

Record operational result, with the gaming vertical delivering 13 percent pro forma net sales growth

- The gaming vertical delivered record growth on the back of a more diversified gaming portfolio. Net sales amounted to SEK 1,272 million, resulting in year-over-year growth of 100 percent, and a pro forma growth of 13 percent
- The esports vertical hosted five Master properties, all produced as studio or online events. ESL Gaming continued to enhance its offerings and improve its strategic position by investing into areas such as mobile gaming
- On January 24, MTG divested ESL Gaming to Savvy Gaming Group for USD 1,050 million (equivalent to SEK 9,723 million) to combine with FACEIT and create a global leader in competitive gaming. The transaction is expected to close during the second quarter 2022

Financial highlights

- Net sales increased by 56 percent to SEK 1,658 (1,064) million. Pro forma growth amounted to 7 percent
- Adjusted EBITDA of SEK 346 (193) million. Adjustments included long-term incentive programs (LTI) of SEK 15 (-10) million and total M&A transaction costs of SEK 28 (40) million
- EBITDA of SEK 303 (160) million and EBIT of SEK 121 (91) million
- Net financial items amounted to SEK -403 (51) million, mainly driven by revaluation of the earnout liability as a result of a significant overperformance by Ninja Kiwi
- Tax cost amounted to SEK -83 (-77) million
- Net income of SEK -365 (66) million and basic earnings per share, before dilution, of SEK -2.65 (0.87)
- Cash balance of SEK 943 (1,153) million

Financial overview

(SEKm)	Q4 2021	Q4 2020	FY 2021	FY 2020
Net sales	1,658	1,064	5,306	3,997
of which Gaming	1,272	635	3,931	2,682
of which Esports	386	429	1,375	1,315
EBIT	121	91	184	35
EBITDA	303	160	708	319
Adjusted EBITDA	346	193	908	535
Net income	-365	66	-454	-96
Basic earnings per share, SEK	-2.65	0.87	-3.85	-2.99
Diluted earnings per share, SEK	-2.65	0.87	-3.85	-2.99
Sales growth, %	56%	-9%	33%	-6%
Changes in FX rates, %	0%	-6%	-4%	-2%
Sales growth at constant FX, %	56%	-3%	37%	-4%
of which organic growth, %	-9%	-3%	-3%	-4%
Pro forma growth ¹	7%		11%	

1) Please refer to page 24 for detailed pro forma growth table

President & CEO's comments

As I look back on 2021, I see more than a just a year of fundamental transformation. During the last 12 months we have accomplished important parts of our vision, executed on our strategy, and expanded our team to be a key long-term player, builder and value creator in our industry.

We continued to grow in the fourth quarter of 2021 and delivered a strong operational performance. Our net sales increased by 56 percent to SEK 1,658 million in constant currencies, driven by the newly acquired gaming companies joining the Group. At the same time, we reported 7 percent pro forma net sales growth, and 13 percent for the gaming vertical, which clearly demonstrates the strength and potential of our gaming portfolio. Our adjusted EBITDA amounted to SEK 346 million, reflecting sequentially lower losses in esports and robust margins in gaming.

The past year has also seen us make company history time and time again. There are many areas to highlight, but two things make me particularly proud. The first one is our ability to scout, execute on M&A and onboard new companies. So far, three great new gaming studios have joined our “family”, enabling us to significantly diversify our gaming vertical. The second is the in-depth strategic work and preparation building up to the announcement of us divesting our esports vertical and transforming MTG into a pure-play gaming company. It showcases our ability to turn our deep understanding of the industry into significant shareholder value.

Strengthening our gaming vertical

The results of the gaming vertical reflected our continued efforts to create a more diversified portfolio that does not depend on a single studio or game. We saw accelerated growth of 13 percent on a pro forma basis, which clearly demonstrates the value of a diverse portfolio of games across a wide range of genres and in different stages of their life cycle. And despite accelerating our growth, we continued to maintain our margins, which highlights the robustness of the business.

Our new companies continued to show healthy growth, spearheaded by PlaySimple and Ninja Kiwi. The latter, in particular, went from strength to strength, thanks to the evergreen Bloons TD6. Battles 2 was launched 30th of November and showed early success. PlaySimple continued to be one of the uncrowned kings of anagram games, with WordTrip remaining a star performer. During the fourth quarter of 2021, PlaySimple accelerated its marketing activities on the back of product lifetime value improvements as it further scaled titles in their growth phase. Hutch focused on its core titles – F1 Clash and TopDrives – and with a strategy focused on improved LiveOps.

The classic companies in the portfolio reported negative organic growth in the quarter but showed a strong sequential recovery. The initiatives implemented on the back of the third quarter of 2021 to strengthen the operational performance at InnoGames have yielded positive results, with improved marketing campaigns, better balanced in-game events, and stronger teams.

The ongoing evolution of our gaming vertical gathered momentum in the quarter, and we started several joint projects to enhance the way we work in areas such as marketing and business intelligence. To support these efforts, we have started to build a central gaming organization to lead the work of creating best practices and synergies.

We have several important game launches coming up in 2022. InnoGames is set for the commercial launch of Rise of Cultures and Sunrise Village in the first quarter of 2022, followed by Lost Survivors in the second quarter of 2022. PlaySimple is also expected to launch several new titles during the year.

Becoming the architect of transformation in esports

On the 24th of January, we announced the sale of our esports vertical. A significant and pivotal transaction for MTG, and the creation of the first esports unicorn.

We have been the proud owners of ESL and DreamHack, now known as ESL Gaming, for seven years. We invested in them back in 2015, way before the hype around esports began, and were early in identifying the relevance and importance of esports as a means of entertainment and engagement. This provided us with access to the leading assets at that time, and we have since worked with and supported management to build the company into the leading global independent esports company.

We have for quite some time been outspoken about our belief in B2C and its relevance and importance in building an end-to-end competitive gaming platform. MTG has explored organic and inorganic opportunities to solve this challenge as part of its esports strategy. Hence, we were extremely excited and proud when MTG enabled the merger between ESL Gaming and FACEIT into the ESL FACEIT Group, and subsequent sale to Savvy Gaming Group. A transformative transaction for the industry.

For the esports community, the transaction will unlock new opportunities as ESL FACEIT Group becomes the leading end-to-end competitive gaming platform, backed by a strong owner that is a firm believer in the new group's strategy and in the industry as a whole.

For MTG's shareholders, the divestment of the esports vertical provides a transaction with high deal certainty, crystalizing its hidden value and providing a 2.5x return on the total investment.

Looking forward into 2022

As a result of the divestment of ESL Gaming, we find ourselves at a transformative moment in time. Our Board of Directors will propose to return at least 40 percent of the net proceeds from the transaction to our shareholders, whom we remain grateful to for their support throughout our journey. The remaining proceeds will be used to accelerate our Buy & Build strategy in gaming.

We enter 2022 as a pure-play gaming company. We have a proven growth strategy in place and will use our strengthened balance sheet to both accelerate our organic growth and look for new and exciting M&A opportunities around the world. The divestment of ESL Gaming has clearly shown that our vision is to "buy and build". We want to support our entrepreneurs and the companies we own to grow and evolve. And while they do, we want to use the scale of the Group to generate operational efficiencies wherever we can, establish centers of excellence that all our companies can draw on, and identify and nurture key talent across the world. We will also continue to live and breathe our "Swedish Family" model, which will help MTG become the preferred destination for entrepreneurs around the world.

I want to say thank you to all the people who contributed to our success in 2021. We have one of the best teams in the mobile gaming space and we have ambitious goals for 2022 and beyond. MTG stands better positioned than ever to deliver an exciting story to the world and to connect to even more consumers through the power of play. I also want to extend a big thank you to the whole team at ESL Gaming for their focus and commitment as they are about to take the next step on their exciting journey under new ownership.

Maria Redin

Group President & CEO, Modern Times Group MTG AB

Significant events in and after the quarter

November 30 – Ninja Kiwi releases highly anticipated Bloons TD Battles 2

Ninja Kiwi released their highly anticipated sequel to Bloons TD Battles, Bloons TD Battles 2 with great success. Battles 2 is a brand new installment in the Bloons universe, building on the classic top-rated head-to-head tower defense game Bloons TD Battles. Choose a Hero and team of powerful Monkey Towers, and prepare to battle one on one against other players and relentless waves of Bloons!

December 2 – InnoGames Welcomes Winter with Seasonal Events in Forge of Empires and Elvenar

InnoGames announced the arrival of winter with holiday events in Forge of Empires and Elvenar. The winter event ran from December 2 through January 2nd in Forge of Empires. Elvenar began its “Winter Magic” event on December 6th and ran it till January 5th. Players of both games experienced seasonal festivities with plenty of new prizes and rewards.

December 7 – Psyonix Selects ESL Gaming as Rocket League Championship series esports partner

ESL Gaming announced that they will become esports partners of the Rocket League Championship Series in a multi-year agreement with Rocket League developer, Psyonix. The new partnership builds on last year's initial Rocket League Championship Series X collaboration between DreamHack and Psyonix.

January 24 – MTG Divests ESL Gaming to Savvy Gaming Group for USD 1,050 million to combine with FACEIT and create global leader in competitive gaming

MTG announced the sale of ESL Gaming, the world's largest independent esports company, to Savvy Gaming Group in an all-cash transaction valuing ESL Gaming at an enterprise value of USD 1,050 million. MTG owns 91.46% of ESL Gaming, which corresponds to USD 960 million of the total enterprise value and represents a total return on investment of 2.5 times. Savvy Gaming Group is simultaneously acquiring FACEIT and will merge the two companies to create the leading global platform for competitive gaming – ESL FACEIT Group.

January 25 – Rise of Cultures: new city building game from InnoGames now available worldwide

Various playable cultures and epic cities: with Rise of Cultures, InnoGames has released a new city builder game for iOS and Android. Taking key learnings from Forge of Empires, InnoGames has created a unique and fresh mobile-first game where players establish an empire and build several cities with the most famous cultures of mankind. Progress is dependent on their leadership abilities and skills in PvE battles with real-time combat mechanics. Once they master these, players are able to watch their civilization thrive.

A full list of MTG's announcements and reports can be found at www.mtg.com.

Group performance

Net sales

Consolidated net sales increased by 56 percent in the quarter to SEK 1,658 (1,064) million. Pro forma growth amounted to 7 percent. The gaming vertical's net sales increased by 100 percent, driven by PlaySimple, Ninja Kiwi and Hutch, and 13 percent on a pro forma basis. The esports vertical's net sales decreased by 10 percent, or 11 percent at constant currencies, mainly due to the fourth quarter 2020 event schedule being highly concentrated because of the pandemic. Esports net sales grew by 12 percent in the second half of 2021 compared to the same period last year.

(SEKm)	Q4 2021	Q4 2020	FY 2021	FY 2020
Net sales	1,658	1,064	5,306	3,997
of which Gaming	1,272	635	3,931	2,682
of which Esports	386	429	1,375	1,315
Sales growth, %	56%	-9%	33%	-6%
Changes in FX rates, %	0%	-6%	-4%	-2%
Sales growth at constant FX, %	56%	-3%	37%	-4%
of which organic growth, %	-9%	-3%	-3%	-4%
Pro forma growth	7%		11%	

Adjusted EBITDA, EBITDA and EBIT

Consolidated adjusted EBITDA in the quarter amounted to SEK 346 (193) million, representing a margin of 21 (18) percent driven by higher sales and stronger margins in the gaming vertical.

EBITDA adjustments of SEK 43 (33) million in the quarter comprised long-term incentive programs (LTI) of SEK 15 (-10) million and M&A transaction costs of SEK 28 (40) million.

Consolidated EBITDA was SEK 303 (160) million as a result of higher profit in the Gaming vertical, primarily due to strong performance by Ninja Kiwi and PlaySimple, and partly offset by esports.

Group central operations impacted the quarter by SEK -29 (-23) million.

(SEKm)	Q4 2021	Q4 2020	FY 2021	FY 2020
EBIT	121	91	184	35
Amortization	157	48	433	195
Depreciation	26	20	91	88
EBITDA	303	160	708	319
Items affecting comparability	-	-7	-	9
Impairment own capitalized costs	-	10	-	20
Long-term incentive programs	15	-10	88	132
M&A transaction costs	28	40	112	56
Adjusted EBITDA	346	193	908	535
of which Gaming	407	202	1,203	800
of which Esports	-32	15	-195	-163
of which Central operations	-29	-23	-100	-102
Adjusted EBITDA margin, %	21%	18%	17%	13%

Depreciation and amortization in the quarter amounted to SEK 183 (68) million and included amortization of purchase price allocations (PPA) of SEK 98 (24) million. Excluding PPA, depreciation and amortization amounted to SEK 85 (44) million.

Consolidated EBIT in the quarter was SEK 121 (91) million, corresponding to an EBIT margin of 7 (9) percent. Operating costs before depreciation and amortization increased by 50 percent to SEK 1,355 (904) million.

Net financials and net income

Net financial items amounted to SEK -403 (51) million, driven by revaluation of the earnout liability, mainly as a result of the significant overperformance by Ninja Kiwi and to a smaller degree PlaySimple. In total, change in fair value of earnout liability resulted in SEK -320 million recognized as a financial item in the income statement. Further, discounted interest of earnouts amounted to SEK -55 million, unrealized exchange differences to SEK -72 million (where the majority of which pertain to the conversion of earnout liabilities in USD) and revaluation of VC funds to SEK 42 million. Net interest amounted to SEK -7 (-2) million. The Group's tax cost amounted to SEK -83 (-77) million, resulting in net income for the quarter of SEK -365 (66) million.

Venture capital fund investments

To date, the MTG VC fund has invested a total of SEK 282 (USD 33) million. MTG's VC fund has invested in 23 portfolio companies to date. VC investments complement MTG's majority stake investments in ESL Gaming, DreamHack Sports Games, Kongregate, InnoGames, Hutch, Ninja Kiwi and PlaySimple, and the portfolio assets range from start-up game developers across several game genres, including narrative, competitive, social MMO and game creation platforms in the US and Europe, to pure esports-focused companies. VC investments related to esports will remain in MTG after the divestment of ESL Gaming.

Segmental performance

Gaming

(SEKm)	Q4 2021	Q4 2020	FY 2021	FY 2020
Net sales	1,272	635	3,931	2,682
Sales growth, %	100%	-2%	47%	6%
Changes in FX rates, %	0%	-6%	-4%	-1%
Sales growth at constant FX, %	100%	4%	51%	7%
of which organic growth, %	-8%	4%	-9%	7%
Pro forma growth	13%		12%	
EBIT	227	123	640	436
EBITDA	394	175	1,102	648
Adjusted EBITDA	407	202	1,203	800
Adjusted EBITDA margin, %	32%	32%	31%	30%

In the quarter, net sales for the gaming vertical grew by 100 percent to SEK 1,272 (635) million with no impact from foreign exchange rates. Organic growth improved sequentially and amounted to -8 percent.

Pro forma growth accelerated to 13 percent, primarily driven by continued strong performance of Ninja Kiwi and PlaySimple. Ninja Kiwi's evergreen IP Bloons maintained a very solid development, driven mainly by BTDD6, but also by the newly launched Battles 2, showing early promising results. PlaySimple's franchises in general, and the Anagram genre in particular, continued to scale at a high pace, driven by Word Trip and Word Jam, supported by increased marketing on the back of product lifetime value improvements.

The classic companies in the portfolio, InnoGames and Kongregate, experienced negative organic growth in the quarter but showed a strong sequential recovery. The initiatives taken on the back of the third quarter of 2021 to strengthen the operational performance at InnoGames have yielded good results, with improved marketing campaigns, better balanced in-game events, and stronger teams.

Several important game launches are being planned in 2022. InnoGames is set for the commercial launch of Rise of Cultures and Sunrise Village in the first quarter of 2022, followed by Lost Survivors in the second quarter of 2022. PlaySimple is also expected to launch several new titles across the year.

Adjusted EBITDA increased to SEK 407 (202) million, representing a margin of 32 percent (32), supported by InnoGames and Ninja Kiwi.

EBITDA adjustments of SEK 13 (26) million comprised of long-term management incentive programs (LTI) costs of SEK 2 (-20) million and M&A transaction costs of SEK 11 (32) million.

EBITDA was SEK 394 (175) million.

Capex amounted to SEK 57 (38) million, mainly driven by new studios joining the group, and capitalization of games under development. There are currently 10 titles under development being capitalized, not yet commercially launched.

	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
DAU, million ¹	6.5	6.2	4.3	3.5	2.2
MAU, million ¹	33.8	32.4	24.6	18.9	9.3
ARPDau, SEK ¹	2.1	1.9	2.7	2.5	3.2
Revenue generated by the top 3 games, %	45%	46%	66%	68%	75%
Revenue generated by platform, %					
Mobile ²	68%	70%	60%	58%	48%
Browser ²	23%	24%	39%	42%	50%
Other ²	9%	7%	2%	0%	2%
Revenue generated by territory, %					
Europe ²	35%	40%	46%	54%	51%
North America ²	59%	53%	47%	41%	44%
Asia Pacific ²	4%	6%	5%	4%	4%
Rest of World ²	2%	1%	1%	1%	1%

1) Q1 DAU, MAU and ARPDau was corrected in Q2

2) Q2 & Q3 Revenue generated by platform and territory have been corrected

The diversification of MTG's portfolio have had a significant positive impact on the business in terms of balance and scope which is demonstrated in the reported KPIs. Daily Active Users (DAU) increased by 190 percent from the addition of acquired companies while organic DAU increased by 2 percent. Monthly Active Users (MAU) increased by 264 percent in the fourth quarter of 2021, again driven by acquired companies while organic MAU increased by 8 percent. On a sequential basis, DAU grew by 5 percent and MAU grew by 4 percent primarily driven by continued success for PlaySimple's Anagram franchise and the recently launched Bloons title Battles 2 by Ninja Kiwi.

The Average Revenue per Daily Active User (ARPDau) decreased by 33 percent in fourth quarter of 2021 as a result of the inclusion of acquired companies. Organic ARPDau decreased by 10 percent compared to the same period last year, mainly driven by lower sales within InnoGames' classics portfolio and higher DAU for Kongregate. On a sequential basis, ARPDau grew by 13 percent driven by stronger ARPDau performance in Hutch and PlaySimple.

The top three titles have changed in the quarter as a result of full quarter consolidation of PlaySimple. Net sales generated by the titles Forge of Empires, Word Trip and Word Jam decreased to 45 (75) percent as a result of a more diversified games portfolio.

With the inclusion of a full quarter of PlaySimple, the mobile share increased to 68 percent of total revenues. Ninja Kiwi's Steam sales are categorized as Other.

There was a marginal movement in the revenue split by territory, with a total of 94 percent of revenue generated in the North American and European markets, which are the target territories for the gaming businesses.

Esports

(SEKm)	Q4 2021	Q4 2020	FY 2021	FY 2020
Net sales	386	429	1,375	1,315
Sales growth, %	-10%	-17%	5%	-23%
Changes in FX rates, %	1%	-4%	-4%	-1%
Sales growth at constant FX, %	-11%	-13%	9%	-22%
of which organic growth, %	-11%	-13%	9%	-22%
EBIT	-74	-12	-338	-288
EBITDA	-59	3	-279	-220
Adjusted EBITDA	-32	15	-195	-163
Adjusted EBITDA margin, %	-8%	3%	-14%	-12%

In the quarter, net sales for the esports vertical decreased by 10 percent to SEK 386 (429) million with a positive impact of foreign exchange rate of 1 percent. Organic growth was -11 percent mainly due the fourth quarter 2020 event schedule being highly concentrated as a result of the pandemic. Organic growth for the second half of 2021 was 12 percent.

As scheduled, ESL Gaming successfully delivered and produced 5 (6) Master properties in the quarter as studio or online events. ESL Mobile continued to develop at high pace and concluded three regional seasons with games such as Clash of Clans and PUBG mobile. During the fourth quarter, DreamHack Open was reintroduced as a LAN-event and was successfully organized in Sweden. DreamHack SportsGames organized three challenger properties within golf and football.

In the quarter, ESL Gaming announced multi-year extensions with Monster and Maincast. Additionally, it secured a publisher deal with Psyonix for the Rocket League Championship.

Adjusted EBITDA amounted to SEK -32 (15) million, representing a margin of -8 percent (3). The adverse development was driven by lower revenues and higher costs to produce events and investments into mobile gaming.

EBITDA adjustments of SEK 27 (11) million comprised of (LTI) costs SEK 10 (10) million and M&A transaction costs of SEK 17 (5) million.

EBITDA was SEK -59 (3) million.

Capex amounted to SEK 9 (7) million, driven by studio hardware and development costs in B2C platforms.

	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020
Number of O&O properties	21	18	26	10	22
Master	5	5	6	3	6
Challenger	16	12	20	7	15
Open	-	1	-	-	1
Revenue generated by type, %					
Owned & operated	60%	64%	52%	81%	75%
Esports services	40%	36%	48%	19%	25%

Net sales in Own & Operated (O&O) decreased by 28 percent to SEK 233 million, mainly driven by one fewer Master tournament and lower Sponsorship sales compared to last year.

Net sales in Esports Services' (ESS) increased by 45 percent to SEK 153 million, mainly due to the ongoing tournaments on behalf of Psyonix (Rocket League) as well as Ubisoft (Rainbow Six).

Financial review

Cash flow

Cash flow from operations before taxes paid and changes in working capital amounted to SEK 317 (117) million in the quarter, including a distribution of SEK 11 million from the VC fund. Depreciation and amortization charges were SEK 183 (68) million, of which SEK 98 (24) million pertained to amortization of PPA. The increase was due to the newly acquired companies.

Paid taxes amounted to SEK -91 (-67) million, an increase attributable to the newly acquired companies.

The Group reported a SEK 101 (45) million change in working capital. The positive effect in the quarter is mainly coming from early payments from customers in ESL Gaming, Hutch and PlaySimple due in January but paid in December.

Net cash flow from operations amounted to SEK 326 (95) million.

Investing activities

During the quarter, the deferred purchase price liability of SEK -101 million as well as the first part of the earnout of SEK -260 million was paid to Ninja Kiwi's former owners. Net investment in VC funds affecting cash flow amounted to SEK -1 (17) million. Capital expenditure on tangible and intangible assets, mainly consisting of capitalized development costs for games and platforms that have not yet been released, amounted to SEK 66 (42) million in the quarter.

Total cash flow relating to investing activities amounted to SEK -431 (-2,260) million.

Financing activities

Total cash flow relating to financing activities amounted to SEK -17 (1,776) million, related to leasing.

The net change in cash and cash equivalents amounted to SEK -123 (-390) million.

The Group had cash and cash equivalents of SEK 943 (1,153) million at the end of the period.

Net debt

Net debt refers to the sum of interest-bearing liabilities less cash and cash equivalents. Interest-bearing liabilities such as additional purchase considerations or lease liabilities are not included.

Net debt as of December 31, 2021, amounted to SEK 957 (647) million. The net debt calculation includes external financing of SEK 1,900 (1,800) million less SEK 943 (1,153) million in cash and cash equivalents.

Parent Company

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

(SEKm)	Q4 2021	Q4 2020	FY 2021	FY 2020
Net sales	4	4	15	16
Net interest and other financial items	-6	-44	-10	-33
Income before tax and appropriations	-35	-92	-117	-173

Net interest for the quarter amounted to SEK -6 (-1) million. Unrealized and realized exchange differences amounted to SEK 2 (-41) million and other financial items to SEK -2 (-2).

The parent company had cash and cash equivalents of SEK 167 (516) million at the end of the period.

The total number of shares outstanding at the end of the period was 110,385,832 (76,190,509) and excluded the 304,880 class B shares and the 6,324,343 class C shares held by MTG as treasury shares. No new shares were issued during the quarter.

Other information

Accounting policies

This interim report has been prepared according to 'IAS 34 Interim Financial Reporting' and the Swedish Annual Accounts Act'. The interim report for the parent company has been prepared according to the Swedish 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 2020 Annual Report. Revaluation of earnouts is recognized in net financial items in the income statement.

Disclosures in accordance with IAS.34 16A appear in the financial statements and the accompanying notes as well as in other parts of the interim report.

Related party transactions

No transactions between MTG and related parties that have materially affected the Group's position and earnings took place during the period.

Risks & uncertainties

Significant risks and uncertainties exist for the Group and the parent company. These factors include the prevailing economic and business environments in certain 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; the emergence of new technologies and competitors; as well as cyber-attacks.

The Group's esports business is reliant on continued cooperation with game publishers. The Group's game development businesses depend on their ability to continue releasing successful titles that attract paying customers. Both of the aforementioned conditions are not under the Group's full control.

Risks and uncertainties are also described in more detail in the 2020 Annual Report, which is available at www.mtg.com.

Stockholm, February 7, 2022

Maria Redin

Group President & CEO, Modern Times Group MTG AB

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

Condensed consolidated income statement

(SEKm)	Q4 2021	Q4 2020	FY 2021	FY 2020
Net sales	1,658	1,064	5,306	3,997
Cost of goods and services	-958	-438	-2,723	-1,777
Gross income	701	626	2,583	2,219
Selling expenses	-271	-251	-1,132	-1,062
Administrative expenses	-320	-277	-1,280	-1,130
Other operating income	13	6	37	32
Other operating expenses	-2	-21	-24	-16
Share of earnings in associated companies and joint ventures	0	2	-1	1
Items affecting comparability	-	7	-	-9
EBIT	121	91	184	35
Net interest	-7	-2	-25	-8
Other financial items	-395	53	-423	54
Income before tax	-282	142	-264	81
Tax	-83	-77	-191	-177
Total net income for the period	-365	66	-454	-96
Total net income for the period attributable to:				
Equity holders of the parent	-293	66	-400	-228
Non-controlling interest	-72	-1	-54	132
Total net income for the period	-365	66	-454	-96
Basic earnings per share, SEK	-2.65	0.87	-3.85	-2.99
Diluted earnings per share, SEK	-2.65	0.87	-3.85	-2.99
Number of shares¹				
Shares outstanding at the end of the period	110,385,832	76,190,509	110,385,832	76,190,509
Basic average number of shares outstanding	110,385,832	76,190,509	103,786,751	76,190,509
Diluted average number of shares outstanding	110,536,524	76,190,509	103,942,052	76,190,509

1) Retrospectively adjusted due to right issue with bonus element

Consolidated statement of comprehensive income

(SEKm)	Q4 2021	Q4 2020	FY 2021	FY 2020
Net income	-365	66	-454	-96
Other comprehensive income				
Items that are or may be reclassified to profit or loss net of tax				
Currency translation differences	306	-316	704	-314
Total comprehensive income for the period	-59	-250	250	-410
Total comprehensive income attributable to				
Equity holders of the parent	-50	-116	160	-421
Non-controlling interest	-9	-135	90	11
Total comprehensive income for the period	-59	-251	250	-410

Condensed consolidated balance sheet

(SEKm)	Dec 31 2021	Dec 31 2020
Non-current assets		
Goodwill	11,032	6,078
Other intangible assets	3,294	1,973
Total intangible assets	14,326	8,052
Total tangible assets	119	104
Right of use assets	123	129
Shares and participations in associated and other companies	502	272
Other financial receivables	311	242
Total non-current financial assets	814	514
Total non-current assets	15,381	8,799
Current assets		
Inventories	10	11
Other receivables	1,102	837
Cash, cash equivalents and short-term investments	943	1,153
Total current assets	2,054	2,000
Total assets	17,436	10,800
Equity		
Shareholders' equity	8,002	3,840
Non-controlling interest	1,921	1,375
Total equity	9,923	5,216
Non-current liabilities		
Liabilities to financial institutions	900	-
Lease liabilities	83	90
Total non-current interest-bearing liabilities	983	90
Provisions	955	706
Contingent consideration	1,994	589
Total non-current non-interest-bearing liabilities	2,949	1,295
Total non-current liabilities	3,932	1,385
Current liabilities		
Contingent consideration	325	11
Liabilities to financial institutions	1,000	1,800
Lease liabilities	42	42
Other interest-bearing liabilities	743 ²	1,144 ¹
Other non-interest-bearing liabilities	1,471	1,202
Total current liabilities	3,581	4,199
Total liabilities	7,513	5,584
Total shareholders' equity and liabilities	17,436	10,800

1) Current debt in the form of a vendor note in connection with the acquisition of an additional 17 percent of the shares in InnoGames in December 2020, repaid in March 2021

2) Liability for acquisition of the remaining 23% of PlaySimple SEK 743 million

Condensed consolidated statement of cash flows

(SEKm)	Q4 2021	Q4 2020	FY 2021	FY 2020
Cash flow from operations	317	117	618	439
Taxes paid	-91	-67	-286	-199
Changes in working capital	101	45	-27	30
Net cash flow to/from operations	326	95	306	270
Acquisitions of subsidiaries, associates and other investments	-362	-2,218	-3,088	-2,263
Investments in other non-current assets	-67	-42	-252	-208
Other cash flow from/used in investing activities	-2	0	-32	0
Cash flow from/used in investing activities	-431	-2,260	-3,372	-2,471
Net change in borrowings	-	1,800	100	1,800
Repayment vendor note	-	-	-1,142	-
New share issue	-	-	3,605	-
Capital injection from non-controlling interest	-	-	314	-
Dividends to minority owners	-	-	-	-188
Other cash flow from/used in financing activities	-17	-24	-62	-55
Cash flow from/used in financing activities	-17	1,776	2,816	1,558
Total net change in cash and cash equivalents	-123	-390	-251	-644
Cash and cash equivalents at the beginning of the period	1,048	1,589	1,153	1,824
Translation differences in cash and cash equivalents	18	-47	41	-28
Cash and cash equivalents at end of the period	943	1,153	943	1,153

Condensed consolidated statement of changes in equity

(SEKm)	Dec 31 2021	Dec 31 2020
Opening balance	5,216	6,581
Net income for the period	-454	-96
Other comprehensive income for the period	704	-314
Total comprehensive income for the period	250	-410
Effect of employee share programmes	8	-1
Cancellation of non-controlling interest put option liability ESL	-	315
Agreement to settle acquired operations with shares	-	81
Acquisition of non-controlling interests InnoGames	-	-1,162
New share issue ¹	4,168	-
Repurchase of shares	-32	-
Capital injection from non-controlling interest	314	-
Dividends to non-controlling interests	-	-188
Closing balance	9,923	5,216

¹) New share issue is presented after deduction of transaction costs of SEK 42 million

Parent company condensed income statement

(SEKm)	Q4 2021	Q4 2020	FY 2021	FY 2020
Net sales	4	4	15	16
Gross income	4	4	15	16
Administrative expenses	-33	-51	-121	-156
Operating income	-29	-48	-106	-140
Net interest and other financial items	-6	-44	-10	-33
Income before tax and appropriations	-35	-92	-117	-173
Appropriations	22	164	22	164
Net income for the period	-13	72	-94	-9

Net income for the period is in line with total comprehensive income for the parent company.

Parent company condensed balance sheet

(SEKm)	Dec 31 2021	Dec 31 2020
Non-current assets		
Capitalized expenditure	1	1
Machinery and equipment	1	2
Shares and participations	11,372	7,813
Total non-current assets	11,374	7,815
Current assets		
Current receivables	27	216
Cash, cash equivalents and short-term investments	167	516
Total current assets	194	733
Total assets	11,568	8,548
Shareholders' equity		
Restricted equity	585	338
Non-restricted equity	9,094	5,299
Total equity	9,679	5,637
Untaxed reserves	0	43
Non-current liabilities		
Liabilities to financial institutions	900	-
Total non-current liabilities	900	0
Current liabilities		
Other interest-bearing liabilities	915	2,794
Non-interest-bearing liabilities	74	74
Total current liabilities	989	2,868
Total shareholders' equity and liabilities	11,568	8,548

Financial instruments at fair value

The carrying amounts are considered to be reasonable approximations of fair value for all financial assets and liabilities, except shares and participations in other companies for which the valuation technique is described below.

(SEKm)	Dec 31 2021				Dec 31 2020			
	Carrying value	Level 1	Level 2	Level 3	Carrying value	Level 1	Level 2	Level 3
Financial assets measured at fair value								
Shares and participations in other companies	481	135	-	346	252	-	-	252
Financial liabilities measured at fair value								
Contingent consideration	2,319	-	-	2,319	600	-	-	600

Valuation techniques

Shares and participations in other companies – acquisition cost is initially considered to be a representative estimate of fair value. Subsequently, values are remeasured at fair value and gains/losses recognized when there is subsequent financing through participation by a third-party investor, in which case the price per share in that financing is used, when there is a realized exit or when there are indications that cost is not representative of fair value and sufficient, more recent information is available to measure fair value. Listed holdings are valued at the current share price.

The Group owns shares in Nazara Technologies Ltd. which is reported at fair value in the balance sheet with a value of SEK 135 million as of December 31, 2021 (SEK 36 million as of December 31, 2020). The fair value was previously categorized as level 3 when the shares were not listed. In 2021, Nazara Technologies Ltd. listed its shares and there are thus quoted prices on an active market, which prompted a transfer from level 3 to level 1.

(SEKm)	Dec 31 2021	Dec 31 2020
Opening balance 1 January	252	198
Reported gains and losses in net income for the period	77	30
Acquisition	34	31
Divestment	-1	-6
Transfer to level 1	-36	-
Translation differences	20	-1
Closing balance	346	252

Contingent consideration – expected future values are discounted to present value. The discount rate is risk-adjusted. The most critical parameters are estimated future revenue growth and future operating margin.

(SEKm)	Dec 31 2021	Dec 31 2020
Opening balance 1 January	600	377
New acquisitions	1,400	600
Exercised payments	-271	-38
Revaluation	322	2
Reclassification	7	-320
Interest expense	130	6
Translation differences	131	-27
Closing balance	2,319	600

Net sales and result by segment

	Esports		Gaming		Central ops.		Total ops.	
	Q4	Q4	Q4	Q4	Q4	Q4	Q4	Q4
(SEKm)	2021	2020	2021	2020	2021	2020	2021	2020
Net sales	386	429	1,272	635	0	0	1,658	1,064
EBIT	-74	-12	227	123	-33	-20	121	91
Income before tax					-282	142	-282	142

	Esports		Gaming		Central ops.		Total ops.	
	FY	FY	FY	FY	FY	FY	FY	FY
(SEKm)	2021	2020	2021	2020	2021	2020	2021	2020
Net sales	1,375	1,315	3,931	2,682	0	0	5,306	3,997
EBIT	-338	-288	640	436	-118	-112	184	35
Income before tax					-264	81	-264	81

Acquisitions

Acquired operations 2021

(SEKm)	Ninja Kiwi	PlaySimple
Cash paid	583	2,388
Payment with MTG shares	541	-
Additional purchase price and other settlements, non-paid	607	1,597
Total consideration	1,731	3,985
Recognised amounts of identifiable assets and liabilities		
Net assets	60	-26
Cash and cash equivalents	76	227
Deferred tax receivables/liabilities net	-97	-234
Intangible assets	400	930
Net identifiable assets and liabilities	439	897
Goodwill	1,292	3,088
Total value	1,731	3,985

Ninja Kiwi

The Group completed the acquisition of 100 percent of the shares in Ninja Kiwi Ltd. on June 1. Ninja Kiwi is a New Zealand-based leading tower defense mobile games developer and publisher. Ninja Kiwi has a diversified games portfolio consisting of over 25 premium and free-to-play games which the company developed by building and improving games around the evergreen Bloons IP. Ninja Kiwi has broadened MTG's gaming vertical to also include the tower defense games genre. The acquisition of Ninja Kiwi marks an important next step in the build-up of a more diversified gaming segment with high-quality gaming companies and is in line with MTG's strategy to drive value creation through organic growth and strategic mergers and acquisitions.

The purchase price for the acquisition of Ninja Kiwi (on a cash and debt-free basis) consisted of an initial purchase price of SEK 1,223 million (NZD 204 million). Of the upfront purchase consideration, SEK 541 million (NZD 90 million) was paid through a directed share issue to the sellers of Ninja Kiwi comprising 4,435,936 new class B shares in MTG, which were paid by way of set-off. The subscription price per share amounts to the equivalent of SEK 121.9, corresponding to the volume-weighted average price of the class B shares on Nasdaq Stockholm during February 24-March 23, 2021. Of the remaining part of the upfront purchase consideration, equivalent to SEK 682 million (NZD 114.5 million), SEK 583 million (NZD 98 million) was paid in cash on June 1 and the remaining SEK 101 million (NZD 16.5 million) was paid in cash in December. In addition to the upfront consideration, MTG will pay performance-based earn-out payments where the discounted value was estimated to amount to SEK 389 million (NZD 64.5 million) at the time of the acquisition, subsequently adjusted to SEK 509 million (NZD 85 million). The amount of the earnout payments depend on the financial performance of Ninja Kiwi during 2021-2022. The first part of the earnout related to the financial year ending 31 March 2021, amounting to SEK 260 million, was paid in December. Since this relates to a period prior to MTG's acquisition the difference between the initial and final amount has been adjusted to goodwill, an adjustment of SEK 120 million. As a result of the significant overperformance by Ninja Kiwi during 2021 the remaining discounted earnout liability has been remeasured at the end of 2021 to amount to SEK 608 million. Total remeasured estimated earnout for the acquisition of Ninja Kiwi is SEK 868 million (including a currency conversion effect of SEK 18 million). Revaluation of earnouts as a result of overperformance is recognized in net financial items in the income statement and amounts to SEK 335 million. Calculated goodwill for Ninja Kiwi is based on several factors. Among these are Ninja Kiwi's strong portfolio of live games and games in development, its established genre mastery, and the potential for additional Group-wide synergies across MTG's gaming vertical, which will enable further increased user acquisition rates and lifetime

values (LTV) for existing and new titles as well as operational improvements by implementing a new best practice across the gaming vertical.

Transactions costs of SEK 13 million are reported as administrative expenses in the income statement and as M&A transaction costs in adjusted EBITDA.

PlaySimple

The Group completed the acquisition of 77% of the shares in PlaySimple on July 30, 2021. The second step of acquiring the remaining 23% of the shares in PlaySimple will be completed following regulatory approval. In the financial statement, a liability is recognized for the future acquisition of the remaining 23% and PlaySimple is treated as fully acquired (100%). No non-controlling interest is recognized. PlaySimple is a fast-growing developer and publisher of high-quality free-to-play mobile word games. With more than 200 full-time employees, a vision to create simple and impactful casual game experiences on a massive scale and best-in-class tech and analytics infrastructure, PlaySimple has become one of India's most exciting and fastest-growing mobile gaming companies. The company has built a worldwide network of chart-topping games with over 75 million installs to date across the hit titles Daily Themed Crossword, Word Trip, Word Jam, Word Wars and Word Trek.

The purchase price for the acquisition of PlaySimple (on a cash and debt-free basis) consisted of an upfront consideration of SEK 3,090 million (USD 360 million). Of the upfront consideration, 77%, equivalent to SEK 2,388 million, was paid in cash on July 30, 2021, and 23% will be paid in MTG class B shares following regulatory approval for the founders to receive the consideration in shares. Upon approval, the founders will receive 6,194,343 MTG class B shares for the remaining 23% of the shares in PlaySimple (equivalent to a value per MTG class B share of SEK 115.16, which corresponds to the 20-day volume-weighted average price of MTG class B shares on Nasdaq Stockholm up to and including July 1, 2021, using the USD/SEK FX-rate of 8.582). If the founders do not obtain approval to receive the consideration in shares by October 31, 2023, MTG will acquire the remaining shares in PlaySimple against a cash consideration equivalent to the value of the consideration in shares at such time. In addition to the upfront consideration, MTG will pay performance-based earnout payments where the discounted value was estimated to amount to SEK 891 million at the time of the acquisition. The amount of the earnout payments, which are made annually, depend on the financial performance of PlaySimple during 2021-2025. To meet the overperformance of PlaySimple during 2021 and the forecasts, the earnout liability has been remeasured and discounted value at the end of 2021 amount to SEK 1,144 million (including a currency conversion effect of SEK 57 million). Revaluation of earnouts is recognized in net financial items in the income statement. Calculated goodwill for PlaySimple is based on several factors. Among these are PlaySimple's best-in-class advertising infrastructure, its strong portfolio of lives games in the word games genre, its track record of developing multiple highly successful free-to-play games, and the potential for Group-wide synergies within ads monetization, user acquisition and cross-promotion throughout MTG's gaming vertical.

Transactions costs of SEK 39 million for the acquisition are reported as administrative expenses in the income statement and as M&A transaction costs in adjusted EBITDA.

Contributions during 2021 from the acquisition date

(SEKm)	Ninja Kiwi	PlaySimple
Net sales	301	609
EBIT ¹⁾	174	63

¹⁾ EBIT includes amortization costs of purchase price allocations of SEK 24 million for Ninja Kiwi and SEK 57 million for PlaySimple

Contributions from acquisitions if the acquisition had occurred January 1, 2021

(SEKm)	Ninja Kiwi	PlaySimple
Net sales	515	1,258
EBIT ¹	257	80

1) EBIT includes amortization costs of purchase price allocations of SEK 41 million for Ninja Kiwi and SEK 136 million for PlaySimple. The result for PlaySimple also includes SEK 31 million in accelerated vesting of Employee Share Ownership Program (ESOP).

Events after the reporting period

On January 24, 2022, MTG announced the sale of ESL Gaming to Savvy Gaming Group in an all-cash transaction valuing ESL Gaming at an enterprise value of USD 1,050 million (equaling SEK 9,723 million). MTG owns 91.46% of ESL Gaming, which corresponds to USD 960 million (equaling SEK 8,890 million) of the total enterprise value, representing a total return on investment of 2.5 times.

The transaction is expected to close in the second quarter of 2022. Net proceeds are expected to be approximately USD 875 million (SEK 8,103 million), including transaction related costs and fees. MTG intends to return at least 40 percent of the net proceeds to its shareholders, while the rest of the proceeds will be used to strengthen MTG's position in the global gaming market and continued execution of its Buy & Build strategy.

Based on the envisaged transaction timetable, MTG's Board of Directors expects to propose the return of funds to its shareholders in connection with the Annual General Meeting on May 24th, 2022. After the return of funds to shareholders, MTG will have a net cash position, after taking account of committed earnouts due to be paid in cash, providing the Group with a strong financial position to significantly accelerate its growth strategy as a pure-play gaming company.

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 uses the following APMs:

- Adjusted EBITDA
- Change in net sales from organic growth
- Pro forma growth

Reconciliation of adjusted EBITDA

Adjusted EBITDA is used to assess MTG's underlying profitability. Adjusted EBITDA is defined as EBITDA adjusted for the effects of items affecting comparability, long-term incentive programs, acquisition-related transaction costs and impairment of capitalized internal work. 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.

(SEKm)	Q4 2021	Q4 2020	FY 2021	FY 2020
EBIT	121	91	184	35
Amortization	157	48	433	195
Depreciation	26	20	91	88
EBITDA	303	160	708	319
Items affecting comparability	-	-7	-	9
Impairment own capitalized costs	-	10	-	20
Long-term incentive programs	15	-10	88	132
M&A transaction costs	28	40	112	56
Adjusted EBITDA	346	193	908	535

Reconciliation of sales growth

Since the Group generates the majority of its sales in currencies other than in the reporting currency (i.e. SEK, Swedish krona) and currency rates have proven to be rather volatile, the Group's sales trends and performance are analyzed as changes in organic sales growth. This presents the increase or decrease in the overall SEK net sales on a comparable basis, allowing for separate discussions of the impact of exchange rates, acquisitions, and divestments. The following table presents changes in organic sales growth as reconciled to the change in the total reported net sales.

(SEKm)	Q4 2021	Q4 2020	FY 2021	FY 2020
Gaming				
Organic growth	-8%	4%	-9%	7%
Acquisition/divestments	109%	-	60%	-
Changes in FX rates	0%	-6%	-4%	-1%
Reported growth (%)	100%	-2%	47%	6%
Esports				
Organic growth	-11%	-13%	9%	-22%
Acquisition/divestments	-	-	-	-
Changes in FX rates	1%	-4%	-4%	-1%
Reported growth (%)	-10%	-17%	5%	-23%
Total operations				
Organic growth	-9%	-3%	-3%	-4%
Acquisition/divestments	65%	-	40%	-
Changes in FX rates	0%	-6%	-4%	-2%
Reported growth (%)	56%	-9%	33%	-6%

Pro forma growth

Since the Group from time to time makes transactions in the market, it is relevant to describe the current trend more accurately. Pro forma growth as a measure refers to an underlying development, excluding currency effects, including the acquisitions of Hutch, Ninja Kiwi and PlaySimple as if they were always part of MTG Group. The pro forma figures have been prepared with advice from external expertise in order to restate a GAAP financial statement to IFRS and may include timing adjustments for both income and costs.

(SEKm)	Gaming	Esports	Group
Reported Sales Q4 2020	635	429	1,064
Adjustment for acquisitions	486	-	486
Pro forma Reported Sales	1,121	429	1,550
Reported Sales Q4 2021	1,272	386	1,658
Adjustment for acquisitions	-	-	-
Pro forma Sales Q4 2021	1,272	386	1,658
Foreign currency fluctuation	0	-4	-4
Pro forma Sales	1,272	382	1,654
Pro forma growth	13%	-11%	7%

(SEKm)	Gaming	Esports	Group
Reported Sales FY 2020	2,682	1,315	3,997
Adjustment for acquisitions	1,740	-	1,740
Pro forma Reported Sales	4,422	1,315	5,736
Reported Sales FY 2021	3,931	1,375	5,306
Adjustment for acquisitions	861	-	861
Pro forma Sales FY 2021	4,792	1,375	6,167
Foreign currency fluctuation	161	53	214
Pro forma Sales FY 2021	4,953	1,428	6,381
Pro forma growth FY 2021	12%	9%	11%

Definitions

Adjusted EBITDA

EBITDA, adjusted for the effects of items affecting comparability, long-term incentive programs, acquisition-related transaction costs and impairment of own work capitalized, which are referred to as adjustments.

AMA

Average minute audience – the average number of individuals viewing a channel, which is calculated per minute during a specified period of time over the program duration.

ARPAU

Average net revenue per daily active user.

CAPEX

Capital expenditures.

Challenger

Smaller-scale competitions with semi-professional players.

DAU

Daily active users.

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/Operating income

Net income for the period from continuing operations before other financial items, net interest and tax.

EBITDA

Profit for the period from continuing operations before other financial items, net interest, tax and depreciation and amortization.

ESS

Esports Services – work for hire contracts made on behalf of another entity.

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.

Master

Large-scale competitions attracting professional top-tier global players.

MAU

Monthly active users.

O&O

Owned & Operated – a property that is independently managed and controlled within the Group.

Open

Competitions free for all participants.

Organic growth

The change in net sales compared with the same period last year, excluding acquisitions and divestments and adjusted for currency effects.

Pro forma growth

The change in net sales compared with the same period last year as if the company would have been fully consolidating its acquisitions and divestments as of the previous period and adjusted for currency effects.

Transactional currency effect

The effect that foreign exchange rate fluctuations can have on a completed transaction prior to settlement. This refers to the exchange rate, or currency risk associated specifically with the time delay between entering into a trade or contract and then settling it.

Translational currency effect

Converting one currency to another, often in the context of the financial results of foreign subsidiaries into the parent company's and/or the Group's functional currency.

UA

User acquisition.

Shareholder information

MTG's Annual General Meeting 2022

The Annual General Meeting will be held on 24 May 2022 in Stockholm. Shareholders wishing to have matters considered at the Annual General Meeting should submit their proposals in writing either by post to the Company Secretary, Modern Times Group MTG AB, Annual General Meeting, P.O. Box 2094, SE-103 13 Stockholm, Sweden or by email to agm@mtg.com at least seven weeks before the Annual General Meeting in order for the proposal to be included in the notice to the meeting. Further details on how and when to register will be published in advance of the meeting.

Nomination Committee ahead of Annual General Meeting 2022

In accordance with the resolution by the Annual General Meeting regarding the procedure for the Nomination Committee, a Nomination Committee has been convened to prepare proposals for the Annual General Meeting 2022. The Nomination Committee comprises Klaus Roehrig, appointed by Active Ownership Corporation; Joachim Spetz, appointed by Swedbank Robur Fonder; Eric Sibbern, appointed by Kabouter Management, LLC and Simon Duffy, the Chairman of the Board. In line with past practice, the members of the Committee have appointed Klaus Roehrig, representing the largest shareholder on the last business day of August 2021, as the Committee Chairman.

Information about the work of the Nomination Committee can be found on

<https://www.mtg.com/governance/nomination-committee/>.

Shareholders wishing to submit proposals to the Nomination Committee may do so in writing either by post to the Company Secretary, Modern Times Group MTG AB, P.O. Box 2094, SE-103 13 Stockholm, Sweden or by email to agm@mtg.com.

Financial calendar

Item	Date
Q1 2022 Interim Financial Results Report	April 27, 2022
Annual General Meeting 2022	May 24, 2022
Q2 2022 Interim Financial Results Report	July 20, 2022
Q3 2022 Interim Financial Results Report	October 26, 2022

Questions?

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Follow us: [mtg.com](https://www.mtg.com) / [Twitter](https://twitter.com/mtg) / [LinkedIn](https://www.linkedin.com/company/mtg)

Conference call

The company will host a conference call later today, Monday February 7, at 3:00 p.m. CET. The conference call will be held in English. To participate in the conference call, please dial:

Sweden	+46 (0) 856 618 467
UK	+44 (0) 844 481 9752
US	+1 646 741 3167
Std. International	+44 (0) 2071 928 338
Access pin code	718 735 2

Please note that only dial-in participants can ask questions during the conference call. The conference call is also streamed through the following link:

<https://edge.media-server.com/mmc/p/tfm5zavb>



Modern Times Group MTG AB (Publ.) – Reg no: 556309-9158 – Phone: +46 (0) 8-562 000 50

Modern Times Group MTG AB (www.mtg.com) is a strategic acquirer and operator of companies in gaming and esports entertainment. Founded in Sweden and headquartered in Stockholm, our shares (MTG A and MTG B) are listed on Nasdaq Stockholm.

This information is information that Modern Times Group MTG AB (publ.) is obliged to make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out above, at 2.00 p.m. CET on February 7, 2022.