

**WR Entertainment Group involved in U.S. lawsuit made by former chairman**

WR Entertainment ASA (the "**Company**") has, through third parties, been informed that its former chairman, James Cardwell, has filed a lawsuit with the Superior Court for the State of California in the County of Los Angeles, against the Company and the Company's wholly owned U.S. subsidiary WR Films Entertainment Group, Inc. ("**WR Inc.**"). Neither the Company nor WR Inc. have yet been served.

Cardwell claims damages from the Company and/or WR Inc. and requests that the Company grants him 4,392,000 stock options at a strike price of NOK 2 or alternatively a compensation of USD 0.75M. Also, Cardwell demands that the court instructs WR Entertainment ASA and/or WR Inc. to pay him an undisclosed profit sharing plan. The Company is completely unaware of such a profit sharing plan.

With regard to the claim for stock options, the Company notes that on 19 November 2015, the Company's Extraordinary General Meeting resolved a share incentive program pursuant to which Cardwell was intended to receive 4,392,000 warrants. As stated in WR Entertainment ASA's annual accounts for 2015, none of these warrants were allocated. In April 2016, the former share incentive program was replaced with a new share incentive program. Under the new program, no warrants were proposed to be granted to Cardwell. Cardwell voted to replace the old share incentive program, both in his capacity as chairman of the Company and as a shareholder, and consequently effectively cancelled the 4,392,000 warrants that originally had been intended for him.

Also, Cardwell requests restitution damages of USD 1.82M for work done between 2009 and 2015, during which time he received 2,875,000 shares in the Company. The Company has no knowledge about any agreements which entitles Cardwell to cash compensation for the work performed during these years. The Company notes that no information or provisions related to this have been included in the financial accounts of the group companies during all the years Cardwell was a member of the group's Board and/or senior management. Further, the Company notes that no information regarding this was disclosed in the Admission Document prepared in relation to the Company's listing on Merkur Market in January 2016.

In addition, Cardwell requests salary for three years, totaling USD 1.032M. The Company is not aware of any agreement which has been made with Cardwell regarding services to be performed during these years. During 2016 Cardwell received payments from the Company amounting to USD 48,000.

The Company is of the view that all of Cardwell's demands are unjustified and groundless and will defend the claims.

Please email [shareholder@widerelease.com](mailto:shareholder@widerelease.com) for all enquiries.

April 24, 2017  
WR Entertainment ASA