



MTG MAY 2022

MTG AGM

Key proposals

Summary of key MTG AGM resolutions

Resolutions to be presented at AGM

“Standard” resolutions (such as adoption of annual report, treatment of company results, etc.) and Nomination Committee proposals have not been addressed in this presentation.

Resolutions to be presented at AGM:

17. Resolution regarding a long-term incentive plan for 2022
18. Resolution regarding MTG offer to repurchase warrants from participants in MTG’s 2019 warrant plan
19. Resolutions regarding extraordinary cash value transfer through a share redemption plan
20. Resolution regarding authorization for the Board to resolve on repurchases and transfers of own ordinary shares
21. Resolutions on reduction of the share capital by way of cancellation of repurchased own shares
22. Resolution on authorization for the Board to resolve on new issues of Class B shares
23. Resolution on a directed issue of Class B shares to minority in MTG Gaming (EHM roll-up)

Resolution on a new incentive program (item 17)

Matter in detail

- In the 2022 Incentive Plan a portion of short-term variable remuneration is paid out in cash at the end of the performance period, and a portion is delayed and is paid out in shares, which are subject to continued employment with MTG
- The program includes resolutions:
 - Implementation of the 2022 Incentive Plan (item 17(a))
 - Authorization for the Board to issue new Class C Shares (item 17(b))
 - Authorization to resolve to repurchase own Class C Shares (item 17(c))
 - Transfer of own Class B shares to the participants in the 2022 Incentive Plan (item 17(d))
 - Agreement with a third party in relation to transfer of MTG Class B shares to the participants in the 2022 Incentive Plan (item 17(e))

Vote required:

- For 17(a) and 17(e), 1/2 of the votes cast and the shares represented at the AGM
- For 17(b) and 17(c), 2/3 of both the votes cast and the shares represented at the AGM
- For 17(d), 9/10 of both the votes cast and the shares represented at the AGM

Resolution regarding MTG offer to repurchase warrants from participants in MTG's 2019 warrant plan (item 18)

Matter in detail

- MTG intends to make an offer to repurchase all outstanding warrants of Series 2019/2022 at market terms starting on 15 June 2022 up to 15 June 2023
 - Market terms are defined as MTG's share price calculated as the volume-weighted average price 10 trading days prior to the date of notification of repurchase, with deduction of the warrant's subscription price (SEK 120)
- The offer only concerns the settlement of warrants and does not entail any changes to the terms of the warrants or the plan
 - Participants may still elect to exercise their warrants

Vote required:

- 1/2 of both the votes cast and the shares represented at the AGM

Resolutions regarding extraordinary cash value transfer through a share redemption plan (item 19)

Matter in detail

- First component of capital return, includes resolutions regarding:
 - Share split 2:1 (item 19(a))
 - Reduction of share capital through redemption of shares (item 19(b))
 - Increase the share capital through a bonus issue without issuance of new shares (item 19(c))
- Each ordinary share in MTG will be split into two shares, one (1) which will be a redemption share and one (1) which will be identical to the current ordinary share that was split, i.e. an ordinary share of Class A or Class B as applicable
- Redemption shares of Class A and Class B will be traded on Nasdaq Stockholm during 2 weeks. Thereafter, all redemption shares will automatically be redeemed by MTG (i.e. no action will be required from the shareholders in MTG in order to receive the redemption amount), and the holders of redemption shares of Class A and Class B will receive a pre-determined redemption amount per each redemption share
- In order to achieve a time efficient share redemption plan that does not require authorization from the Swedish Companies Registration Office or a court of general jurisdiction, the Board proposes a bonus issue in order to restore the share capital of the company to its original level
- Technical amendments of the Articles of Association required to facilitate for share split

Vote required:

- **2/3 of both the votes cast and the shares represented at the AGM**

Resolution regarding authorization for the Board to resolve on repurchases and transfers of own ordinary shares (item 20)

Matter in detail

- Second component of capital return, authorization for the Board to buy-back shares up until 2023 AGM
- Under the authorization MTG may structure the buy-backs so that the repurchased shares may be used to pursue potential acquisition opportunities as they arise and in line with the company's strategy.
- Transfers of shares shall take place (i) on Nasdaq Stockholm or (ii) outside Nasdaq Stockholm in connection with an acquisition of companies or businesses. Further, transfer of own shares may be made of up to such number of shares as is held by MTG at the time of the Board's decision regarding the transfer.

Vote required:

- **2/3 of both the votes cast and the shares represented at the AGM**

Resolutions on reduction of the share capital by way of cancellation of repurchased own shares (item 21)

Matter in detail

- All shares repurchased between March and June 2022, under the 125 mSEK share repurchase program with the purpose to reduce the share capital, will be cancelled
- The reduction of the share capital by way of cancellation of repurchased shares will be effectuated after the share redemption program in item 19

Vote required:

- **2/3 of both the votes cast and the shares represented at the AGM**

Resolution on authorization for the Board to resolve on new issues of Class B shares (item 22)

Matter in detail

- Same authorization as was approved last year. New share issues to be resolved by the Board using the authorization shall:
 - In aggregate, represent no more than **15%** of the total number of shares in the company at the time when the Board exercises this authorization for the first time.
 - At least one third (1/3) of this authorization is intended to be used as payment/consideration in connection with acquisitions (in kind or through set-off)
 - Remainder may be used for new issues to raise capital for acquisitions provided that no single new investor may subscribe for Class B shares representing more than 5% of the total number of shares in the company

Vote required:

- **2/3 of both the votes cast and the shares represented at the AGM**

Resolution on a directed issue of Class B shares to minority in MTG Gaming (EHM roll-up) (item 23)

Matter in detail

- New issue of class B shares directed to EHM (the MTG Gaming minority owner)
- Exchange ratio of shares will be locked to 20-days VWAP share price, starting at announcement date 9:th of May up to 3:rd of June, with an established floor at SEK114 per share which represent a 5% discount to the 20-days VWAP as per 5:th May
 - Adjustments will be made for debt, cash and other assets and liabilities at MTG TopCo level
- EHM owners to undertake a staggered 3-year lock-up period
- EHM to be largest owner in MTG and as such will be entitled to appoint one member of the nomination committee in August 2022

Vote required:

- **9/10 of both the votes cast and the shares represented at the AGM**

Potential EHM roll-up into MTG's TopCo

Today's starting point

- EHM have remained a long-term partner to MTG and retained a significant stake in Innogames since the initial minority acquisition in 2016
- As a part of the creation of the GamingCo in December 2020, EHM rolled their stake into the holding company for all gaming assets providing support for the additional studios included in MTG's ecosystem

Natural next step

- MTG has closed the divestment of the Esports Vertical to Savvy Gaming, establishing MTG as a pure play gaming company
- To further simplifying the ownership structure, the natural next step would be to roll up EHM's (Founders of InnoGames) minority stake in the GamingCo to the TopCo



Benefits for all parties aligned with joint long-term vision – timing is also right

Benefits for MTG Shareholders

- ✓ Dedicated long-term owner sharing MTG's vision in shareholder list
- ✓ Strengthens group financial strength and balance sheet / simplifies cash flow access
- ✓ Simpler / more transparent ownership structure for public markets
- ✓ Potential for valuation upside from simplified ownership structure

Benefits for EHM

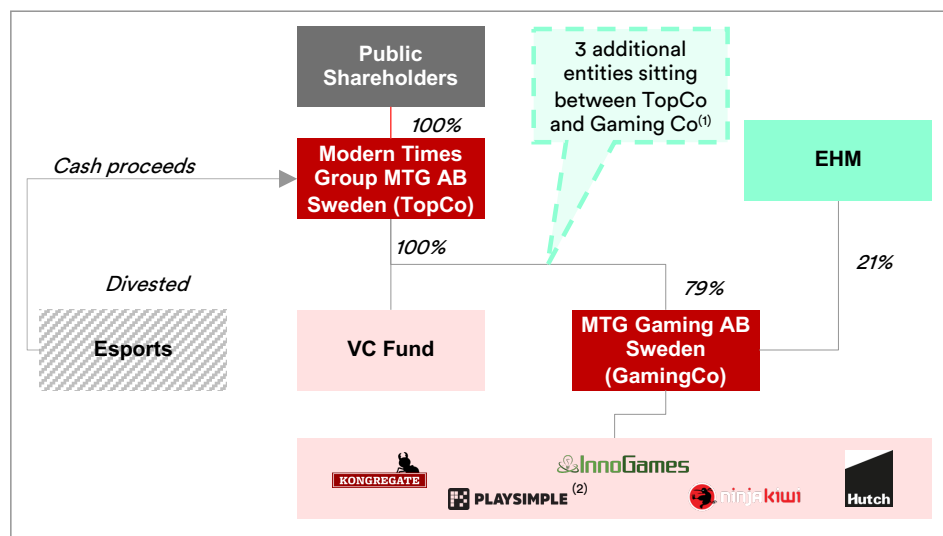
- ✓ Increased share liquidity (without IPO discount)
- ✓ Will become the largest owner of a successful European Gaming leader
- ✓ Increased potential to influence strategic Group decisions and operations
- ✓ Potential for valuation upside from simplified ownership structure

Why Now?

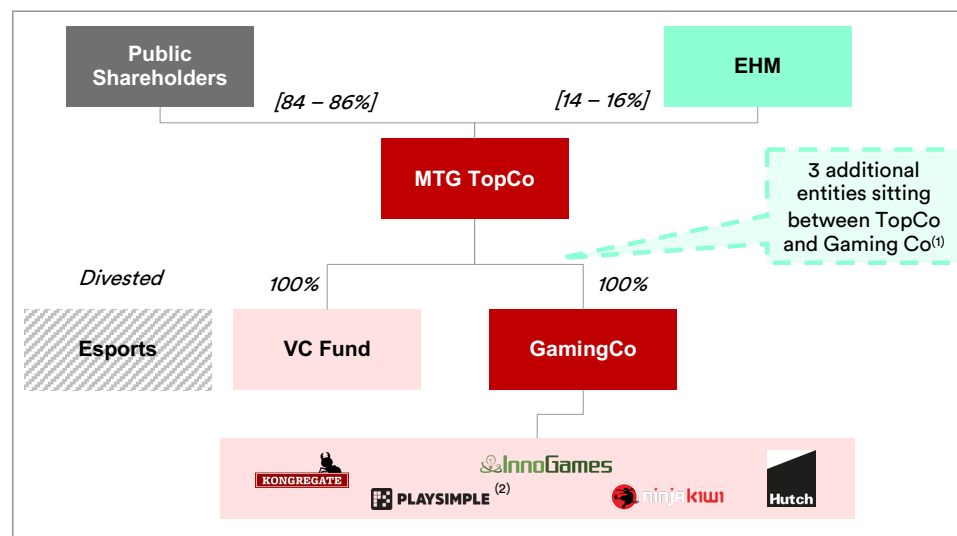
- ✓ MTG has already taken significant steps with successful gaming acquisitions and e-sports disposal, generating capital for further M&A
- ✓ Given our success and momentum we are well placed to build a strong position as an active player in our industry
- ✓ Simplifying our ownership structure concomitantly will therefor further enhance our strategic flexibility and improve our long term ability to drive efficient and scale consolidation for the benefit of MTG shareholders, including EHM

What would be the new organizational overview?

1 Organisational Structure Today



2 Pro Forma Organisational Structure (assuming all share)



Transaction is natural next step to increase transparency and support simplification of MTG's organisational structure

1) MTG Broadcasting AB Sweden, MTGx International AB Sweden, MTGx Gaming Holding AB Sweden
 2) 60.76% ownership in PlaySimple, until final payment has been carried out