



October 26, 2022

Q3 2022

Maria Redin, CEO
Lasse Pilgaard, CFO



Strong game franchises deliver organic growth

Returned to organic growth in Q3 and pro forma YoY sales growth of **6%**

Strong profitability with **27%** adj. EBITDA margin in Q3 & **53%** cash conversion for 9M22

Healthy pipeline of in-game content and live-ops planned in Q4 & Flow Platform making good progress

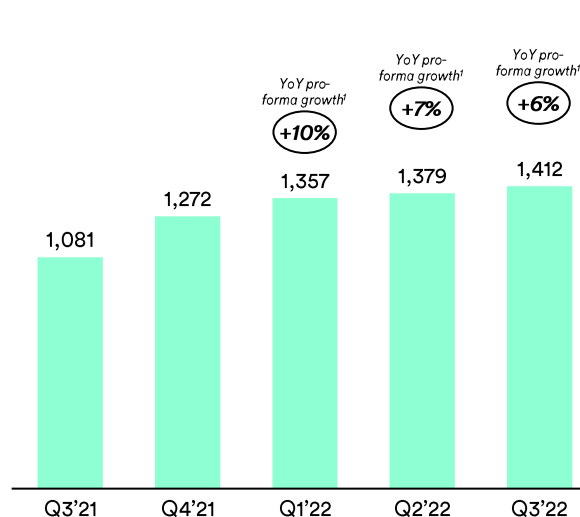
Board has launched new SEK 400 million share buy-back to run from 27 Oct until 2023 AGM



6% pro forma growth and return to organic growth despite limited market visibility

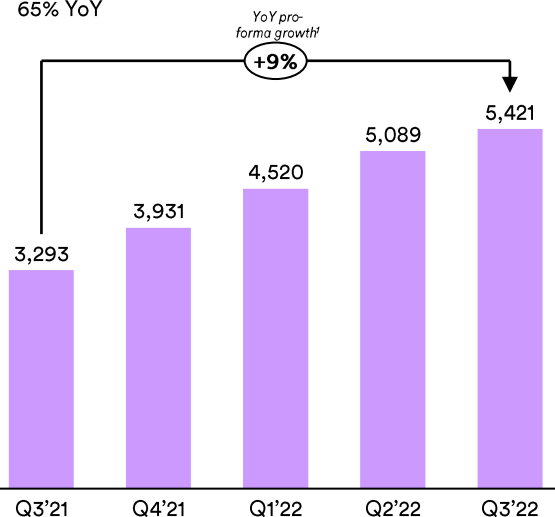
Reported revenue, SEKm

Reported net revenue up 31% year on year



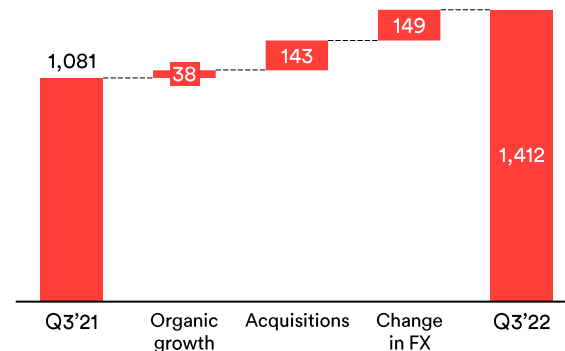
Reported revenue, SEKm LTM

Growth driven by positive FX + Hutch & InnoGames returning to organic growth. Reported revenue up 65% YoY



Revenue bridge, SEKm

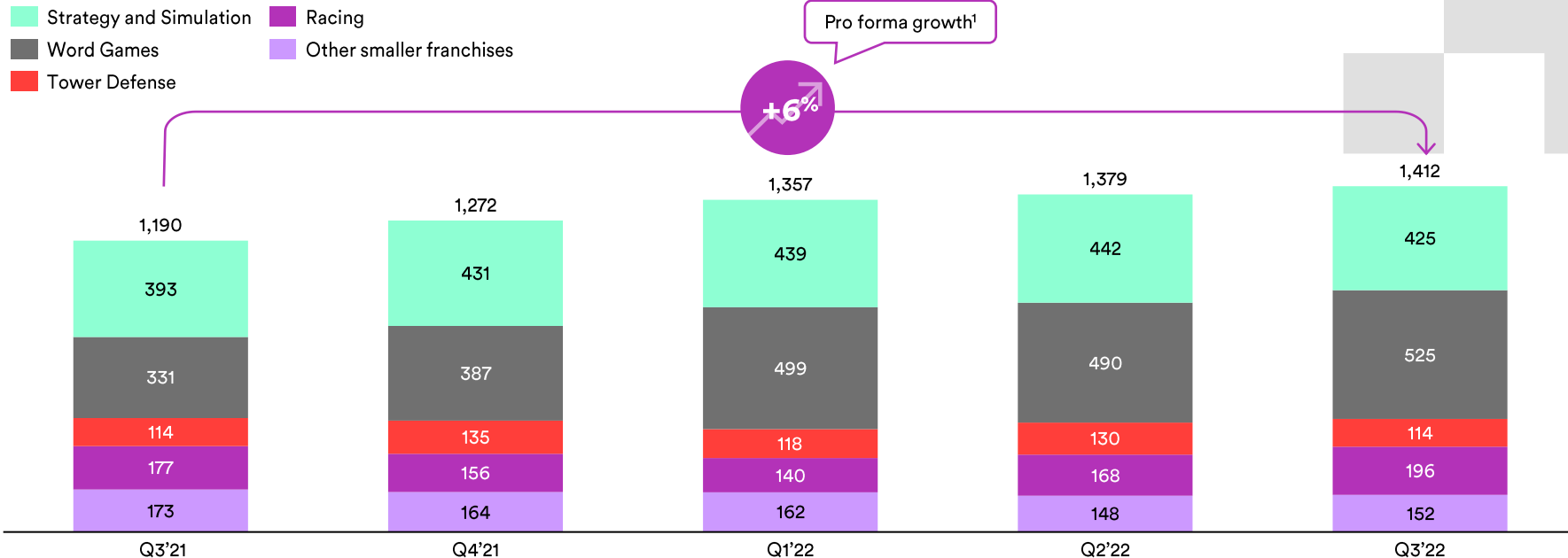
- Organic growth of 4%
- We expect to have outperformed the overall market and to have grown our market share



¹) Growth rates calculated at constant FX. Unaudited pro forma figures. Pro forma as if all acquisitions have always been a part of the MTG Group.

Healthy growth in Word Games and Racing

Revenue by franchise, SEKm



1) Growth rates calculated at constant FX. Unaudited pro forma figures. Pro forma as if all acquisitions have always been a part of the MTG Group.

Continued positive dynamics in our new games and promising games pipeline with three big titles slated for 2023

Pre-launch



Browser version of Rise of Cultures (InnoGames)



Destination Solitaire and Word Search proceeding towards soft launch & continued tests of Jigsaw (PlaySimple)



Bitverse to expand with 2 new games & Blood Vessels (Kongregate)



Two major titles from Hutch based on international licensed brands



Big title from Kongregate based on international licensed brand



Ninja Kiwi working on next big title, targeting a 2024 launch

Early launch / Scaling



Rise of Cultures



Sunrise Village



Lost Survivors

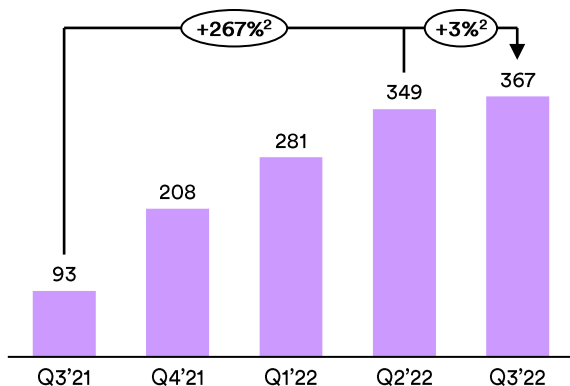


Bloons TD Battles 2



Crossword Explorer

New games 12m revenue run-rate¹, SEKm



Live games

- Big updates for Top Drives and F1 Clash
- Multiple in-game events in Forge of Empires, Rise of Cultures, Elvenar and Sunrise Village
- Big content update and price increase in Bloons TD6 & Halloween event in Bloons Battles 2
- New features implemented in Word Trip and Word Search

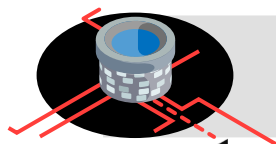
1) Calculated as quarterly revenue times 4

2) In constant FX

The Flow Platform is making progress

4 out of 5 companies are now included in MTG's central BI framework

- Enables more efficient resource allocation across the group, and hence enables us to optimize return on our user acquisition investments over time



BI & Analytics

Marketing & UA

Cross-promotion

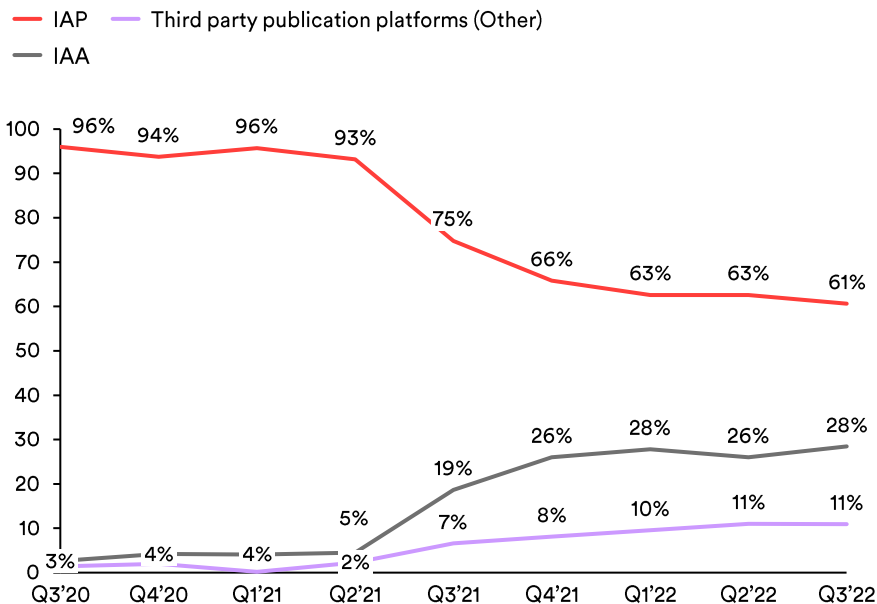
Ad monetization

Launch of a cloud versions our marketing efficiency tools CAT and mAPI, originally developed and deployed by InnoGames.

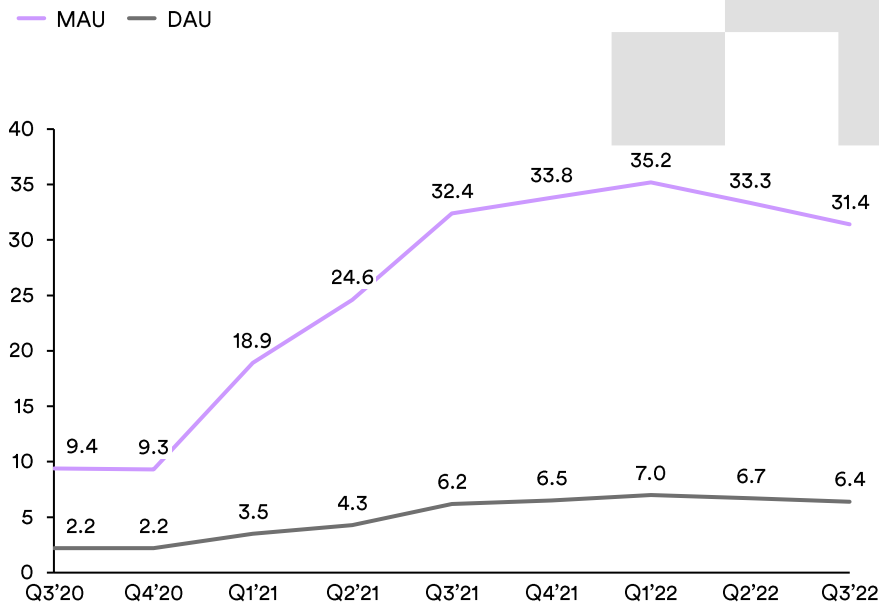
- All studios can now easily deploy these tools to help optimize their marketing efforts, allowing better scaling across more channels / campaigns

Healthy revenue mix supports resilience in uncertain markets

Revenue streams

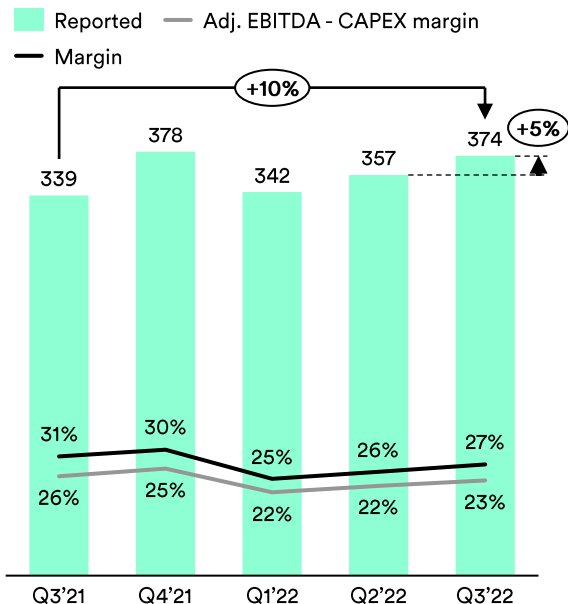


User development, millions

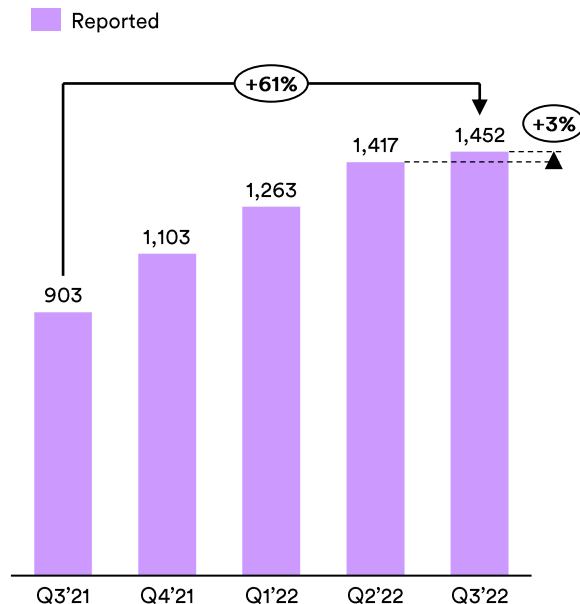


Strong adj. EBITDA margins of 27% for the quarter

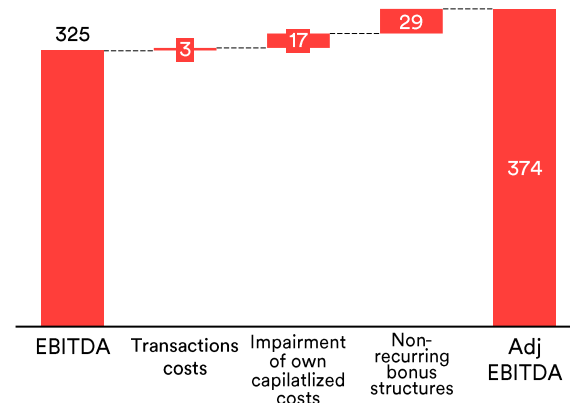
Reported Adj EBITDA, SEKm



Reported Adj EBITDA, SEKm LTM



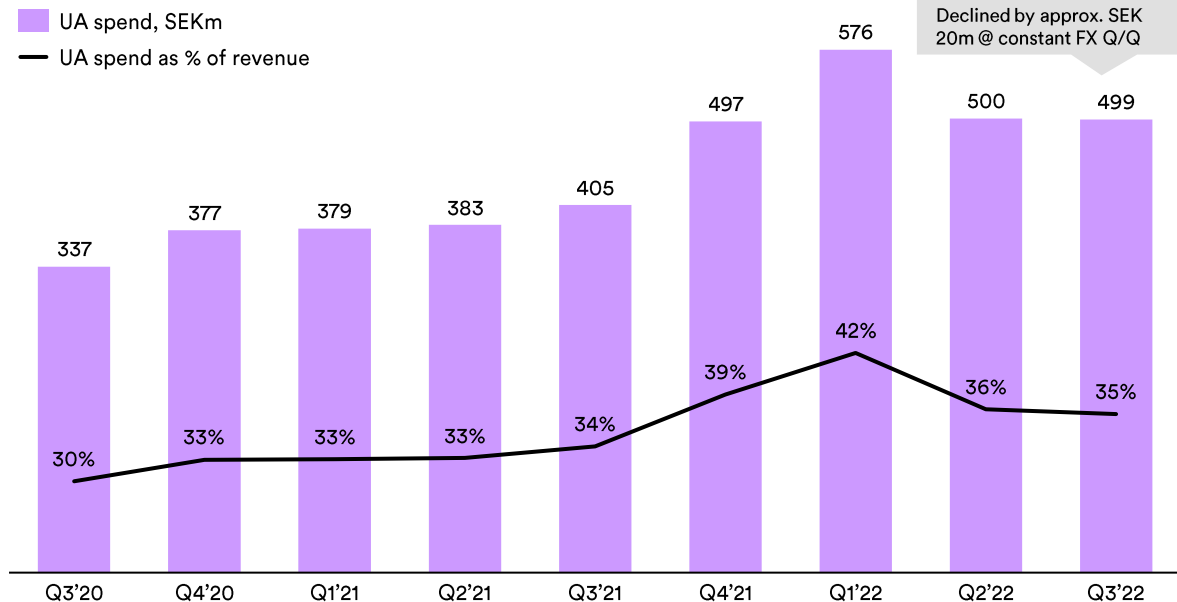
EBITDA to Adj EBITDA bridge, SEKm



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Continued strong UA investments at 35% of revenue

UA spend development



Comments

- Significant year on year increase in UA spend and stable levels Q/Q at 35%
- Slightly lower UA investments than initially planned as companies adjusted their spend due to low market visibility
- Studios plan to scale UA spend in seasonally key Q4, but are able to react quickly to the evolving market

Cash flows from operations reflects the strength of our gaming portfolio

Group cash flow statement, SEKm

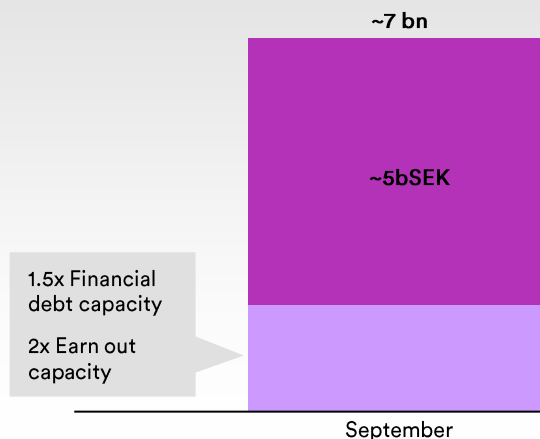
	Q3 2022	YTD 2022
Cash flow from operations ¹	445	1,132
Taxes paid	-119	-303
Changes in working capital	-129	-85
Capex	-63	-174
Free cash flow	134	570
Adj. EBITDA	374	1,074
Cash conversion rate	36%	53%
Earnout payment	101	317
Free cash flow after earnout payment	33	253

1) Excluding realised FX gain

2) Including PlaySimple deposits

Balance sheet, SEKb

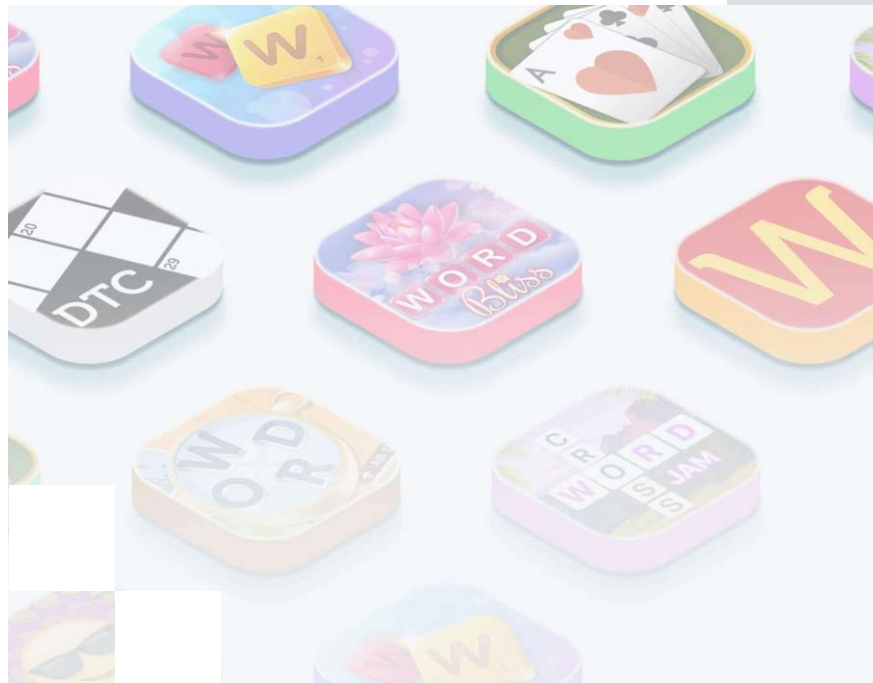
- Estimated Cash position²
- Debt capacity (3.5x Adj EBITDA)



FY22 profitability outlook intact with upwards potential, and sales outlook for FY22 revised

Expect continued market share gains

- **Revenues:** MTG still expects to outgrow the overall market but is revising FY outlook for 2022 to between 5-6% pro forma growth adjusted for currency effects (down from an indicative 10% provided as part of Q1)
- **Adj. EBITDA:** Reiterating outlook of 23-24% margin for the FY22 with potential upside if market environment does not support increased marketing spend
- **Long-term outlook intact**
 - Structurally sound industry dynamics supported by healthy demographics
 - Well-positioned growth portfolio with games across multiple life cycles and healthy future pipeline
 - Strong balance sheet supports future M&A when opportunities arise



Summary

MTG returns to organic growth while continuing to outperform the market by delivering 6% pro forma revenue growth

Our prudent investment approach resulted in a profitable quarter with an adj EBITDA margin of 27% and the 9 months cash conversion rate of 53% show cases the strength of our gaming portfolio

New share repurchase program of SEK 400 million to run till AGM 2023





Q&A