

## Higher reported net sales driven by esports growth

- Esports “Owned & Operated” sales up 17%
- Organic sales growth of 9.6% in esports, including growth in “Esports Services”
- Positive revenue and margin trends in Gaming

## Q1 2019 financial highlights

- Sales growth of 3.9% to SEK 967m (SEK 931m) with -1.7% organic growth
- Adjusted EBITDA of SEK 25m (SEK 8m), including SEK 14m due to impact of IFRS 16
- EBITDA of -SEK 54m including adjustments for IAC of -SEK 54 and for LTI of -SEK 25m <sup>(1)</sup>
- Operating income (EBIT) of -SEK 126m (-SEK 79m)
- Net income of Continuing Operations of -SEK 150m and basic earnings per share of -SEK 2.71
- Total net income of SEK 13,465m incl. capital gain of SEK 13,420 on the distribution of NENT Group shares
- Net cash in Continuing Operations of SEK 349m

## Financial overview

(SEKm)	Q1 2019	Q1 2018	Full year 2018
<b>Continuing operations</b>			
Net sales	967	931	4,024
of which esports	336	290	1,520
of which gaming	604	577	2,296
of which other	27	54	183
of which central operations and eliminations	1	10	25
Costs before depreciation and amortisation	-1,022	-957	-4,012
Adjusted EBITDA <sup>1)</sup>	25	8	45
Adjusted EBITDA margin	2.5%	0.9%	1.1%
Adjustments	-79	-35	-33
EBITDA	-54	-26	12
Amortisation	-46	-40	-170
Depreciation	-26	-12	-57
of which PPA	-31	-29	-120
EBIT	-126	-79	-216
EBIT margin	-13.1%	-8.4%	-5.4%
Net income	-150	-97	-346
Basic earnings per share (SEK)	-2.71	-1.92	-6.75
Cash flow from operations	-15	320	1,622
CAPEX	37	70	194
<b>Discontinued operations <sup>2)</sup></b>			
Net income	13,616	238	1,505
<b>Total operations</b>			
Net income	13,465	142	1,160
Basic earnings per share (SEK)	200.25	1.63	15.62
<b>Net sales growth y-o-y</b>			
Organic growth	-1.7%	27.5%	4.8%
Acquisitions/divestments	-	205.8%	29.9%
Changes in FX rates	5.6%	4.8%	6.4%
Change in reported net sales	3.9%	238.1%	41.2%

1) See page 22 for details of Adjustments to EBITDA. Alternative performance measures used in this report are explained on page 25

2) Comprises results for Nordic Entertainment Group and Nova in Q1 2019, and for Nordic Entertainment Group and businesses in Tanzania for 2018



## President & CEO's comments

### MTG split completed successfully

In February shareholders approved our plans to split the company into two, and we completed this successfully in March, distributing NENT Group shares to all of our shareholders, and listing them on Nasdaq Stockholm on 28 March. This was the culmination of more than a year of intensive preparation and thanks are due to everyone who played a part in this process and helped bring it to a successful conclusion.

The split created two strong companies which both have bright futures ahead. MTG is a unique play on global esports and online gaming, which are markets with huge growth potential. Our Build-and-Buy strategy can deliver on this potential, by driving performance in our existing companies to generate profitable and sustainable growth, and by adding strategic assets with strong IP to our portfolio. Our sole focus now is to execute on this strategy.

### Esports returns to growth

Following the decline in esports revenue during the second half of 2018, resulting from our strategic decision to focus on our owned and operated ("O&O") properties and pursue only selected esports services ("ESS") business, the esports vertical returned to growth in the first quarter, delivering organic sales growth of 9.6%. The rate of growth was constrained by ESL having two fewer Masters properties than in the first quarter last year, but the two Masters properties that were activated generated revenues substantially higher than in the previous year, and we also delivered four more Challenger properties this year. Our properties featured Fortnite for the first time, generating strong interest from fans. Dreamhack's newly launched e-FIFA leagues in Denmark and Sweden delivered strong incremental revenues.

### Gaming delivers good mobile growth

InnoGames achieved good growth in mobile sales, with more than half of Forge of Empires revenue coming from mobile for the first time. InnoGames also launched God Kings, a new mobile game that is showing strong initial results. The start of the turnaround in Kongregate drove an improvement in the revenue performance in Gaming, compared to the sharp decline we saw in the previous quarter, and the Adjusted EBITDA margin also improved sequentially, both of these reflecting Kongregate's focus on a smaller number of successful games.

### Jørgen Madsen Lindemann, President & Chief Executive Officer

**"Our world-leading esports business returned to growth in the quarter, with both of ESL's Masters properties and Dreamhack's e-FIFA leagues delivering record numbers of viewers and attracting a growing range of high-quality sponsors and media partners.**

**InnoGames had a solid quarter and we also saw the performance of Kongregate start to turn around. With Nova now sold, we can focus fully on expanding our portfolio of successful games companies."**



## Outlook & FY 2019 ambition

### No change to previously announced ambition

The Group's ambition for the full-year 2019 remains as stated at the Capital Markets Day in March, being to deliver organic sales growth of mid-teens percent and an Adjusted EBITDA margin in mid-single digits, after Group central costs and excluding the impact of IFRS 16. The performance will be second-half weighted, driven by better monetisation of Owned & Operated esports properties, the continuing strong performance of InnoGames, and the operational turnarounds being implemented in Kongregate and Zoomin.

## Significant events in and after the quarter

### MTG split completed

Following shareholder approval at an Extraordinary General Meeting in February, the split of the Nordic Entertainment Group ("NENT") from MTG took effect with the listing of NENT shares on Nasdaq Stockholm on 28 March. This split created two separate companies with clear investment profiles that are both well positioned to capitalise on current consumer trends, capture growth opportunities, and deliver sustainable shareholder value.

### Nova Broadcasting Group sold

On 10 April MTG completed the sale of its 95 percent shareholding in Nova Broadcasting Group ("Nova") in Bulgaria to Advance Media Group.

The all-cash transaction valued 100 percent of Nova at an enterprise value of EUR 185 million (approximately SEK 1,917 million). MTG will use the proceeds to further develop its global digital entertainment verticals through organic investments and acquisitions.

Following completion of the sale of Nova, the Group's SEK 1 billion credit facility from Nordea was cancelled.

### Largest ESL event delivered

Culminating in grand finals on 3 March, ESL One and IEM Katowice featured six tournaments over ten days across five games. Almost 175,000 fans visited the site and more than 500 hours of live content was streamed in 21 languages. An accumulated total of 230 million daily unique viewers watched around 157 million hours of gameplay, with 1.2 million concurrent peak viewers.

The event included for the first time ESL Katowice Royale, featuring Fortnite, in one of the largest international Battle Royale tournaments staged to date. This comprised 200 players competing for a total of \$600,000 of prize money, and attracted a peak online audience of over 300,000 fans.

### Dreamhack creates second FIFA esports league

Following the successful launch in October 2018 of eSuperliga in Denmark, the first FIFA esports league of its kind, in January Dreamhack signed an agreement with the Swedish Elite Football Association to create eAllsvenskan, a FIFA 19 esports tournament that is an esports extension of the Allsvenskan football league. This will run through the spring of 2019 and will also serve as an official qualifier for the FIFA eWorld Cup 2019.

### New InnoGames mobile launch

In February InnoGames launched God Kings, its latest massive multi-player online strategy game for mobile. The free-to-play game offers players an easy start and a wide variety of strategic decisions, including extensive features for cooperative play in alliances, and will be continuously updated with exciting new content. Initial performance data for the new game is strong.

### Management changes

Emily Greer, Kongregate CEO and co-founder, is stepping down to pursue a new gaming venture, with the potential backing of MTG through the VC Fund.

Lars Torstensson has been appointed as EVP, Head of Communications and Investor Relations, effective from June. Currently Chief Communications Officer at Sweco AB, Torstensson has held communications, investor relations, strategy and business development positions at Gelato AS and Tele2 Group.

Jette Nygaard-Andersen, MTG EVP, CEO of MTG International Entertainment & MTG Digital Video Content, left the business at the end of February to pursue opportunities outside MTG.

A full list of MTG announcements and reports can be found at [www.mtg.com](http://www.mtg.com).

## Group performance

### Net sales – continuing operations

Net sales in the first quarter on a reported basis were up 3.9% year-on-year to SEK 967 million (Q1 2018: SEK 931 million). On an organic basis, sales were down -1.7%, with FX contributing growth of 5.6%, reflecting SEK weakness against both the USD and Euro compared to the first quarter of 2018. There were no acquisitions or divestments in the quarter.

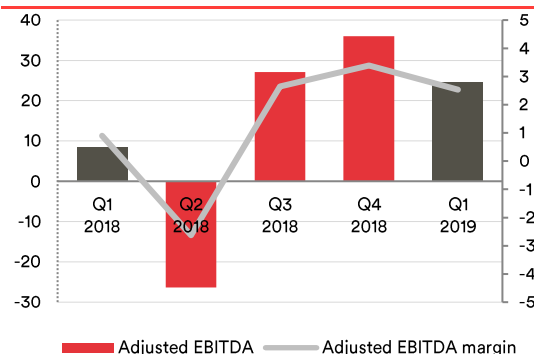
Organic sales growth of 9.6% in esports in the first quarter was more than offset by the 1.2% decline in Gaming and the 52% fall in sales at Zoomin.

Organic growth improved significantly quarter-on-quarter, with -1.7% in the first quarter compared to -11.5% in the fourth quarter of 2018, reflecting the sequential improvement delivered in both esports and Gaming.

**Net sales & y-o-y organic growth**  
(SEKm (left side); % (right side))



**Adjusted EBITDA and margin**  
(SEKm (left side); % (right side))



### Operating expenditure – continuing operations

Operating costs before depreciation and amortization increased by SEK 65 million to SEK 1,022 million. This included SEK 54 million of costs associated with the demerger of NENT group, reported as an Item Affecting Comparability (IAC), and SEK 25 million of costs related to Long-Term Incentive (LTI) programmes.

### Adjusted EBITDA – continuing operations

The Group Adjusted EBITDA in the quarter was SEK 25 million. This included SEK 14 million due to the application of IFRS 16 for the first time. Excluding the IFRS 16 impact, Adjusted EBITDA was SEK 11 million, broadly flat compared to SEK 8 million in the same quarter last year, as expected.

Group central operations impact in the quarter was SEK 39 million, compared to SEK 72 million in the same period of 2018, when NENT Group was still part of MTG.

The Adjusted EBITDA margin in the quarter was 2.5%, and 1.1% excluding the impact of IFRS 16, broadly flat compared to the margin of 0.8% in the first quarter of 2018, again as expected.

Adjusted EBITDA reflects the underlying performance of the business and excludes the IAC in the quarter of SEK 54 million and the SEK 25 million costs of the LTI programme. There were no impairments of previously capitalised costs in the quarter and no cost derived from acquisition or divestment, which would also be excluded from Adjusted EBITDA.

The EBITDA loss before adjustments was -SEK 54 million (Q1 2018: -SEK 26 million).

**EBIT – continuing operations**

Depreciation and amortisation in the first quarter was SEK 72 million (Q1 2018: SEK 52 million) and included Purchase Price Adjustments (PPA) of SEK 31 million (Q1 2018: SEK 29 million). Excluding PPA, depreciation and amortisation increased by SEK 18 million to SEK 41 million, mainly reflecting implementation of IFRS 16.

Group EBIT in the quarter was -SEK 126 million (Q1 2018: -SEK 79 million) with the decrease year-on-year mainly reflecting EBITDA adjustments being SEK 39 million higher, including the demerger costs of SEK 54 million. The EBIT margin was -13.1% in the quarter compared to -8.4% in the same period last year.

**Net financials & net income from continuing operations**

Net financial items were -SEK 12 million, with interest income in the quarter broadly offset by interest expense. Group tax cost was -SEK 11 million. The net loss for the period from continuing operations was therefore -SEK 150 million (Q1 2018: -SEK 97).

**Discontinued operations****NENT Group**

The split of the NENT Group from MTG took effect in the first quarter, with the listing of NENT shares on Nasdaq Stockholm on 28 March, and NENT is therefore reported as a Discontinued Operation in the quarter.

During the period preceding the split, NENT Group generated revenue of SEK 3.727 billion and net income of SEK 167 million. On the distribution of the NENT shares, MTG recognized a capital gain of MSEK 13.420 billion, representing the difference between the fair value and the carrying value of NENTs net assets at the time of distribution. There was no equity impact as the capital gain formed part of the distribution.

**Nova Broadcasting Group**

MTG completed the sale of its 95 percent shareholding in Nova Broadcasting Group in Bulgaria to Advance Media Group on 10th of April 2019. Nova had been reported as an Asset held for sale since the first quarter of 2018 and in the first quarter of 2019 was reported as a Discontinued Operation.

During the period Nova generated revenue of SEK 264 million and net result of SEK 29 million.

**Venture Capital Fund investments**

In the first quarter the VC fund invested SEK 52 million in five companies, including four new portfolio companies and one existing portfolio company. The new investments spanned a mix of game companies, including Dorian (San Francisco-based next generation interactive immersive fiction games), Sviper (Hamburg-based developer of mobile PVP games), and Tonk Tonk Games (Austin-based developer of a mobile fighting game with unique facial animation technology). MTG also invested in a San Diego-based user generated interactive content platform called GoMeta. The follow-on investment was made in MTG's existing portfolio company, Nomadic, a location-based VR company focused on replayable, tactile experiences based in the San Francisco Bay Area. Two of the investments in the quarter were made alongside BITKRAFT Esports Ventures, in which MTG is also an investor.

## Segmental performance

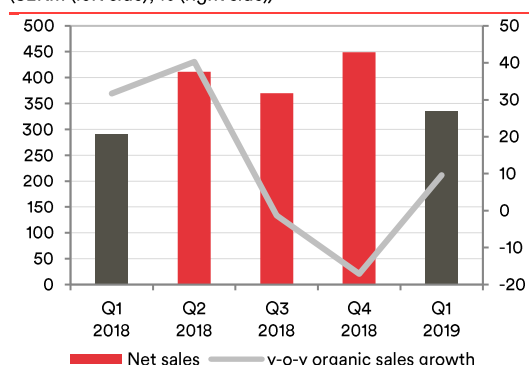
### Esports

#### Net sales returns to growth

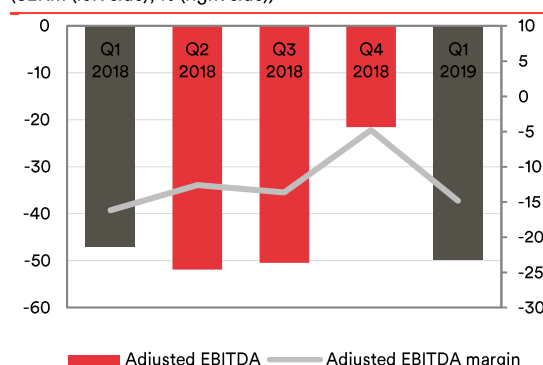
(SEKm)	Q1 2019	Q1 2018	Full year 2018
Net sales	336	290	1,520
Adjusted EBITDA	-50	-47	-171
Adjusted EBITDA margin	-14.8%	-16.2%	-11.2%
Adjustments	-14	-8	152
EBITDA	-64	-55	-19
Amortisation	-6	-6	-24
Depreciation	-14	-9	-41
of which PPA	-4	-3	-14
EBIT	-83	-70	-85
EBIT margin	-24.9%	-24.0%	-5.6%
CAPEX	6	11	29
<b>Net sales growth y-o-y</b>			
Organic growth	9.6%	31.7%	6.7%
Acquisitions/divestments	-	-	-
Changes in FX rates	6.1%	0.6%	4.0%
Reported growth	15.7%	32.2%	10.7%

Reported net sales the first quarter grew by 15.7% to SEK 336 million (Q1 2018: SEK 290 million), including 6.1% growth due to the positive impact of exchange rate changes. Organic net sales growth in the quarter was 9.6%, recovering from the -17.1% year-on-year decline in net sales seen in the fourth quarter of 2018.

**Net sales & y-o-y organic growth**  
(SEKm (left side); % (right side))



**Adjusted EBITDA and margin**  
(SEKm (left side); % (right side))



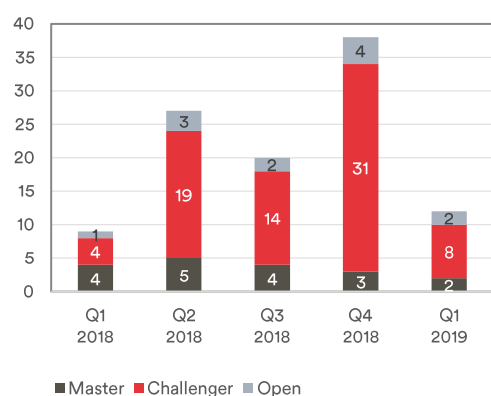
The return to net sales growth was achieved despite there being only two ESL Masters level properties during the quarter, compared to four in the same quarter of 2018. Both ESL Masters properties delivered higher revenues than in the previous year, including strong sponsorship revenue growth, which offset a significant proportion of the impact of having two fewer properties (IEM Pyeongchang and ESL One Genting). As in 2018, there were no Dreamhack Masters tournaments during the first quarter. Across both ESL and Dreamhack there were eight Challenger properties in the first quarter, compared to four in the same quarter of 2018.

Dreamhack delivered strong sales growth in what is typically a seasonally weak quarter, driven by a successful Dreamleague season 11 tournament, and the eSuperliga and eAllsvenska FIFA e-leagues, which attracted significant sponsorship and media rights revenue. These leagues had not been created in the first quarter of 2018, and their revenues will be seasonal, reflecting the football seasons which they are based on.

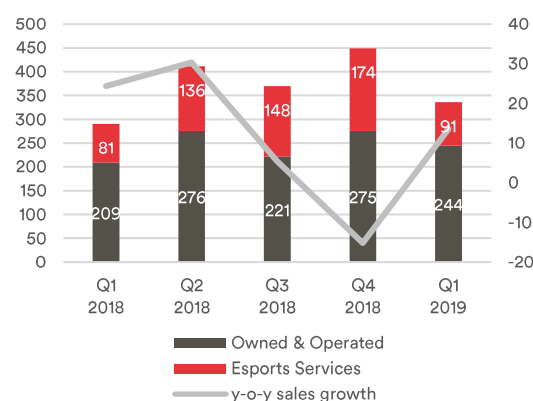
The Adjusted EBITDA loss of -SEK 50 million in the first quarter was broadly similar to the same period last year (Q1 2018: -SEK 47 million) and the Adjusted EBITDA margin improved to -14.8% compared to -16.2% in the first quarter last year.

EBITDA adjustments of SEK 14 million (Q1 2018: SEK 8 million) comprised the cost of long-term management incentive programmes. There were no IAC adjustments in the quarter. The EBITDA loss was -SEK 64 million (Q1 2018: -SEK 55 million).

Number of O&O properties



Net sales per type & y-o-y sales growth  
(SEKm (left side); % (right side))



Sales in Owned and Operated properties increased by 17% in the quarter to SEK 244 million, despite only two Masters properties being activated, rather than the four activated in the same period last year. This reflected the increase in sponsorship and other revenue generated by each of the two ESL Masters properties, as well as the revenue generated by Dreamhack's new e-FIFA leagues and the other additional Challenger properties.

Esports Services (ESS) revenue also resumed its growth trajectory, with sales increasing by SEK 10 million to SEK 91 million, representing 27% of total esports revenues. The focus in ESS is now on a smaller number of strategic publisher relationships, and these contributed to the growth in ESS revenue in the first quarter.

The first quarter is typically the period with fewest properties, exacerbated this year by having two fewer ESL Masters, although partially offset in 2019 by having four additional Challenger properties.

The schedule of ESL Masters properties for the remainder of the year is the same as in 2018, with four in both the second and third quarters and three in the fourth quarter, although the properties on the second quarter typically generate lower net sales than those later in the year. Dreamhack will have two Masters properties, one of which will be in the fourth quarter in 2019, rather than the third quarter, as it was in 2018.



## Gaming

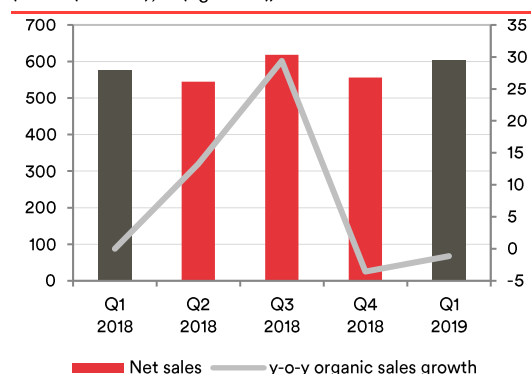
### Sales growth and margin improvement over previous quarter

(SEKm)	Q1 2019	Q1 2018	Full year 2018
Net sales	604	577	2,296
Adjusted EBITDA	127	132	513
Adjusted EBITDA margin	21.0%	22.9%	22.4%
Adjustments	-6	-8	-39
EBITDA	121	124	475
Amortisation	-38	-31	-137
Depreciation	-9	-3	-15
of which PPA	-26	-24	-101
EBIT	74	89	323
EBIT margin	12.3%	15.5%	14.1%
CAPEX	28	55	151
<b>Net sales growth y-o-y</b>			
Organic growth	-1.2%	-	7.1%
Acquisitions/divestments	-	-	69.1%
Changes in FX rates	5.8%	-	9.9%
Reported growth	4.6%	-	86.0%

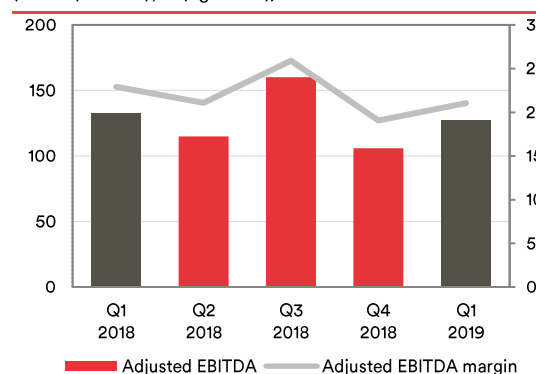
Reported net sales rose by 4.6% to SEK 604 million (Q1 2018: SEK 577 million), with a 5.8% positive impact from exchange rate changes. On an organic basis, net sales in the quarter fell by 1.2%, representing an improvement over the 3.6% organic decline in net sales in the fourth quarter of 2018.

EBITDA was SEK 121 million (Q1 2018: SEK124 million) and while the Adjusted EBITDA margin of 21.0% was lower than the same quarter of 2018, it represented a marked improvement over the fourth quarter of last year, when the Adjusted EBITDA margin was 19.1%.

**Net sales & y-o-y organic growth**  
(SEKm (left side); % (right side))



**Adjusted EBITDA and margin**  
(SEKm (left side); % (right side))



As previously reported, during the second half of 2018 there was a substantial decline in Kongregate's revenues, mainly due to a reduction in the number of successful new game launches. The impact of this continued into early 2019 and was the main reason for the 1.2% year-on-year decline in net sales of the Gaming vertical in the first quarter.

Action was taken to address this issue, however, with a greater focus of development resources on a smaller number of existing games with the potential to deliver stronger sales growth. This led to significantly better performance towards the end of the first quarter, with the top games delivering



improving sales growth and contributing to the quarter-on-quarter improvement in Gaming's sales and EBITDA margin performance.

InnoGames delivered higher sales in the quarter, but the rate of growth was less strong than in recent quarters, reflecting phasing of in-game events, lower browser revenues, and continued weakness in the performance of Warlords that was flagged previously.

Forge of Empires continued to deliver good sales growth and for the first time generated more mobile revenue than browser revenue. InnoGames' portfolio of classic games continued to perform well. A new mobile game, God Kings, was launched successfully during the quarter and showed strong initial metrics.

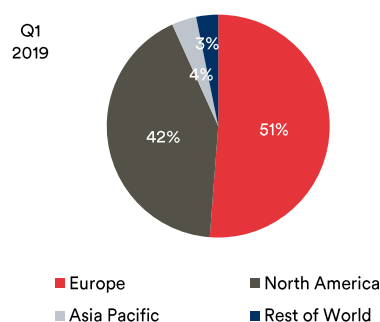
The EBITDA margin improvement quarter-on-quarter in Gaming was in line with expectations, mainly reflecting the revenue performance in both Kongregate and InnoGames. In both businesses, marketing expenditure is driven by each game's performance metrics, being adjusted up or down in response to sales of in-game features. The weakness in Warlords sales in particular was offset by lower marketing spend in the quarter, minimising the impact on the Gaming vertical EBITDA margin.

EBITDA adjustments of SEK 6 million were similar to the first quarter of 2018 and comprised the cost of long-term management incentive programmes. There were no IAC or impairments of previously capitalised development costs.

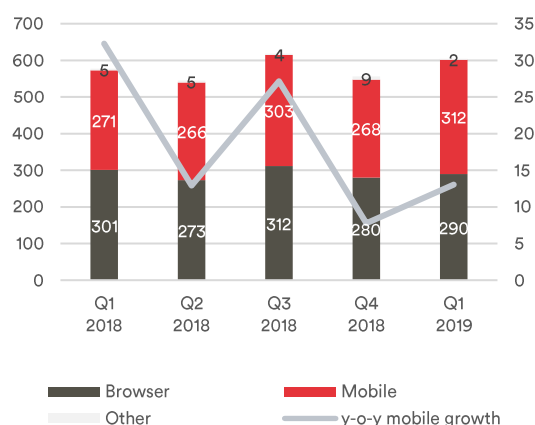
The depreciation and amortisation charge in the quarter was broadly in line with the same period last year. As a result, the EBIT margin was 12.3%, down compared to the first quarter of 2018 but higher than the 11.4% reported in the fourth quarter of last year.

Capex of SEK 28 million was 50% lower than in the same period last year, mainly due to the final payment for the acquisition of Warlords IP, as well as Warlords development costs, being incurred in Q1 2018.

**Net sales per Territory**  
(% split)

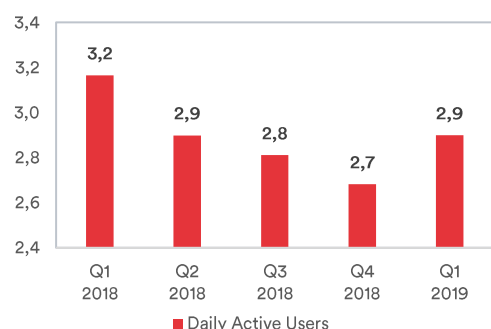
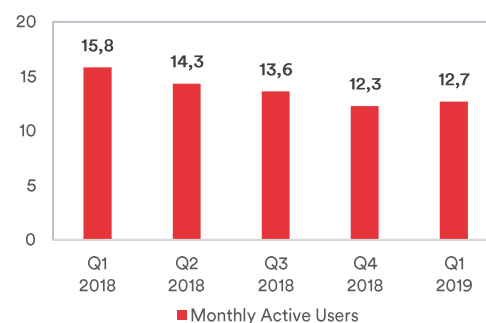


**Net sales per Platform & y-o-y sales growth**  
(SEKm (left side); % (right side))



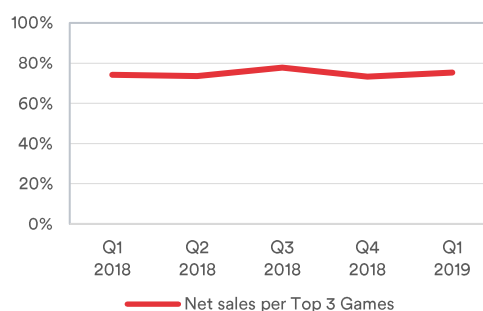
Mobile sales grew by 13% to SEK 312 million, representing nearly 52% of total Gaming vertical revenue, and more than offsetting the 4% decline in browser sales. As well as growth of Forge of Empires' mobile sales, InnoGames saw good mobile traction in Elvenar. More than 90% of Kongregate's total revenue is mobile.

There was no significant movement in the revenue split by territory, with more than 90% of revenue in the US and European markets, which are the target territories for both gaming businesses.

**Daily Active Users**  
(Millions)**Monthly Active Users**  
(Millions)

The actions taken to turn around the performance of Kongregate, by focusing resources on a smaller number of more compelling games, as well as the continued strength of InnoGame's main titles in the quarter, was reflected in sequential increases in both daily and monthly users.

Daily Active Users (DAU) increased by just over 8% compared to the previous quarter, to 2.9 million, the highest level seen since the first quarter of 2018. The quarter-on-quarter increase in Monthly Active Users (MAU) was less marked, but the growth of over 3% in the period compared to the fourth quarter of 2018, to 12.7 million users, reversed the declining trend in MAU seen over the previous three quarters.

**Average Revenue per Daily Active User (ARPDau)**  
(SEK)**Proportion of Revenue generated by top 3 games**  
(%)

Average revenue per daily active user (ARPDau) increased to SEK 2.6, from SEK 2.4 in the preceding quarter and SEK 2.2 in the first quarter of last year, helped by a positive FX impact. ARPDau at constant currency increased 9% year-on-year, mainly driven by lower DAU in Kongregate and resulting increase in the proportion of paying users, and was up 5% compared to the preceding quarter, reflecting higher revenue generated by Kongregate's top games, driven by greater focus on these titles.

There was no material change in the proportion of Gaming revenue generated by the top three titles (Forge of Empires, Elvenar and Amination Throwdown), which was broadly flat at around 75%.

## Other holdings

Other operations mainly comprised Zoomin which reported net sales of SEK 27 million in the quarter, 52% lower than in the same quarter of 2018. This was due to lower sales in both advertising and Multi-Channel Networks, Zoomin's two main revenue streams, reflecting difficult market conditions, as flagged previously, and also a strategic shift away from these legacy revenue streams, to focus more on content.

Zoomin's EBITDA loss grew to -SEK 12 million from -SEK 5 million in the first quarter of 2018, as a result of the SEK 27 million fall in net sales. Action is being taken to turn around the business, to arrest the revenue decline and re-size the cost base, and losses are expected to reduce substantially going forward.

## Financial review

### Cash flow from continuing operations

Cash flow from operations before changes in working capital amounted to -SEK 15 million. Depreciation and amortization charges were SEK 72 million, of which SEK 14 million related to leasing depreciation according to IFRS 16 and SEK 31 million related to amortization of surplus values associated with acquisitions.

The group reported a -SEK 87 million change in working capital, with almost half of this accounted for by one-off tax pre-payments associated with NENT, which will partially reverse later in the year. The growth in mobile gaming revenue also led to an increase in working capital. Group cash flow from operations amounted to -SEK 103 million.

### Investing activities

Group capital expenditure on tangible and intangible assets amounted to SEK 37 million, mainly consisting of capitalized development costs for games and platforms that have not yet been released. Investment in the VC fund was SEK 52 million during the quarter.

Total cash flow relating to investing activities amounted to -SEK 89 million.

### Financing activities

Cash flow from financing activities amounted to SEK 227 million.

NENT Group settled the internal debt to MTG AB before the split, as NENT was to assume the external debt and SEK 4 billion credit facility. MTG AB repaid the outstanding commercial papers and rather drew SEK 130m of the new SEK 1bn facility. The combination of these activities resulted in a net reduction of external loans of SEK 3.6 billion.

The group had cash and cash equivalents of SEK 479 million at the end of the period for continued operations and external loans of SEK 130 million, delivering a net cash balance at the end of the quarter of SEK 349 million.

## Parent company

Modern Times Group MTG AB is the Group's parent company and is responsible for Group-wide management, administration and financing.

(SEKm)	Q1 2019	Q1 2018	Full year 2018
Net sales	6	13	36
Net interest and other financial items	41	44	177
Income before tax and appropriations	-59	-28	-43

The decrease in income before tax and appropriations in the quarter mainly relates to items affecting comparability concerning costs for the split of MTG in two companies, which amounted to SEK -54 million (Q1 2018: 0). Net interest for the quarter amounted to SEK 42 million (Q1 2018: 52 million). The parent company had cash and cash equivalents of SEK 47 million (Q1 2018: 151 million) at the end of the period. Total available credit facilities amounted to SEK 1,000 million (Q1 2018: 4,324 million) whereof SEK 870 million (Q1 2018: 4,309 million) was unutilised at the end of the period.

The total number of shares outstanding at the end of the period was 67,342,244 (66,725,249) and excluded the 304,880 class B shares held by MTG as treasury shares. There are no class C shares held by MTG as treasury shares. The change in the number of class B shares in treasury was due to meet the exercise of the 2016 and 2017 long-term incentive program. The total number of issued shares did not change during the period.

## Other information

### Corporate responsibility

MTG published its ninth consecutive Corporate Responsibility Report which presents MTG's performance as a responsible and sustainable business. The 2018 report is produced in accordance with the Global Reporting Initiative (GRI) Standards and the GRI Media Sector Supplement. It complies with the European Union's Directive 2014/95/EU covering non-financial reporting.

### Accounting policies

This Interim report has been prepared according to 'IAS 34 Interim Financial Reporting' and 'The Annual Accounts Act'. The interim report for the parent company has been prepared according to the Annual Accounts Act - Chapter 9 'Interim Report'.

The Group's consolidated accounts and the parent company's accounts have been prepared according to the same accounting policies and calculation methods as were applied in the preparation of the 2018 Annual Report except for the new standards IFRS 16 Leases applied as of January 1, 2019. The parent company does not apply IFRS 16 in accordance with the exception in RFR 2. Description of IFRS 16 and the effects of the transition to this standard are stated in the summary below.

The group reports a Right of use asset and a Lease liability on the date of the lease agreement. The Right of use asset initially accrues at acquisition value, which consists of the original value of the lease liability plus any lease payments paid at or before the start date and any initial direct expenses. The Right of use asset is subsequently written off on a straight-line basis from the start date to the earlier of the end date of the asset's useful life and the end of the lease term.

The Lease liability is initially measured at the present value of the future lease payments that have not been paid at the start date. The leasing fees are discounted by the implicit interest on the lease. If this interest rate cannot be easily determined, funding base rates (applicable local IBOR rate) with a risk premium depending on the length of the lease contract are used.

The Group has chosen not to account for Right of use assets and Lease liabilities for leases that have a lease term of 12 months or less or underlying assets of low value. Leasing fees for these leases are reported as a cost on a straight-line basis over the lease term.

The effects of the transition to IFRS 16 are described in more detail on page 20.

## Related party transactions

There are no related party relationships other than with subsidiaries, associated companies and joint ventures.

## Risks & uncertainties

Significant risks and uncertainties exist for the Group and the parent company. These factors include the prevailing economic and business environments in some of the markets; commercial risks related to expansion into new territories; other political and legislative risks related to changes in rules and regulations in the various territories in which the Group operates; exposure to foreign exchange rate movements, and the US dollar and Euro linked currencies in particular; and the emergence of new technologies and competitors. The Group's e-sports business is reliant on continued cooperation with game publishers. The Group's game development businesses depend on their ability to continue releasing successful titles which attract paying customers. Both mentioned conditions are not under the Group's full control.

Risks and uncertainties are also described in more detail in the 2018 Annual Report, which is available at [www.mtg.com](http://www.mtg.com).

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Stockholm, 9 May 2019

Jørgen Madsen Lindemann  
President & CEO

This report has not been reviewed by the Group's auditors.

**Consolidated income statement**

(SEKm)	Q1 2019	Q1 2018	Full year 2018
<b>Continuing operations</b>			
Net sales	967	931	4,024
Cost of goods and services	-499	-425	-1,965
<b>Gross income</b>	<b>468</b>	<b>506</b>	<b>2,060</b>
Selling expenses	-275	-247	-1,006
Administrative expenses	-260	-331	-1,320
Other operating income	9	5	53
Other operating expenses	-12	-8	-29
Share of earnings in associated companies and joint ventures	-2	0	-1
Items affecting comparability	-54	-3	27
<b>EBIT</b>	<b>-126</b>	<b>-79</b>	<b>-216</b>
Net interest	-3	8	33
Other financial items	-9	-36	25
<b>Income before tax</b>	<b>-139</b>	<b>-107</b>	<b>-158</b>
Tax	-11	10	-187
<b>Net income for the period, continuing operations</b>	<b>-150</b>	<b>-97</b>	<b>-346</b>
<b>Discontinued operations</b>			
International Entertainment	29	22	194
Nordic Entertainment Group	13,587	216	1,311
<b>Net income for the period, discontinued operations</b>	<b>13,616</b>	<b>238</b>	<b>1,505</b>
<b>Total net income for the period</b>	<b>13,465</b>	<b>142</b>	<b>1,160</b>
<b>Net income for the period, continuing operations attributable to:</b>			
Equity holders of the parent	-182	-128	-451
Non-controlling interest	31	31	105
<b>Net income for the period</b>	<b>-150</b>	<b>-97</b>	<b>-346</b>
<b>Total net income for the period attributable to:</b>			
Equity holders of the parent	13,434	109	1,044
Non-controlling interest	31	33	116
<b>Total net income for the period</b>	<b>13,465</b>	<b>142</b>	<b>1,160</b>
<b>Continuing operations</b>			
Basic earnings per share (SEK)	-2.71	-1.92	-6.75
Diluted earnings per share (SEK)	-2.71	-1.90	-6.69
<b>Total</b>			
Basic earnings per share (SEK)	200.25	1.63	15.62
Diluted earnings per share (SEK)	200.25	1.62	15.50
<b>Number of shares</b>			
Shares outstanding at the end of the period	67,342,244	66,725,249	66,980,902
Basic average number of shares outstanding	67,085,290	66,725,249	66,854,133
Diluted average number of shares outstanding	67,085,290	67,276,722	67,362,405

**Consolidated statement of comprehensive income**

(SEKm)	Q1 2019	Q1 2018	Full year 2018
<b>Net income, continuing operations</b>	<b>-150</b>	<b>-97</b>	<b>-346</b>
<i>Other comprehensive income</i>			
<i>Items that are or may be reclassified to profit or loss net of tax:</i>			
Currency translation differences	88	246	215
<b>Other comprehensive income, continuing operations</b>	<b>88</b>	<b>246</b>	<b>215</b>
<b>Total comprehensive income, continuing operations</b>	<b>-62</b>	<b>149</b>	<b>-130</b>
<b>Net income, discontinued operations</b>	<b>13,616</b>	<b>238</b>	<b>1,505</b>
<i>Other comprehensive income</i>			
<i>Items that are or may be reclassified to profit or loss net of tax:</i>			
Currency translation differences	73	113	111
<b>Total comprehensive income, discontinued operations</b>	<b>13,688</b>	<b>352</b>	<b>1,616</b>
<b>Total comprehensive income for the period</b>	<b>13,626</b>	<b>501</b>	<b>1,486</b>
<b>Total comprehensive income attributable to:</b>			
Equity holders of the parent	13,577	399	1,303
Non-controlling interest	49	101	183
<b>Total comprehensive income for the period</b>	<b>13,626</b>	<b>501</b>	<b>1,486</b>



**Condensed consolidated balance sheet**

(SEKm)	31 Mar 2019	31 Mar 2018	31 Dec 2018
<b>Non-current assets</b>			
Goodwill	3,948	6,161	6,159
Other intangible assets	1,619	2,509	2,746
<b>Total intangible assets</b>	<b>5,567</b>	<b>8,670</b>	<b>8,904</b>
<b>Total tangible assets</b>	<b>119</b>	<b>275</b>	<b>270</b>
Right of use assets	199	-	-
Shares and participations in associated and other companies	158	121	134
Interest-bearing financial receivables	-	8	6
Other financial receivables	260	389	376
<b>Total non-current financial assets</b>	<b>418</b>	<b>518</b>	<b>516</b>
<b>Total non-current assets</b>	<b>6,303</b>	<b>9,463</b>	<b>9,690</b>
<b>Current assets</b>			
Inventory	14	2,529	2,443
Other receivables	1,085	5,882	6,398
Cash, cash equivalents and short-term investments	479	673	862
Assets held for sale <sup>1)</sup>	904	1,341	931
<b>Total current assets</b>	<b>2,482</b>	<b>10,426</b>	<b>10,634</b>
<b>Total assets</b>	<b>8,785</b>	<b>19,889</b>	<b>20,324</b>
<b>Equity</b>			
Shareholders' equity	4,395	5,590	5,678
Non-controlling interest	1,352	1,495	1,320
<b>Total equity</b>	<b>5,747</b>	<b>7,084</b>	<b>6,997</b>
<b>Non-current liabilities</b>			
Borrowings	-	500	500
Lease liabilities	148	-	-
Other non-current interest-bearing liabilities	-	124	0
<b>Total non-current interest-bearing liabilities</b>	<b>148</b>	<b>624</b>	<b>500</b>
Provisions	573	1,188	1,058
Liabilities at fair value	403	716	405
Other non-interest-bearing liabilities	0	20	6
<b>Total non-current non-interest-bearing liabilities</b>	<b>977</b>	<b>1,924</b>	<b>1,469</b>
<b>Total non-current liabilities</b>	<b>1,125</b>	<b>2,548</b>	<b>1,969</b>
<b>Current liabilities</b>			
Liabilities at fair value	33	175	37
Borrowings	130	2,525	3,179
Lease liabilities	51	-	-
Other interest-bearing liabilities	-	9	0
Other non-interest-bearing liabilities	1,361	6,938	7,761
Liabilities related to assets held for sale <sup>1)</sup>	338	611	380
<b>Total current liabilities</b>	<b>1,913</b>	<b>10,257</b>	<b>11,357</b>
<b>Total liabilities</b>	<b>3,038</b>	<b>12,805</b>	<b>13,326</b>
<b>Total shareholders' equity and liabilities</b>	<b>8,785</b>	<b>19,889</b>	<b>20,324</b>

<sup>1)</sup> Relates to Nova Group in Q1 and to Nova Group and Trace in 2018.

The carrying amounts are considered to be reasonable approximations of fair value for all financial assets and financial liabilities.

**Condensed consolidated statement of cash flows**

(SEKm)	Q1 2019	Q1 2018	Full year 2018
Cash flow from operations	-15	320	1,622
Changes in working capital	-87	-722	-568
<b>Net cash flow to/from operations</b>	<b>-103</b>	<b>-402</b>	<b>1,054</b>
Proceeds from sales of shares	-	-	297
Acquisitions of subsidiaries and associates and other investments	-51	-4	-235
Investments in other non-current assets	-37	-122	-765
Other cash flow from/used in investing activities	0	-13	-76
<b>Cash flow from/used in investing activities</b>	<b>-89</b>	<b>-140</b>	<b>-779</b>
Net change in borrowings	-3,610	-69	452
Repayment borrowings and other capital restructuring items NENT	3,854	-	-
Dividends to shareholders	-	-	-834
Dividends to minority owners	-	-	-257
Other cash flow from/used in financing activities	-15	-2	32
<b>Cash flow from/used in financing activities</b>	<b>229</b>	<b>-71</b>	<b>-608</b>
<b>Net change in cash, continuing operations</b>	<b>38</b>	<b>-613</b>	<b>-333</b>
<b>Net change in cash, discontinued operations</b>	<b>-389</b>	<b>-1</b>	<b>-8</b>
<b>Total net change in cash and cash equivalents</b>	<b>-351</b>	<b>-614</b>	<b>-341</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>862</b>	<b>1,394</b>	<b>1,394</b>
Translation differences in cash and cash equivalents	-8	24	30
Change in cash and cash equivalents in assets held for sale	-24	-130	-221
<b>Cash and cash equivalents at end of the period</b>	<b>479</b>	<b>673</b>	<b>862</b>

**Condensed consolidated statement of changes in equity**

(SEKm)	31 Mar 2019	31 Mar 2018	31 Dec 2018
<b>Opening balance</b>	<b>6,997</b>	<b>6,572</b>	<b>6,572</b>
Net income for the period	13,465	142	1,160
Other comprehensive income for the period	161	359	326
<b>Total comprehensive income for the period</b>	<b>13,626</b>	<b>501</b>	<b>1,486</b>
Effect of employee share programmes	5	11	30
Change in non-controlling interests	-16	1	1
Dividend Nordic Entertainment Group	-14,866	-	-
Dividends to shareholders	-	-	-834
Dividends to non-controlling interests	-	-	-257
<b>Closing balance</b>	<b>5,747</b>	<b>7,084</b>	<b>6,997</b>

**Parent company condensed income statement**

(SEKm)	Q1 2019	Q1 2018	Full year 2018
Net sales	6	13	36
<b>Gross income</b>	<b>6</b>	<b>13</b>	<b>36</b>
Administrative expenses	-105	-85	-256
<b>Operating income</b>	<b>-99</b>	<b>-72</b>	<b>-220</b>
Net interest and other financial items	41	44	177
<b>Income before tax and appropriations</b>	<b>-59</b>	<b>-28</b>	<b>-43</b>
Appropriations	-	-	538
Tax	-	5	-24
<b>Net income for the period</b>	<b>-59</b>	<b>-24</b>	<b>471</b>

**Parent company condensed statement of comprehensive income**

(SEKm)	Q1 2019	Q1 2018	Full year 2018
<b>Net income for the period</b>	<b>-59</b>	<b>-24</b>	<b>471</b>
Other comprehensive income for the period	-	-	-
<b>Total comprehensive income for the period</b>	<b>-59</b>	<b>-24</b>	<b>471</b>

**Parent company condensed balance sheet**

(SEKm)	31 Mar 2019	31 Mar 2018	31 Dec 2018
<b>Non-current assets</b>			
Capitalised expenditure	0	0	0
Machinery and equipment	3	0	2
Shares and participations	6,025	6,341	8,025
Other financial receivables	12,067	9,961	12,077
<b>Total non-current assets</b>	<b>18,095</b>	<b>16,302</b>	<b>20,104</b>
<b>Current assets</b>			
Current receivables	65	154	4,673
Cash, cash equivalents and short-term investments	47	151	24
<b>Total current assets</b>	<b>113</b>	<b>305</b>	<b>4,697</b>
<b>Total assets</b>	<b>18,208</b>	<b>16,607</b>	<b>24,801</b>
<b>Shareholders' equity</b>			
Restricted equity	338	338	338
Non-restricted equity	2,944	5,337	5,003
<b>Total equity</b>	<b>3,282</b>	<b>5,675</b>	<b>5,341</b>
<b>Untaxed reserves</b>	<b>239</b>	<b>90</b>	<b>239</b>
<b>Non-current liabilities</b>			
Interest-bearing liabilities	0	500	500
Provisions	-2	13	5
Non-interest-bearing liabilities	0	0	10
<b>Total non-current liabilities</b>	<b>-2</b>	<b>513</b>	<b>514</b>
<b>Current liabilities</b>			
Other interest-bearing liabilities	14,550	10,286	18,410
Non-interest-bearing liabilities	137	43	296
<b>Total current liabilities</b>	<b>14,688</b>	<b>10,329</b>	<b>18,706</b>
<b>Total shareholders' equity and liabilities</b>	<b>18,208</b>	<b>16,607</b>	<b>24,801</b>

**Net sales and EBIT by segment**

	Esport		Gaming		Other		Central operations and eliminations	Total operations		
(SEKm)	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018	Q1 2019	Q1 2018
Net sales	336	290	604	577	27	54	1	10	967	931
EBIT	-83	-70	74	89	-18	-8	-99	-90	-126	-79

## Leasing

At the transition to IFRS 16, the Group has chosen to apply the modified retrospective approach. According to IFRS 16, the Group recognises Right of use assets and Leasing liabilities for most leases, meaning that the leasing agreements are included in the balance sheet, the exceptions to this being stated below.

The Group previously had only leasing agreements that were classified as operational leases in accordance with IAS 17. At the transition, the lease liabilities were valued at the present value of the remaining leasing fees, discounted by funding base rates (applicable local IBOR rate) with a risk premium depending on the term of the lease on the first application date (January 1, 2019). The right of use was valued at an amount corresponding to the lease liability.

The Group has chosen not to account for Right of use assets and lease liabilities for leases that have a lease term of 12 months or less or underlying assets of low value. Leasing fees for these leases are reported as a cost on a straight-line basis over the lease term. The Group has made judgments when determining the lease term if the agreement contains opportunities to extend or terminate the lease agreement.

The reported Right of use assets are mainly attributable to properties that represent 99% of the total Right of use assets. Other is mainly leasing cars.

(SEKm)	1 Jan 2019
Operational leasing commitments as of December 31, 2018 as disclosed in the annual report	1,251
Less discontinued operations	-1,031
<b>Operational leasing commitments as of December 31, 2018 - continued operations</b>	<b>220</b>
Discounted with funding base rates including risk premium	198
Added - reasonably safe extension periods	-
<b>Lease liability per January 1 2019 - Continued operations</b>	<b>198</b>

## Comparative numbers as if IAS 17 had been applied in 2019

### Excerpt from report on the income statement

(SEKm)	IFRS 16 Q1 2019	IAS 17 Q1 2019	IAS 17 Q1 2018
<b>EBITDA</b>	<b>-54</b>	<b>-68</b>	<b>-26</b>
<b>EBIT</b>	<b>-126</b>	<b>-127</b>	<b>-79</b>
Financial net	-13	-12	-28
<b>Income before tax</b>	<b>-139</b>	<b>-139</b>	<b>-107</b>
<b>Total net income for the period</b>	<b>13,465</b>	<b>13,466</b>	<b>142</b>

## Excerpt from report on the balance sheet

(SEKm)	IFRS 16 31 Mar 2019	IAS 17 31 Mar 2019	IAS 17 31 Mar 2018
Right of use assets	199	-	-
Other non-current assets	6,104	6,104	9,463
Current assets	2,482	2,482	10,426
<b>Total assets</b>	<b>8,785</b>	<b>8,586</b>	<b>19,889</b>
<b>Total equity</b>	<b>5,747</b>	<b>5,748</b>	<b>7,084</b>
Non-current lease liabilities	148	-	-
Other non-current liabilities	977	977	2,548
<b>Total non-current liabilities</b>	<b>1,125</b>	<b>977</b>	<b>2,548</b>
Current lease liabilities	51	-	-
Other current liabilities	1,862	1,862	10,257
<b>Total current liabilities</b>	<b>1,913</b>	<b>1,862</b>	<b>10,257</b>
<b>Total equity and liabilities</b>	<b>8,785</b>	<b>8,586</b>	<b>19,889</b>

## Excerpt from report on the statement of cash flows

(SEKm)	IFRS 16 Q1 2019	IAS 17 Q1 2019	IAS 17 Q1 2018
Cash flow from operations	-15	-29	320
Changes in working capital	-87	-87	-722
<b>Net cash flow from operations</b>	<b>-103</b>	<b>-117</b>	<b>-402</b>
<b>Cash flow used in investing activities</b>	<b>-89</b>	<b>-89</b>	<b>-140</b>
<b>Cash flow used in financing activities</b>	<b>229</b>	<b>243</b>	<b>-71</b>
<b>Net cash flow from continuing operations</b>	<b>38</b>	<b>37</b>	<b>-613</b>

## Alternative performance measures

The purpose of Alternative Performance Measures (APMs) is to facilitate the analysis of business performance and industry trends that cannot be directly derived from financial statements. MTG is using the following APMs:

- Adjusted EBITDA
- Change in net sales from Organic growth, Acquisition/Divestments and changes in FX rates

### Adjusted EBITDA

(SEKm)	Q1 2019	Q1 2018	Full year 2018
<b>EBIT</b>	<b>-126</b>	<b>-79</b>	<b>-216</b>
Amortisations	46	40	170
Depreciation	26	12	57
<b>EBITDA</b>	<b>-54</b>	<b>-26</b>	<b>12</b>
Items affecting comparability	54	3	-27
Impairment own capitalized costs	0	-	13
Long-term incentive programs	25	17	13
M&A transaction costs	0	15	34
<b>Adjusted EBITDA</b>	<b>25</b>	<b>8</b>	<b>45</b>

Items affecting comparability are costs in MTG AB associated with the demerger of NENT group.

### Sales growth by segment

	Q1 2019	Q1 2018
<b>Esport</b>		
Organic growth	9.6%	31.7%
Acquisitions/divestments	-	-
Changes in FX rates	6.1%	0.6%
Reported growth	15.7%	32.2%
<b>Gaming</b>		
Organic growth	-1.2%	-
Acquisitions/divestments	-	-
Changes in FX rates	5.8%	-
Reported growth	4.6%	-
<b>Other</b>		
Organic growth	-52.1%	12.4%
Acquisitions/divestments	-	-
Changes in FX rates	2.1%	3.8%
Reported growth	-50.0%	16.2%
<b>Total operations</b>		
Organic growth	-1.7%	27.5%
Acquisitions/divestments	-	205.8%
Changes in FX rates	5.6%	4.8%
Reported growth	3.9%	238.1%



## Discontinued operations

### Net income - Discontinued operations

(SEKm)	Q1 2019	Q1 2018	Full year 2018
International Entertainment	29	22	194
Nordic Entertainment Group	167	216	1,311
Capital gain	13,420	-	-
<b>Net income, Discontinued operations</b>	<b>13,616</b>	<b>238</b>	<b>1,505</b>

### Nordic Entertainment Group AB

At the Extraordinary General Meeting on February 7<sup>th</sup>, 2019, it was decided to split the Group and distribute the shares of Nordic Entertainment Group AB (NENT) to the shareholders of MTG. In March, the shareholders received one NENT share for each MTG share. NENT was listed on Nasdaq Stockholm on March 28<sup>th</sup>, 2019.

On distribution of the NENT shares, MTG recognized a capital gain of MSEK 13,420, representing the difference between the fair value of NENT and the carrying value of NENTs net assets at the time of distribution.

As part of the distribution, all historical translation differences allocated to NENT, amounting to MSEK 78, have been recycled to the income statement for discontinued operations.

### Balance sheet

(SEKm)	31 Mar 2019	31 Mar 2018	31 Dec 2018
Non-current assets	-	3,407	3,704
Current assets	-	7,642	8,498
<b>Total assets</b>	<b>-</b>	<b>11,049</b>	<b>12,202</b>
Equity	-	2,910	597
Non-current liabilities	-	634	495
Current liabilities	-	7,505	11,110
<b>Total liabilities</b>	<b>-</b>	<b>11,049</b>	<b>12,202</b>

### Income Statement

(SEKm)	Q1 2019	Q1 2018	Full year 2018
Net sales	3,727	3,452	14,568
Cost of goods and services	-2,489	-2,393	-9,805
<b>Gross income</b>	<b>1,239</b>	<b>1,059</b>	<b>4,763</b>
Selling and administrative expenses	-992	-804	-3,243
Other operating income and expenses	27	15	24
Items affecting comparability	-56	-	-40
<b>EBIT</b>	<b>218</b>	<b>271</b>	<b>1,504</b>
Net interest	-5	-12	-37
Other financial items	7	26	-15
<b>Income before tax</b>	<b>221</b>	<b>285</b>	<b>1,452</b>
Tax	-54	-69	-160
<b>Net income for the year</b>	<b>167</b>	<b>216</b>	<b>1,292</b>

## Cash Flows

(SEKm)	Q1 2019	Q1 2018	Full year 2018
<b>Cash flows from:</b>			
Operating activities	-157	-358	1,116
Investing activities	-33	-59	-567
Financing activities	466	432	-209
<b>Net cash flow for the period</b>	<b>276</b>	<b>15</b>	<b>339</b>

## Nova Broadcasting Group

MTG has completed the sale of its 95 percent shareholding in Nova Broadcasting Group (“Nova”) in Bulgaria to Advance Media Group on 10<sup>th</sup> of April 2019. The all-cash transaction valued 100 percent of Nova at an enterprise value of EUR 185 million (approximately SEK 1,917 million). MTG will use the proceeds to further develop its global digital entertainment verticals through organic investments and acquisitions.

The assets and liabilities in Nova have been reported as Assets held for sale and Liabilities related to assets held for sale since the first quarter of 2018, but in the first quarter of 2019 Nova was reported as a Discontinued Operation.

During the first quarter Nova generated revenue of SEK 264 million and net result of SEK 29 million.

## Definitions

### Adjusted EBITDA

In order to assess the operating performance of the business, MTG management will going forward focus on Adjusted EBITDA, and Adjusted EBITDA Margin, that does not include the impact from Items Affecting Comparability, Long-term incentive programs, acquisition-related transaction expenses and impairment of own work capitalized, which are referred to as adjustments.

### ARPAU

Average revenue per daily active user.

### CAPEX

Capital expenditures

### Cash flow from operations

Cash flow from operations comprises operating cash flow before financial items and tax payments, taking into account other financial cash flow.

### DAU

Daily active user

### Earnings per share

Earnings per share is expressed as net income attributable to equity holders of the parent divided by the average number of shares.

### EBIT

EBIT (operating income) comprise earnings before interest and tax.

### EBITDA

EBITDA is read Earnings Before Interest, Tax, Depreciation and Amortisation.

### Items Affecting Comparability (IAC)

Items Affecting Comparability refers to material items and events related to changes in the Group's structure or lines of business, which are relevant for understanding the Group's development on a like-for-like basis.

### MAU

Monthly active user.

### Organic growth

Change in net sales compared to the same period of the previous year excluding acquisitions and divestments and adjusted for currency effects.

# Shareholders information

## 2019 Annual General Meeting

The 2019 Annual General Meeting will be held on 21 May 2019 in Stockholm.

The notices to the Meeting and related materials can be found at [www.mtg.com](http://www.mtg.com).

## Financial calendar

Annual General Meeting 2019	21 May 2019
Q2 results announcement	22 July 2019
Q3 results announcement	29 October 2019

## Questions?

[press@mtg.com](mailto:press@mtg.com)

[investors@mtg.com](mailto:investors@mtg.com) (or David Boyd, Head of Investor Relations; +46 73 699 29 99)

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## Conference call

The company will host a conference call today at 9:00 Stockholm local time. To participate in the conference call, please dial:

Sweden:	+46 850 692 180
UK:	+44 844 571 8892
US:	+1 631 510 7495

The access pin code for the call is 6195816.

To listen live to the conference call online please visit <https://edge.media-server.com/m6/p/y2rkjyz7>

For further information, please visit [www.mtg.com](http://www.mtg.com)



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