



## **Notice of Extraordinary General Meeting**

**STOCKHOLM, July 2, 2021 – The shareholders of Modern Times Group MTG AB (publ), 556309-9158, are hereby invited to an extraordinary general meeting on 28 July 2021**

In order to prevent the spread of the coronavirus infection (covid-19), the board of directors has decided that the extraordinary general meeting shall be held without physical presence of shareholders, proxies or external parties and that the shareholders shall exercise their voting rights by post.

### **PARTICIPATION AT THE EXTRAORDINARY GENERAL MEETING**

Shareholders who wish to participate in the extraordinary general meeting must:

- be entered as a shareholder in the share register kept by Euroclear Sweden AB on 20 July 2021 or, if the shares are registered in the name of a nominee, request that the nominee registers the shares in the shareholder's own name for voting purposes in such time that the registration is completed by 22 July 2021; and
- notify their intention to participate by submitting a postal vote in accordance with the instructions in the section "Voting by post" below in such time that Computershare AB receives the postal vote by 27 July 2021, at the latest.

### **VOTING BY POST**

Shareholders may exercise their voting rights by a postal vote pursuant to sections 20 and 22 of the Swedish Act on Temporary Exemptions to Facilitate the Execution of General Meetings in Companies and Associations. The shareholders shall use the voting form and follow the company's instructions that are available on the company's website, [www.mtg.com](http://www.mtg.com). A completed and signed voting form should be sent either:

- by mail to Computershare AB, "EGM of MTG", Box 5267, SE-102 46 Stockholm; or
- by email to [info@computershare.se](mailto:info@computershare.se); or
- electronically with BankID through the company's website, [www.mtg.com](http://www.mtg.com), for shareholders who are natural persons.

Completed voting forms must be received by Computershare AB by 27 July 2021, at the latest.

If the shareholder votes by proxy, a power of attorney and other authorisation documents shall be enclosed with the voting form. A proxy form is available on the company's website, [www.mtg.com](http://www.mtg.com) under the heading "MTG's Extraordinary General Meeting July 2021" (which can be found under the section "Investors" under the heading "General Meetings") no later than 7 July 2021. If the shareholder is a legal entity, a copy of a registration certificate or a corresponding document for the legal entity shall be enclosed together with the postal voting form.

The shareholders may not provide special instructions or conditions to the postal vote. If so, the entire postal vote is invalid. Further instructions and conditions can be found in the postal voting form.

## **PROPOSED AGENDA**

1. Opening of the meeting
2. Election of chairman of the meeting
3. Election of two persons to verify the minutes of the meeting
4. Preparation and approval of the voting list
5. Approval of the agenda
6. Determination of whether the meeting was duly convened
7. Resolution on:
  - a) A directed issue of class C shares
  - b) Acquisition of own class C shares
8. Resolution on transfer of own class B shares to the sellers of Playsimple Games Private Limited
9. Resolution on transfer of own class B shares through an accelerated bookbuilding procedure
10. Closing of the meeting

## **THE BOARD OF DIRECTORS' PROPOSALS**

### **Item 2: Election of chairman of the meeting**

The board of directors proposes that advokat Fredrik Palm, or in his absence, any person appointed by him, is elected chairman of the meeting.

### **Item 3: Election of two persons to verify the minutes of the meeting**

The board of directors proposes that Henrik Nyblom, representing Swedbank Robur, and Johan Ståhl, representing Lannebo Fonder, or, if one or both of them are absent, any person or persons appointed by the board of directors, are elected to verify the minutes of the meeting.

The assignment to verify the minutes shall also include verifying the voting list and that the received postal votes are correctly reflected in the minutes.

### **Item 4: Preparation and approval of the voting list**

The board of directors proposes that the voting list prepared by Computershare AB based on the company's share register and the postal votes received by the company (and verified and approved by the persons that are elected to verify the minutes of the meeting) is approved as voting list for the meeting.

### **Item 7: Resolution on (a) a directed issue of class C shares and (b) acquisition of own class C shares**

#### ***Background***

MTG Gaming AB, a subsidiary of the company, has entered into share sale and purchase agreements (the "SPAs") regarding the purchase of shares in Playsimple Games Private Limited ("PGPL"). Under the SPAs, the purchase price shall be paid partly in cash and partly in class B shares in the company. The company, MTG Gaming AB and the sellers have entered into an investment agreement in respect of the consideration payable in class B shares (the "Investment Agreement"). The SPAs and the Investment Agreement are hereinafter collectively referred to as the "Transaction

## **Agreements”.**

Due to the exchange control laws of India, the sellers’ country of residence, the sellers cannot acquire any shares in the company without the approval of the Reserve Bank of India (“RBI”). Therefore, the company is currently unable to issue the class B shares directly to the sellers. In the event that RBI approval is not granted, the Transaction Agreements contemplate that the corresponding amount shall be paid in cash.

The board of directors notes that, if the extraordinary general meeting resolves in accordance with proposals 7 a) – b), 8 and 9, the company will consider the 6,194,343 issued class C shares to have reduced the authorisation for the Board to resolve on new issues of class B shares which was resolved on by the annual general meeting held on 18 May 2021.

### ***Item 7 a): Resolution on a directed issue of class C shares***

The board of directors proposes, for the purposes of securing delivery of class B shares to the sellers of PGPL following the approval of RBI and as a hedge against the cash payment due in the event that RBI approval is not granted, in accordance with the terms of the Transaction Agreements, that the extraordinary general meeting resolve on a directed issue of class C shares in accordance with the following.

- A maximum of 6,194,343 class C shares shall be issued.
- The right to subscribe for the new class C shares shall, with deviation from the shareholders’ preferential rights, rest with Nordea Bank Abp, filial i Sverige (who shall have entered into an agreement with the company in respect of a repurchase in accordance with item 7 b) below).
- Subscription for the new class C shares shall be made no later than 31 August 2021.
- The subscription price shall correspond to the quota value of the shares at the time of the subscription for the shares.
- Payment for subscribed class C shares shall be made in cash at subscription.
- The board of directors shall have the right to extend the subscription period and postpone the date for payment.
- A conversion provision and a redemption provision shall apply to the new class C shares. This means that, *inter alia*, the board of directors may resolve to convert the new class C shares into class B shares.

The reasons for the proposed new issue of class C shares and for the deviation from the shareholders’ preferential rights is to enable delivery of the consideration in the form of class B shares or cash in accordance with MTG Gaming AB’s obligations under the Transaction Agreements as well as transferring the class B shares through an accelerated bookbuilding procedure in the event that RBI approval is not granted.

### ***Item 7 b): Resolution on acquisition of own class C shares***

The board of directors proposes, for the purposes of securing delivery of class B shares to the sellers of PGPL following the approval of RBI and as a hedge against the cash payment due in the event that RBI approval is not granted, that the extraordinary general meeting resolve on acquisitions of own class C shares (which the board of

directors may resolve to convert into class B shares) in accordance with the following.

- A maximum of 6,194,343 class C shares may be acquired, however only to such extent that, following each acquisition, the company holds a maximum of 10 per cent of all shares in the company.
- Acquisition shall be made through an offer directed to all holders of class C shares.
- The purchase price shall be an amount that corresponds to the quota value of the shares (applicable at the time of the subscription for the shares).
- Payment for acquired class C shares shall be made in cash.
- The class C shares shall be acquired no later than 31 August 2021. The board of directors shall have the right to extend the acquisition period (however not longer than until the next annual general meeting).

**Item 8: Resolution on transfer of own class B shares to the sellers of Playsimple Games Private Limited**

The board of directors proposes, for the purpose of securing delivery of shares to the sellers of PGPL following the approval of the RBI, that a maximum of 6,194,343 own class B shares (consisting of the 6,194,343 class C shares issued pursuant to item 7 a) and acquired pursuant to item 7 b) and converted into class B shares) be transferred to the sellers of PGPL in accordance with the following.

- The right to receive class B shares shall, with deviation from the shareholders' preferential rights, be granted to the sellers of PGPL (or one or more entities controlled or designated by such sellers)
- The sellers' right to receive class B shares are conditional upon the approval of the RBI.
- The class B shares shall be transferred not later than by 31 January 2024.
- The class B shares shall be transferred against an aggregate consideration, in accordance with the terms of the Transaction Agreements, consisting either of 74,001 shares in PGPL, equivalent to a current value of USD 83,122,931 (i.e. a current value of the entire PGPL of USD 360,000,000), or an amount in cash equivalent to the price of the class B share on the day before the transfer multiplied with the number of class B shares, however not exceeding USD 83,122,931 for all 6,194,343 class B shares.

The reason for the proposed transfer of own shares and for the deviation from the shareholders' preferential rights is to enable delivery of shares to the sellers of PGPL in accordance with MTG Gaming AB's obligations under the Transaction Agreements.

**Item 9: Resolution on transfer of own class B shares through an accelerated bookbuilding procedure**

As the right to acquire class B shares for the sellers of PGPL in accordance with item 8 above is conditional upon the approval of the RBI and it is currently not possible to guarantee that such approval will be granted, there is a risk that the sellers will be unable to acquire the class B shares on the terms contemplated by item 8. For this reason, the board of directors proposes that the extraordinary general meeting resolve on a transfer of own class B shares through an accelerated bookbuilding procedure in

accordance with the following.

- The transfer shall only be effected if the sellers of PGPL are not granted the approval from RBI to acquire class B shares on the terms contemplated by item 8.
- A maximum of 6,194,343 class B shares may be transferred.
- The right to acquire class B shares shall, with deviation from the shareholders' preferential rights, be granted to investors willing to acquire shares in an accelerated bookbuilding procedure on market terms.
- The class B shares shall be transferred no later than by 31 May 2024.
- The price for the class B shares shall be determined through the accelerated bookbuilding procedure.

The reason for the proposed transfer of own shares and for the deviation from the shareholders' preferential rights is to fund the cash payment payable under the Transaction Agreements in the event that RBI approval to acquire the class B shares on the terms contemplated by item 8 is not granted.

#### ***Joint resolution***

The board of directors proposes that the proposals under items 7 a)–7 b), 8 and 9 are conditional upon each other and are therefore to be resolved upon as one joint resolution.

## **OTHER INFORMATION**

### **Special majority requirements**

A resolution in accordance with items 7 a) – 7 b), 8 and 9 is only valid if supported by shareholders holding not less than two thirds (2/3) of the votes cast as well as the shares represented at the general meeting.

### **Documents**

Documents that shall be made available prior to the extraordinary general meeting pursuant to the Swedish Companies Act will be made available at the company at Skeppsbron 18, 111 30 Stockholm and at the company's website, [www.mtg.com](http://www.mtg.com), not later than three weeks prior to the extraordinary general meeting. The documents will also be sent free of charge to shareholders who so request and inform the company of their address. Such a request may be sent to Computershare AB, "EGM of MTG", P.O. Box 5267, SE-102 46 Stockholm or by email to [info@computershare.se](mailto:info@computershare.se).

A share register reflecting the shareholdings in the company as of 20 July 2021 and voting registrations of shares registered in the name of a nominee made not later than on 22 July 2021 will be made available at the company at Skeppsbron 18, SE-111 30 Stockholm prior to the extraordinary general meeting.

### **Shareholders' right to request information**

Shareholders that wish to request information pursuant to Chapter 7, section 32 of the Swedish Companies Act shall do so by submitting the request in writing by post to Modern Times Group MTG AB (publ), Att. "MTG Legal", P.O. Box 2094, SE-103 13 Stockholm or by email to the company at [simon.eliasson@mtg.com](mailto:simon.eliasson@mtg.com), by 18 July 2021 at

the latest. The information will be made available at the company at Skeppsbron 18, SE-111 30 Stockholm and the company's website, [www.mtg.com](http://www.mtg.com), by 23 July 2021 at the latest. Within the same time, the information will be sent free of charge to shareholders who so request and inform the company of their address.

#### **Number of shares and votes**

As of the date of this notice, the total number of shares in the company is 110,820,712, of which 545,662 are class A shares, 110,145,050 are class B shares, and 130,000 are class C shares representing 115,731,670 votes, of which 5,456,620 votes relate to class A shares, 110,145,050 votes relate to class B shares and 130,000 votes relate to class C shares. As of the date of this notice, the company holds 304,880 own class B shares and 130,000 own class C shares in treasury, which will not entitle to any voting rights at the extraordinary general meeting.

#### **Processing of personal data**

For information on how personal data is processed in connection with the extraordinary general meeting, see the privacy notices of Euroclear Sweden AB and Computershare AB available at their respective websites, [www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf](http://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf) and [www.computershare.com/se/gm-gdpr](http://www.computershare.com/se/gm-gdpr).

\* \* \*

Stockholm in July 2021  
MODERN TIMES GROUP MTG AB (publ)  
THE BOARD OF DIRECTORS

#### **For more information:**

Oliver Carrà, Director of Public Relations  
Direct: +46 (0) 70 464 44 44, [oliver.carra@mtg.com](mailto:oliver.carra@mtg.com)  
Follow us: [mtg.com](http://mtg.com) / [Twitter](#) / [LinkedIn](#)

#### **About MTG**

MTG (Modern Times Group MTG AB (publ.)) ([www.mtg.com](http://www.mtg.com)) is a strategic acquirer and operator of gaming and esports entertainment companies. Born in Sweden, the shares are listed on Nasdaq Stockholm ('MTGA' and 'MTGB').