

## NETFLIX, INC. COMMENCES THE VOLUNTARY RECOMMENDED PUBLIC CASH TENDER OFFER FOR ALL OUTSTANDING SHARES AND STOCK OPTIONS IN NEXT GAMES CORPORATION ON MARCH 14, 2022

Netflix, Inc. Press Release March 14, 2022 at 9:00 a.m. (EET)

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Netflix, Inc. ("**Netflix**" or the "**Offeror**") and Next Games Corporation ("**Next Games**" or the "**Company**") announced on March 2, 2022 the entry into a combination agreement (the "**Combination Agreement**"), pursuant to which the Offeror undertook to make a voluntary recommended public cash tender offer for all issued and outstanding shares (the "**Shares**") and stock options (the "**Stock Options**") in the Company that are not held by the Company or its subsidiary (the "**Tender Offer**").

The offer period under the Tender Offer (the "**Offer Period**", which includes any extensions to or suspensions of the Offer Period) will commence on March 14, 2022 at 9:30 a.m. (Finnish time) and expire on April 8, 2022 at 4:00 p.m. (Finnish time), unless the Offer Period is extended or any extended offer period is discontinued in accordance with the terms and conditions of the Tender Offer. The Tender Offer is currently expected to be completed during the second quarter of 2022.

The Finnish language version of the tender offer document (the "**Tender Offer Document**") will be available on the internet at [www.nextgames.com/fi/sijoittajille/netflix-ostotarjous](http://www.nextgames.com/fi/sijoittajille/netflix-ostotarjous) and [danskebank.fi/next-games](http://danskebank.fi/next-games) as of March 14, 2022. The English language translation of the Tender Offer Document will be available on the internet at [www.nextgames.com/investors/netflix-offer](http://www.nextgames.com/investors/netflix-offer) and [danskebank.fi/next-games-en](http://danskebank.fi/next-games-en) as of March 14, 2022.

In the Tender Offer, the shareholders of Next Games are offered a cash consideration of EUR 2.10 for each Share validly tendered in the Tender Offer (the "**Share Offer Price**"), subject to the terms and conditions of the Tender Offer and any adjustments described below. The Share Offer Price has been determined based on 30,050,385 Shares.

The price offered for each Stock Option validly tendered is EUR 5.74 in cash for each outstanding Stock Option 2015 I (the "**Stock Option 2015 I Offer Price**"), EUR 3.30 in cash for each outstanding Stock Option 2015 II (the "**Stock Option 2015 II Offer Price**"), EUR 0.01 in cash for each outstanding Stock Option 2017 I (the "**Stock Option 2017 I Offer Price**"), EUR 0.96 in cash for each outstanding Stock Option 2017 II (the "**Stock Option 2017 II Offer Price**"), EUR 0.96 in cash for each outstanding Stock Option 2018 II (the "**Stock Option 2018 II Offer Price**"), EUR 0.72 in cash for each outstanding Stock Option 2019 I (the "**Stock Option 2019 I Offer Price**"), EUR 1.25 in cash for each outstanding Stock Option 2019 II (the "**Stock Option 2019 II Offer Price**"), EUR 1.14 in cash for each outstanding Stock Option 2020 I (the "**Stock Option 2020 I Offer Price**"), EUR 0.01 in cash for each outstanding Stock Option 2020 II (the "**Stock Option 2020 II Offer Price**"), EUR 0.50 in cash for each outstanding Stock Option 2020 III (the "**Stock Option 2020 III Offer Price**") and EUR 0.79 in cash for each outstanding Stock Option 2020 IV (the "**Stock Option 2020 IV Offer Price**" and, together with the Stock Option 2015 I Offer Price, Stock Option 2015 II Offer Price, Stock Option 2017 I Offer Price, Stock Option 2017 II Offer Price, Stock Option 2018 II Offer Price, Stock Option 2019 I Offer Price, Stock Option 2019 II Offer Price, Stock Option 2020 I Offer Price, Stock Option 2020 II Offer Price, Stock Option 2020 III Offer Price and Stock Option 2020 IV Offer Price, the "**Stock Option Offer Price**"). The Stock Option Offer Price has been determined based on 2,567,141 Stock Options

Should the Company change the number of Shares as a result of a new share issue, issue of subscription rights, reclassification, stock split (including a reverse split) or any other measure with such dilutive effect, or should Next Games distribute or declare a dividend or otherwise distribute funds or any other assets to its shareholders, or if a record date with respect to any of the foregoing shall occur prior to the consummation of the Tender Offer, resulting in the distribution of funds not being payable to the Offeror, the Share Offer Price and the Stock Option Offer Price will be reduced accordingly on a euro-for-euro basis. The Tender Offer values Next Games' total equity at approximately EUR 65 million.

The Share Offer Price represents a premium of approximately 125.6 percent compared to EUR 0.93, *i.e.* the closing price of the Next Games Share on First North Growth Market Finland maintained by Nasdaq Helsinki Ltd (“**First North**”) on March 1, 2022, the last trading day immediately preceding the announcement of the Tender Offer; approximately 69.6 percent compared to EUR 1.24, *i.e.* the six-month volume-weighted average trading price of the Next Games Share on First North immediately preceding the announcement of the Tender Offer; and 38.8 percent compared to EUR 1.51, *i.e.* the twelve-month volume-weighted average trading price of the Next Games Share on First North immediately preceding the announcement of the Tender Offer.

The Board of Directors of Next Games, represented by a quorum comprising the non-conflicted members of the Board of Directors, has unanimously decided to recommend that the shareholders of Next Games and holders of Stock Options accept the Tender Offer.

Certain major shareholders of Next Games, *i.e.* Jari Ovaskainen and AMC Networks Ventures LLC, together representing in aggregate approximately 43.3 percent of the Shares and votes in Next Games, have irrevocably undertaken to tender into the Tender Offer, subject to certain customary conditions.

The completion of the Tender Offer is, in accordance with the terms and conditions of the Tender Offer, subject to certain customary conditions being fulfilled or waived by the Offeror on or by the date of the Offeror’s announcement of the final result of the Tender Offer. These include, among others, the receipt of all necessary regulatory approvals and acceptance of the Tender Offer with respect to the Shares representing, together with any Shares otherwise held by the Offeror prior to the date of the announcement of the final result of the Tender Offer, more than 90 percent of the Shares and voting rights of the Company calculated in accordance with Chapter 18, Section 1 of the Finnish Companies Act (624/2006, as amended) governing the right and obligation to commence compulsory redemption proceedings, on a fully diluted basis.

Most Finnish account operators will send a notice regarding the Tender Offer and related instructions and an acceptance form to their customers who are registered as shareholders in the shareholders’ register of Next Games maintained by Euroclear Finland Oy. Shareholders of Next Games who do not receive such instructions or an acceptance form from their account operator or asset manager should primarily contact their own account operator or asset manager. Secondly, shareholders of Next Games can contact Danske Bank A/S, Finland Branch (“**Danske Bank**”) by sending an email to: [nextgames-offer@danskebank.com](mailto:nextgames-offer@danskebank.com), where such shareholders can receive information for submitting their acceptance of the Tender Offer.

Those shareholders of Next Games whose Shares are nominee-registered and who wish to accept the Tender Offer, must submit their acceptance in accordance with the instructions given by the custodial nominee account holders. The Offeror will not send an acceptance form or any other documents related to the Tender Offer to these shareholders of Next Games.

A shareholder of Next Games who wishes to accept the Tender Offer must submit the properly completed and duly executed acceptance form to the account operator that manages the shareholder’s book-entry account in accordance with the instructions and within the time period set by the account operator, which may be prior to the expiry of the Offer Period. The Offeror reserves the right to reject any acceptances that have been submitted erroneously or deficiently.

With respect to pledged Shares, acceptance of the Tender Offer requires the consent of the pledgee. Acquiring this consent is the responsibility of the relevant shareholders of Next Games. The pledgee’s consent must be delivered to the account operator in writing.

The Tender Offer may be accepted by a holder of Stock Options registered during the Offer Period in the register of holders of Stock Options, with the exception of Next Games and its subsidiary. Danske Bank will send a notification of the Tender Offer, including instructions and the relevant acceptance form, to all such holders of Stock Options. Evli Alexander Incentives Oy (“**Evli**”) manages Next Games’ stock options. Evli will instruct all holders of stock options on the acceptance of the Tender Offer through Evli’s website. Holders of Stock Options who do not receive such notification from Danske Bank can contact Danske Bank by sending an email to: [nextgames-offer@danskebank.com](mailto:nextgames-offer@danskebank.com).

A holder of Stock Options registered during the Offer Period in the register of holders of Stock Options wishing to accept the Tender Offer shall submit a properly completed and duly executed acceptance form to Danske Bank in accordance with its instructions and within the time limit set by Danske Bank. The acceptance form

shall be submitted so that it is received during the Offer Period or, if the Offer Period has been extended, during such extended Offer Period, however, always in accordance with the instructions of Danske Bank.

The preliminary result of the Tender Offer will be announced by a release on or about the first (1st) Finnish banking day following the expiration of the Offer Period (including any extended and discontinued extended Offer Period). In connection with the announcement of the preliminary result, it will be announced whether the Tender Offer will be completed subject to the conditions to completion continuing to be fulfilled on the date of the final result announcement and whether the Offer Period will be extended. The final result of the Tender Offer will be announced on or about the third (3rd) Finnish banking day following the expiration of the Offer Period (including any extended and discontinued extended Offer Period). In connection with the announcement of the final result, the percentage of the Shares and Stock Options in respect of which the Tender Offer has been validly accepted and not validly withdrawn will be confirmed.

The Offeror reserves the right to extend the Offer Period in connection with the announcement of the final result of the Tender Offer (such extended Offer Period, the “**Subsequent Offer Period**”). The Offeror will announce the initial percentage of the Shares and Stock Options validly tendered during a possible Subsequent Offer Period on or about the first (1st) Finnish banking day following the expiry of the Subsequent Offer Period and the final percentage on or about the third (3rd) Finnish banking day following the expiry of the Subsequent Offer Period.

The Offeror reserves the right to acquire Shares and/or Stock Options or otherwise before, during and/or after the Offer Period (including any extension thereof and any Subsequent Offer Period) in public trading on First North or otherwise.

The terms and conditions of the Tender Offer are enclosed in their entirety to this release (see Appendix 1).

The Offeror has appointed Goldman Sachs & Co. LLC as financial adviser, Danske Bank as arranger and Borenus Attorneys Ltd as legal adviser in connection with the Tender Offer. Next Games has appointed LionTree Advisors LLC and Alexander Corporate Finance Ltd as the financial advisers and Castrén & Snellman Attorneys Ltd as the legal adviser in connection with the Tender Offer.

#### **Additional information:**

##### **Netflix**

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##### **Next Games**

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##### **About Netflix**

Netflix is the world’s leading streaming entertainment service with 222 million paid memberships in over 190 countries enjoying TV series, documentaries, feature films and mobile games across a wide variety of genres and languages. Members can watch as much as they want, anytime, anywhere, on any Internet-connected screen. Members can play, pause and resume watching, all without commercials or commitments.

##### **About Next Games**

Next Games is the first publicly listed mobile game developer and publisher in Finland, specializing in games based on entertainment franchises, such as movies, TV series or books. The developers of the critically acclaimed The Walking Dead games redefine the way franchise entertainment transforms into highly engaging service-based mobile games. Next Games works on multiple new games based on beloved global IPs. The Company’s latest game, Stranger Things: Puzzle Tales, is based on Netflix’s hit 80s horror drama series.

## IMPORTANT INFORMATION

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THIS RELEASE IS NOT A TENDER OFFER DOCUMENT AND AS SUCH DOES NOT CONSTITUTE AN OFFER OR INVITATION TO MAKE A SALES OFFER. IN PARTICULAR, THIS RELEASE IS NOT AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES DESCRIBED HEREIN, AND IS NOT AN EXTENSION OF THE TENDER OFFER, IN, AUSTRALIA, CANADA, HONG KONG, JAPAN, NEW ZEALAND OR SOUTH AFRICA. INVESTORS SHALL ACCEPT THE TENDER OFFER FOR THE SHARES ONLY ON THE BASIS OF THE INFORMATION PROVIDED IN A TENDER OFFER DOCUMENT. OFFERS WILL NOT BE MADE DIRECTLY OR INDIRECTLY IN ANY JURISDICTION WHERE EITHER AN OFFER OR PARTICIPATION THEREIN IS PROHIBITED BY APPLICABLE LAW OR WHERE ANY TENDER OFFER DOCUMENT OR REGISTRATION OR OTHER REQUIREMENTS WOULD APPLY IN ADDITION TO THOSE UNDERTAKEN IN FINLAND.

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THIS COMPANY RELEASE HAS BEEN PREPARED IN COMPLIANCE WITH FINNISH LAW, THE RULES OF FIRST NORTH AND THE HELSINKI TAKEOVER CODE AND THE INFORMATION DISCLOSED MAY NOT BE THE SAME AS THAT WHICH WOULD HAVE BEEN DISCLOSED IF THIS ANNOUNCEMENT HAD BEEN PREPARED IN ACCORDANCE WITH THE LAWS OF JURISDICTIONS OUTSIDE OF FINLAND.

### Information for shareholders and holders of Stock Options in the United States

Shareholders and holders of Stock Options in the United States are advised that the Shares are not listed on a U.S. securities exchange and that Next Games is not subject to the periodic reporting requirements of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and is not required to, and does not, file any reports with the U.S. Securities and Exchange Commission (the "**SEC**") thereunder.

The Tender Offer will be made for the issued and outstanding shares and stock options of Next Games, which is domiciled in Finland, and is subject to Finnish disclosure and procedural requirements. The Tender Offer is made in the United States pursuant to Section 14(e) and Regulation 14E under the Exchange Act, subject to the exemption provided by Rule 14d-1(d) ("**Tier II Exemption**") under the Exchange Act, and otherwise in accordance with the disclosure and procedural requirements of Finnish law, including with respect to the Tender Offer settlement procedures, withdrawal and timing of payments, which are different from those of the United States. In particular, the financial information included in this announcement has been prepared in accordance with applicable accounting standards in Finland, which may not be comparable to the financial statements or financial information of U.S. companies. The Tender Offer is made to the shareholders and holders of Stock Options resident in the United States on the same terms and conditions as those made to all other shareholders and holders of Stock Options to whom an offer is made. Any informational documents, including this announcement, are being disseminated to U.S. shareholders and holders of Stock Options on a basis comparable to the method that such documents are provided to other shareholders or holders of Stock Options.

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The Offeror, its affiliates and affiliates of its financial adviser may purchase or arrange to purchase securities of Next Games in compliance with Finnish law if certain conditions are satisfied. These restrictions include the following, among others: (i) such purchases cannot occur in the U.S., (ii) to the extent information about such purchases or arrangements to purchase is made public in Finland, such information must be disclosed by means of a press release or other means reasonably calculated to inform U.S. shareholders of Next Games and holders of Stock Options of such information, and (iii) the consideration in the Tender Offer must be increased to match any consideration paid outside of the Tender Offer.

Neither the SEC nor any U.S. state securities commission has approved or disapproved the Tender Offer, passed upon the merits or fairness of the Tender Offer, or passed any comment upon the adequacy, accuracy or completeness of the disclosure in relation to the Tender Offer. Any representation to the contrary is a criminal offence in the United States.

The receipt of cash pursuant to the Tender Offer by a U.S. shareholder or holder of Stock Options may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each shareholder or holder of Stock Options is urged to consult its independent professional advisers immediately regarding the tax consequences of accepting the Tender Offer.

It may be difficult for shareholders or holders of Stock Options to enforce their rights and any claims they may have arising under the U.S. federal securities laws, since Next Games is located in a non-U.S. jurisdiction and some or all of its respective officers and directors may be residents of non-U.S. jurisdictions. Shareholders or holders of Stock Options may not be able to sue Next Games or its respective officers or directors in a non-U.S. court for violations of the U.S. federal securities laws. It may be difficult to compel Next Games and its respective affiliates to subject themselves to a U.S. court's judgment.

#### **Disclaimer**

Goldman Sachs & Co. LLC is acting exclusively for the Offeror and no one else in relation to the Tender Offer or the matters referred to in this document, will not regard any other person than the Offeror as its client in relation to the Tender Offer and will not be responsible to anyone other than the Offeror for providing the protections afforded to its clients nor for providing advice in relation to the Tender Offer or any other transaction or arrangement referred to in this document.

Danske Bank A/S, Finland Branch is acting exclusively for the Offeror and no one else in relation to the Tender Offer or the matters referred to in this document, will not regard any other person than the Offeror as its client in relation to the Tender Offer and will not be responsible to anyone other than the Offeror for providing the protections afforded to its clients nor for providing advice in relation to the Tender Offer or any other transaction or arrangement referred to in this document.