") and a liquid reserve fund ("dispositionsfond") which serve to finance and assure the charitable activity of the Foundation.

Section 13.

The Foundation's capital fund totalled DKK 150,000,000 as at January 1, 1985. At the end of 1991 the capital fund was increased to DKK 200,000,000 and in connection with the merger with the Nordisk Film Foundation in 1992 to DKK 220,000,000.

Section 14.

The charitable fund serves to ensure the existence of the funds for use in the charitable activity of the Foundation.

Amounts in the charitable fund cannot be transferred to the capital fund or the reserve fund. The Board of Trustees can make charitable funds available for the activities described in Part II for distribution in accordance with Sections 6 to 10 of the Charter by transferring amounts to the liquid reserve fund.

Section 15.

The liquid reserve fund consists of assets intended for use in the charitable activities described in Part II. The funds shall be disbursed in accordance with Sections 6 to 10 with the exception of funds representing allocated surplus which pursuant to Section 17 has been designated for disbursement in accordance with Section 11. Assets created by or belonging to the administration of the Foundation's charitable activity, are also included in the liquid reserve fund.

Amounts in the liquid reserve fund cannot be transferred to the capital or reserve funds. The amounts in the liquid reserve fund are to be placed in accordance with the decisions made by the Board of Trustees from time to time.

IV. The Foundation's Surplus

Section 16.

The Board of Trustees determines the disbursement of amounts in the liquid reserve fund for charitable purposes.

The minimum annual disbursements therefrom for the Foundation's charitable activity in accordance with Part II shall be the lesser of: (i) the equivalent of 8% of the capital fund at the commencement of the year, or (ii) the equivalent of 50% of the projected surplus for that year.

If expenditures of amounts from the liquid reserve fund for charitable activities are made during a year where the earnings statement of the Foundation shows a loss, such expenditures may be reimbursed by a transfer pursuant to Section 17 of sums originating from the surplus of the Foundation to the liquid reserve fund. In the event of such transfer, the minimum amount which would otherwise be disbursable for charitable activities in accordance with Subsequent 2 hereof shall be reduced to the extent of the said transfer.

The Danish Business Authority may permit departures from the provisions of Subsection 2 hereof.

Section 17.

An amount equal to that part of the annual surplus of the Foundation created by the combined yield of the charitable and liquid reserve funds assets, as shown by the earnings statement, shall be transferred to the liquid reserve fund for use in the charitable activities mentioned in Part II for distribution in accordance with Sections 6 to 10 with the exception of an amount which shall be designated for disbursement in accordance with Section 11. The latter amount shall be equal to the yield of the liquid reserve fund assets from allocated surplus of preceding fiscal years which has been designated for disbursement in accordance with Section 11.

The remainder of the surplus shall be distributed as follows:

20% shall be allocated to the capital fund or the reserve fund in accordance with the decision of the Board of Trustees.

20% shall be transferred to the liquid reserve fund for utilization in connection with the charitable activities mentioned in Part II.

The remainder shall be allocated to the capital fund, reserve fund, charitable fund or liquid reserve fund in accordance with the decision of the Board of Trustees. It is incumbent on the Board in this regard to ensure that the commercial enterprises of the Foundation are provided with the necessary capital for consolidation and expansion in accordance with sound business principles.

The surplus transferred to the liquid reserve fund pursuant to Sections 2 and 3 hereof by 90% shall be designated for disbursement in accordance with Sections 6 to 10 and by 10% for disbursement in accordance with Section 11.

V. The Foundation's Management

Section 18

The Foundation is directed by a Board of Trustees consisting of 6-8 members.

The members of the Board of Trustees shall be of age, full capacity and good character. No person employed in one of the commercial enterprises mentioned in Section 4 may be a member of the Board.

A member shall resign from the Board of Trustees if he no longer meets the requirements stated in Subsection 2 of this Section. This shall also apply where a member of the Board of Trustees is no longer able to perform his duties as a member of the Board of Trustees due to continuing illness or other debilitating weakness, or appears to be clearly unqualified for such office.

The Board must ensure that its members always have the relevant skills to manage the commercial and charitable activities in accordance with the objectives of the Foundation. The Board must also ensure that it has sufficient understanding of the main markets in Scandinavia. Board members must collectively have relevant experience from both foundation and business activities as well as management of companies. At least three board members must have significant commercial experience from longstanding management positions or similar positions in society in Scandinavia, of these three members at least two members must have obtained the experience in one or more companies or institutions in Denmark.

A member of the Board of Trustees shall resign after the end of the fiscal year during which he reaches the age of 70. Such resignation shall take effect as from the conclusion of the annual meeting mentioned in Section 29 below.

Section 19.

The Board of Trustees is self-perpetuating. Upon a member's resignation from the Board of Trustees elects his successor.

The members of the Board of Trustees shall be elected for a four-year term.

A Board member may be re-elected for a maximum of two additional four-year terms provided that the majority of the other Board members vote in favour of such re-election at the end of each election term.

The member shall then resign from the Board of Trustees unless the other Board members unanimously encourage the resigning Board member to continue for a maximum of two additional two-year terms.

Section 20.

In the event that the Board of Trustees cannot be completed in the manner provided for in Sections 18 and 19, The Danish Business Authority shall make the necessary selections according to the above stated provisions; subsequent to such selection, the provisions of the Charter shall once again govern the election of future members and alternates.

Section 21.

The Board of Trustees itself elects its Chairman and Vice-Chairman and makes its own rules of procedure.

The Board shall be convened when the chairman so decides or at the request of any member of the Board or of any appointed member of the Management Board or of any appointed auditor.

The Board of Trustees, provided that a minimum of the two thirds of the members including the Chairman or the Vice-Chairman attend, shall be deemed to constitute a quorum.

All decisions at Board meetings are made by majority vote. In the case of a parity of the votes, the Chairman's vote is decisive.

Section 22.

The Board of Trustees represents the Foundation in all matters and conducts and organizes its activities.

The commercial activities of the Foundation shall be managed by the Board of Trustees and 1-2 Executives appointed by the Board of Trustees.

The charitable activities of the Foundation are administered separately from the commercial activities of the Foundation. The Board of Trustees may appoint a committee to be in charge of the administration on behalf of the Board. The Board may further appoint a managing director to be responsible for the day-to-day management of the administration and as many members of the staff as may be needed.

Section 23.

The Foundation shall be signed for by either the Chairman or the Vice-Chairman jointly with another Board member.

The Board of Trustees may grant power of procuration to an individual and to any two or more individuals.

Section 24.

The members of the Board of Trustees receive a fixed yearly fee; the amount of the fee is determined by the Board of Trustees.

VI. The Accounts of the Foundation

Section 25.

The fiscal year of the Foundation is the calendar year.

Enterprises in which the Foundation has a controlling interest shall have the same fiscal year as the Foundation, absent special considerations to the contrary.

Section 26.

An annual report shall be prepared each year in accordance with the legislation.

Section 27.

The annual report shall be audited by a chartered accountant appointed by the Board of Trustees.

The audit of the annual report shall also include the audit of the annual reports for those enterprises in which the Foundation has a controlling interest. As regards enterprises abroad, the Board of Trustees may determine that the audit of the annual report be performed in whole or part by an accountant in the particular country who possesses qualifications corresponding to those of a Danish chartered accountant.

Section 28.

The Board of Trustees shall provide for the preparation of an annual trustees' report setting out the financial position as well as the commercial and charitable activities of the Foundation.

Section 29.

The audited annual report together with the trustee's report shall be presented at an annual Board meeting to be held as soon as possible after the end of the fiscal year, but in no event later than 4 months thereafter. The representative of the Danish Business Authority shall have access to the annual meeting.

VII. Public Supervision

Section 30.

The Foundation is subject to supervision by the Danish Business Authority.

Section 31.

Without the approval of the Danish Business Authority, the Foundation's Board of Trustees shall not undertake or participate in any transaction of an extraordinary nature entailing the risk of non-compliance with the Charter.

Furthermore, without the approval of the Danish Business Authority, the Foundation's Board of Trustees may not participate in any transaction which results in the surrender or significant reduction of the Foundation's proportionate capital share of or controlling interest in an enterprise which comprises an important segment of the Foundation's total commercial activity.

Section 32.

Transactions in connection with the Foundation's charitable activity require the approval of the Danish Business Authority when such transaction entails administration expenses which, considering the Foundation's position, are of an unusual nature and constitute significant amounts.

Section 33.

The following shall be forwarded to the Danish Business Authority within one month after the annual meeting mentioned in Section 29; the annual report and exhibits thereto as audited and approved by the Board of Trustees; an auditor-certified copy of the entry in the auditor's records concerning the annual report.

Section 34.

The Danish Business Authority may require the submission of any information which it considers necessary for its review of the Foundation's annual report; moreover, the Ministry may establish particular rules for carrying out the accounting supervision.

Section 35.

In very special circumstances, the Danish Business Authority may require that outside opinion be sought to evaluate the transactions of the Board of Trustees; such opinion may be secured from persons or institutions that may be assumed to possess special expertise with respect to the type of commercial activity in question. The related expenses shall be paid by the Foundation.

VIII. Charter Amendments

Section 36.

Any amendment to the Charter shall be subject to a resolution adopted by the Board of Trustees. Any amendment which cannot under rules laid down by the Danish Business Authority be made by the Board of Trustees alone shall be subject to approval by the Danish Business Authority.

Section 37.

The Charter is effective as from 13 March 2017.

As adopted at the meeting of the Board of Trustees on 30 March 2017.

Board of Trustees:

Steen Riisgaard

Lars-Johan Jarnheimer

Ulrik Bülow

Jeppe Skadhauge

Torben Ballegaard Sørensen

Martin Enderle

Anna von Lowzow

Marianne Oehlenschläger

Tine Staunsager

The above text in English is a translation of the original Danish version.