



DOCUMENTATION, INCLUDING THE REMUNERATION REPORT, TO THE ANNUAL
GENERAL MEETING THURSDAY 16 MAY 2024

TABLE OF CONTENTS

The Board's Remuneration report for 2023	2
Auditor's opinion, in accordance with Chapter 8, Section 54 of the Swedish Companies Act (2005:551).	10
The Board's motivated statement in accordance with Chapter 19, Section 22 of the Swedish Companies Act (2005:551)	11
Complete performance measures and targets for MTG participants in the 2024 Incentive Plan	13

The Board's Remuneration report for 2023

2023 REMUNERATION REPORT

This report describes how the Remuneration Guidelines of Modern Times Group MTG AB, adopted by the Annual General Meeting 2021, were implemented for the financial year that ended 31 December 2023. The report also provides information on remuneration to the CEO and a summary of the company's outstanding share and share price-related incentive plans. The report has been prepared in accordance with the Swedish Companies Act and the Remuneration Rules issued by the Swedish Stock Market Self-Regulation Committee.

Further information on executive remuneration is available in note 21 (Employees and personnel costs) on pages 111–121 in the Annual Report 2023. This includes fixed and variable compensation, long-term incentive plans and other benefits, as required by chapter 5, sections 40–44 of the Annual Accounts Act (1995:1554).

Remuneration of the Board of Directors is resolved annually by the Annual General Meeting and disclosed in note 21 on page 114 in the Annual Report 2023. Two of the Board members, Chris Carvalho and Gerhard Florin, have received remuneration in addition to the Board fees resolved by the Annual General Meeting. The additional remuneration paid to Chris Carvalho and Gerhard Florin is covered by this report.

The Remuneration Committee

The Board has an established Remuneration Committee. The remuneration is managed through well-defined processes ensuring that no individual is involved in decision making related to their own remuneration.

The Remuneration Committee is responsible for preparing the Board's decision to propose guidelines for executive remuneration. The Board shall prepare a proposal for new guidelines at least every fourth year and submit it to the Annual General Meeting. The guidelines shall be in force until new guidelines are adopted by the General Meeting. The Remuneration Committee shall also monitor and evaluate:

- programs for variable remuneration to the executive management,
- the application of the guidelines for executive remuneration, and
- the current remuneration structures and compensation levels in the company.

The 2023 Committee comprised the following Board members:

- Gerhard Florin (has served on the Committee for the full year 2023 and he is Chairman of the Remuneration Committee)
- Natalie Tydeman (has served on the Remuneration Committee for the full year 2023)
- Susanne Maas (has served on the Remuneration Committee since July 3, 2023)

Members of the management team, including CEO Maria Redin and former CFO Lasse Pilgaard, and current CFO Nils Mösko, have been, from time to time, invited to attend meetings of the Committee. The Group General Counsel, Simon Hahn, acts as secretary to the Committee. No individuals are involved in decisions related to their own remuneration.

Further information on the work of the Remuneration Committee in 2023 is set out in the corporate governance report available on pages 52–53 in the Annual Report 2023.

Advisors

The Committee is informed of key developments, market updates and best practice in the field of remuneration and obtains advice from independent external consultants, when required, on individual remuneration packages and executive remuneration practices in general.

Key developments 2023

The CEO summarizes the company's overall performance in her statement on page 4–5 in the Annual Report 2023.

The company's Remuneration Guidelines: scope, purpose and deviations

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company can attract and retain qualified personnel. To this end, it is necessary that the company offers competitive remuneration. The remuneration

structures shall encourage employees to do their utmost to safeguard shareholders' interests and thereby the company's sustainability and long-term value creation. Under the guidelines, executive remuneration shall be on market terms and may consist of the following components: base salary, variable cash remuneration, pension and other benefits. The guidelines provide for the ability to set relevant financial and non-financial targets including social and environmental governance measures, further contributing to alignment between the guidelines and sustainability. The criteria shall be designed to support the company's business strategy and long-

term interests, including linking its sustainability program to the business strategy.

The Remuneration Guidelines, adopted by the Annual General Meeting 2021, have been fully implemented. No deviations from the guidelines have been resolved upon and no derogations from the procedure for implementation of the guidelines have been made. The guidelines are found on pages 111–121 in the Annual Report for 2023. The auditor's report regarding the company's compliance with the guidelines is available on www.mtg.com/governance.

Table 1 – Total CEO remuneration in 2023 (mSEK)

Name of director (position)	Fixed remuneration		Variable remuneration			Pension	Total remuneration	Proportion of fixed and variable remuneration ⁴⁾
	Base salary	Other benefits ¹⁾	One-year variable ²⁾	Multi-year variable	Extraordinary items ³⁾			
Maria Redin (CEO)	7,14	0.30	6,65	-	7,33	0,72	22,14	55%/45%

¹⁾ Other benefits include the CEO's taxable benefits, company car and vacation pay.

²⁾ The one-year variable in the above table refers to the cash portion of the 2023 Incentive Plan, the portion of Share Rights is reported in table 3.

³⁾ Extraordinary items are related to a retention bonus and payment in lieu of unused vacation. As published in the 2021 and 2022 Remuneration Reports, a cash incentive to the CEO was implemented in accordance with, and to a maximum amount provided for by, the Remuneration Guidelines provisions. The CEO retention cash incentive was designed for retention purposes and to acknowledge extraordinary contributions. The retention cash incentive was paid in two equal installments in Q1 2022 and in Q1 2023. The amount paid in 2022 was included in the 2022 Remuneration Report and the amount paid in 2023 is included above. The year 2021 stood out as an exceptionally transformative year for MTG during which the group, under the leadership of the CEO, performed at an exceptional pace and completed, besides the normal successful running of operations, a large number of strategic projects. Key achievements included an in-depth strategic review which resulted in MTG choosing to pursue the divestment of its esports assets to focus on the mobile gaming industry, the successful divestment of ESL Gaming to Savvy Gaming Group in an all-cash transaction valuing ESL Gaming at an enterprise value of USD 1,050 million (equalling SEK 9,723 million, the deal was signed 24 January 2022), the successful acquisition of the New Zealand and Scotland-based gaming studio Ninja Kiwi and the successful acquisition of India-based gaming studio PlaySimple.

Any unused vacation days, exceeding 60 saved days or older than five years, are paid out in cash. In 2023 the CEO received 6 days of vacation paid in cash.

⁴⁾ Proportion of Fixed/Variable: Pension premiums, other benefits and base salary comprise the fixed remuneration.

Other remuneration paid to Board members in addition to the Board fees resolved at the Annual General Meeting

Chris Carvalho has been a member of the Board of MTG since the Annual General Meeting 2020. In parallel with his Board assignment, Chris Carvalho has an assignment as a consultant and advisor at MTGx Gaming Holding AB, the commencement of this assignment was in February 2019. The consultancy fee paid by MTGx Gaming Holding AB to Chris Carvalho during 2023, was 0,89 mSEK. Gerhard Florin has been a member of the Board of MTG since the Annual General Meeting 2018. He also serves as elected Chairman of InnoGames. InnoGames has paid 0,81 mSEK in Board fees to Gerhard Florin in 2023. This payment from InnoGames is outside the MTG Board fees which were approved at the Annual General Meeting 2023.

Share-based remuneration

The company has two current long-term incentive programs, the 2022 Incentive Plan and the 2023 Incentive Plan. Additionally, two long-term incentive programs were completed in 2023 - the 2019 Warrant Plan and the 2021 LTIP – neither of which met the performance targets and subsequently no shares were transferred to the participants. For 2020, the Board decided against recommending a long-term incentive program to the AGM in light of business uncertainty due to the Covid-19 pandemic.

Completed plans:

According to the 2019 Warrant Plan, each warrant entitled the holder to, during a period from 15 June 2022 to 15 June 2023, subscribe to one new Class B share at 115 percent of the average volume-weighted share price during the period 9 May 2019 and 22 May 2019 (the “Exercise price”). The participants’ maximum profit was capped. MTG subsidized the participants’ purchase of warrants by granting the participants a cash compensation corresponding to between 25-75 per cent (depending on the participant’s category), net after taxes, of the warrants purchased by the participant. Such a subsidy was paid out at the time of purchase of the warrants. If a participant left MTG during the three-year vesting period for the subsidy, in multiple cases MTG reclaimed the subsidy, in whole or in part in proportion to the term of the vesting.

Since the exercise price for all vested options exceeded the market value of the underlying shares at vesting, no value has been assigned to the participants.

According to the 2021 LTIP, participants were required to hold shares in MTG equivalent to at least 5 per cent and up to 20 per cent of the gross annual base salary of each participant. For each share held,

the participant had rights to receive class B shares free of charge (the “Share Rights”), which would vest depending on the fulfilment of pre-determined performance criteria and contingent upon continued employment.

The Share Rights would vest free of charge after a three-year period ending on 31 December 2023. The number of Share Rights that vest would be determined based on the annual TSR (i.e., the value increase plus (i) any dividends paid during such period and (ii) the theoretical value of any subscription rights allotted to shareholders in any rights issue) of class B shares at the end of the vesting period (the “TSR”). Based on the EGM-approved 2021 rights issue and the AGM-approved 2022 share redemption plan, the number of Share Rights were subject to customary recalculation (in addition to the TSR being increased by the theoretical value of the subscription rights).

The final TSR was determined based on an initial share price equivalent to the VWAP during the period from 1 October 2020 to 31 December 2020, and a final share price equivalent to the VWAP during the period from 1 October 2023 to 31 December 2023. As the TSR performance criteria was not met, no value has been assigned to the participants.

Table 2 – Completed 2019 Warrant Plan & 2021 LTIP – Completed in 2023 with no value assigned to the participants

The main conditions of the 2023 completed plans						Information regarding the reported financial year					
Name of the holder (position)	Name of plan	Performance period	Allotment date	Vesting date	Exercise period	Opening balance	During the year		Closing balance		
						Exercise price (sub- scription price) (SEK) ¹⁾	Warrants held at beginning of year	Warrants allotted	Warrants forfeited	Warrants subject to performance condition	Warrants allotted and unvested
Maria Redin (CEO)	2019 Warrant Plan ¹⁾	21 June 2019-15 June 2023	21 June 2019	15 June 2023	15 June 2023-2023	92.90	58,284	0	58,284	0	0

							Information regarding the reported financial year				
Name of the holder (position)	Specifi- cation of plan	Performance period	Award date	Vesting date	End of reten- tion period	Share awards held at the beginning of the year	During the year		Closing balance		
							Awarded	Vested	Subject to performance condition	Awarded and unvested at year end	Shares sub- ject to reten- tion period
Maria Redin (CEO)	LTIP 2021 ²⁾	2021– 2023	1 March 2021	Q1 2024	Q1 2024	128,696	0	0	128,696	0	0

¹⁾The subscription price presented in the above table was recalculated based on the rights issue which was approved by the Extraordinary General Meeting in January 2021 and the 2022 share redemption plan approved by the Annual General Meeting in 2022. In accordance with the terms and conditions for warrants 2019/2022, a recalculation of the subscription price as well as a recalculated number of MTG Class B shares for which each warrant was applied. Nonetheless, the plan completed with zero outcome for the CEO.

²⁾The CEO co-invested and locked in MTG Class B shares to a value of 20% of her gross annual base salary in the 2021 LTIP (Qualifying Shares). Based on the 2022 share redemption plan approved at the 2022 Annual General Meeting the number of share rights were subject to customary recalculation. Nonetheless, the performance condition was not met, so the plan completed with zero outcome for the CEO.

Current plans:

The 2022 Incentive Plan was approved by the AGM in 2022 and there are approximately 5 participants in the parent company, including the CEO. The 2022 Incentive Plan is comprised of a short-term variable remuneration (STI) and a long-term share-based remuneration. Participants have the possibility to

receive variable remuneration partly in the form of cash and partly in the form of rights to receive class B shares free of charge (the “Share Rights”). In brief, to the extent certain performance conditions were achieved during the financial year 2022, the participants in the 2022 Incentive Plan were allotted the cash portion of the 2022 Incentive Plan in Q1 2023,

and as well as a specific number of Share Rights, each of which carries the right to receive one (1) MTG Class B share, subject to continued employment at the time of vesting. 50 percent of the share rights vest in 2024 and 50 percent in 2025, in both cases after the publication of the interim report for 2023 and 2024, respectively.

The 2023 Incentive Plan was approved by the AGM in 2023 and there are approximately 9 participants in the parent company, including the CEO. The 2023 Incentive Plan is structured the same as the 2022 Incentive Plan, with a variable remuneration comprised of a short-term cash incentive and a long-term share-based incentive (LTI). To the extent certain performance conditions were achieved during the financial year 2023, the participants in the 2023

Incentive Plan shall be allotted the cash portion of the 2023 Incentive Plan in Q1 2024, and as well as a specific number of Share Rights based on the volume-weighted average price paid for MTG's Class B Share on Nasdaq Stockholm during a period of 60 days after the publication of the interim year-end report for 2023, rounded down to a whole number of Share Rights, each of which carries the right to receive one (1) MTG Class B share, subject to contin-

ued employment at the time of vesting. 50 percent of the share rights vest in 2025 and 50 percent in 2026, in both cases after the publication of the interim year-end report for 2024 and 2025, respectively.

Additional information on the performance outcome of the 2023 Incentive Plan for both parent company and subsidiary participants is available in Note 21 to the 2023 Annual Report.

Table 3 – Current 2022 & 2023 Long Term Incentive Plans

The main conditions of current share award plans							Information regarding the reported financial year				
Name of the holder (position)	Specification of plan	Performance period	Award date	Vesting date	End of retention period	Share awards held at the beginning of the year	Opening balance	During the year	Closing balance		
							Awarded	Vested ³⁾	Subject to performance condition	Awarded and unvested at year end	Shares subject to retention period
Maria Redin (CEO)	2022 Incentive Plan	2022	June 2022	Q1 2024 and Q1 2025	Q1 2025	-	113,588	-	-	113,588	-
	2023 Incentive Plan ¹⁾	2023	June 2023	Q1 2025 and Q1 2026	Q1 2026	-	130,661 ²⁾	-	-	130,661	-

¹⁾ Structured exactly like the 2022 Incentive Plan, the 2023 Incentive plan is comprised of both STI and the long-term share-based remuneration. The participants in the 2023 plan receive a part which is paid out in cash (see 'One-year Variable' in table 1 and 'Cash Portion' in table 4 of this Remuneration Report), and a part will be allotted in the form of share rights. 50 percent of the share rights vest in 2025 and 50 percent in 2026, in both cases after the publication of the interim year-end report for 2024 and 2025, respectively. The number of share rights allocated to each participant shall be calculated using the 60-day VWAP after the publication of the interim year-end report for 2023.

²⁾ At the time of this publication, the 60-day VWAP used to calculate the number of share rights to be allocated to each participant is unknown. Therefore, for indicative purposes only, we have used the average MTG Class B share price for February 2024 (SEK 76.23) as a placeholder for the VWAP to calculate the number of share rights allocated to the CEO. The actual number of share rights will be corrected according to the final VWAP and disclosed in the 2024 Remuneration Report. Using the preliminary share price, the CEO would be awarded 130,661 share rights under the 2023 Incentive Plan.

³⁾ While no share rights under the 2022 Incentive Plan vested during the year, 50% of the total awarded number of Share Rights (56,794) vest in 2024 and shall be disclosed in the 2024 Remuneration Report.

Application of performance criteria in the 2023 Incentive Plan

The performance measures for the CEO's variable remuneration have been selected to deliver the strategy which is in the long-term interest of the company.

Set out in Table 4 below are the performance criteria decided by the Board and a description of how the criteria for payment of variable compensation have been applied during the financial year. The performance measures reflect the short- and long-term

business priorities for 2023 and the company's strategic objectives. The measures contribute to the profitability and organic growth in the portfolio companies as well as support the long-term sustainability interests of the company and its stakeholders.

Table 4 – Performance of the CEO in the reported financial year: 2023 Incentive Plan¹⁾

Name of director (position)	Description of the criteria related to the remuneration component	Relative weighting of the performance criteria	Entry threshold (awards 0% payout)	Target level (awards 100% payout)	Maximum level (awards 150% payout)	Measured performance (% achievement)	Actual Award of 2023 Incentive Plan	
							Cash portion (mSEK)	Share Rights portion (the value at time of allotment, in mSEK)
Maria Redin (CEO)	MTG Revenues FY 2023	25%	SEK 4,921m	vs Budget	SEK 6,015m	111%	1,97	2,96
	MTG Adjusted EBITDA FY 2023 ²⁾	25%	SEK 1,158m	vs Budget	SEK 1,416m	150%	2,67	4,01
	Absolute TSR	20%	5 percent	12.5 percent	20 percent	0%	0	0
	Strategic KPI: AdTech platform investment roadmap ³⁾	20%	50 percent	100 percent	n/a	90%	1,29	1,93
	ESG target: Diversity in workforce ⁴⁾	5%	1 percent improvement of the 2022 year-end ratio of female and non-binary employees in the Group	3 percent improvement of the 2021 year-end ratio of female and non-binary employees in the Group	n/a	100%	0,36	0,53
	ESG target: Data Privacy ⁵⁾	5%	70% completion of MTG's extensive data privacy build-up phase and the data privacy maintenance phase (with a weighting of 40 percent and 60 percent, respectively)	90% completion of MTG's extensive data privacy build-up phase and the data privacy maintenance phase (with a weighting of 40 percent and 60 percent, respectively)	n/a	100%	0,36	0,53

¹⁾ The CEO's maximum value in the 2023 Incentive Plan is: 250 percent (of which 100 percent as a cash component and 150 percent as a share component). The level of target achievement in the 2023 Incentive Plan was 93%, the total amount achieved in cash portion is reported in table 1, the value of the share portion will be converted to a maximum number of Share Rights reported in table 3.

²⁾ Reported company performance figures and the performance targets against which the CEO is measured may differ due to adjustments made to exclude impact from acquisitions during the performance period and FX, both as approved by the Board.

³⁾ Performance is calculated by assessing a number of KPIs, the AdTech platform investment roadmap and the performance in driving more effective ad monetization. Each KPI can contribute with an individual score between 0 percent and 125 percent depending on goal achievement.

⁴⁾ Gender diversity annual improvement is calculated for each company and then weighted together with 1/6 weight per company. Baseline and target adjusted for major transformations, e.g., reduction in headcount or M&A. Improvement is measured against end-of-year headcount.

⁵⁾ MTG believes that thorough privacy conduct creates real long-term value and helps build a sustainable gaming business and therefore has an extensive data privacy program involving many different projects across the Group. The threshold level is a 70 percent completion rate of the data privacy build-up phase and the data privacy maintenance phase (with a weighting of 40 percent and 60 percent, respectively) for the companies that were part of the Group as a whole as of 1 January 2023 and the target level is a 90 percent completion rate of the same. The weighting of each company is based on its 2023 revenue contribution.

Table 5 – Comparative information on the change of remuneration and company performance

CEO remuneration (mSEK)	2020	2021	2022	2023
CEO remuneration ¹⁾	10,99	12,86	20,99	22,14
Change year on year		17%	63%	5%
Company performance (mSEK)				
Adjusted EBITDA ²⁾	535	908	1,373	1,548
Average remuneration on a full time equivalent basis of employees (mSEK)				
Average remuneration of employees of the parent company ³⁾	1,6	1,71	1,84	1,84
Change year on year		7%	8%	0%

¹⁾ The CEO remuneration reflects the Company's and the CEO's individual strong performance, the payout of targets achieved from the 2023 Incentive Plan and the payout of the second portion of the extraordinary Retention Bonus.

²⁾ Definition of Adjusted EBITDA can be found on page 160 in the Annual Report 2023.

³⁾ The average remuneration for 2023 is comprised of the average remuneration among the parent company's full-time employees' fixed base salary, STI, one-time bonus, benefits and pension, adjusted for the full year.

Auditor's opinion, in accordance with Chapter 8, Section 54 of the Swedish Companies Act (2005:551).



Translation from the Swedish original

Auditor's opinion under Chapter 8 Section 54 of the Swedish Companies Act (2005:551) as to whether the guidelines of the annual general meeting on the remuneration of senior executives have been followed

To the annual general meeting of Modern Times Group MTG AB (publ.), Corporate identity No 556309-9158

Introduction

We have audited whether the Board of Directors and the Chief Executive Officer of Modern Times Group MTG AB (publ.) during the year 2023 have followed the guidelines on remuneration of senior executives adopted at the annual general meeting on 18 May 2021.

Responsibility of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the guidelines being followed and for the internal control that the Board of Directors and the Chief Executive Officer deem necessary to ensure that the guidelines are followed.

Responsibility of the auditor

Our responsibility is to issue an opinion, based on our audit, to the annual general meeting as to whether the guidelines have been followed. We have conducted the audit in accordance with FAR recommendation RevR 8 *Audit of remuneration of senior executives in some public limited companies*. This recommendation requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the guidelines adopted by the annual general meeting are followed in all material aspects. The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We are independent of Modern Times Group MTG AB accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The audit has covered the company's organization for and documentation of remuneration issues for senior executives, the new decisions on remuneration that have been taken and a selection of the payments made during the financial year to the senior executives. The auditor chooses what procedures are to be performed, in part by assessing the risk of the guidelines not being followed in all material aspects. In making those risk assessments, the auditor considers internal control relevant to compliance with the guidelines in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

We believe that our audit provides a reasonable basis for our opinion set out below.

Opinion

We consider that the Board of Directors and Chief Executive Officer of Modern Times Group MTG AB (publ.) during 2023 have followed the guidelines on remuneration of senior executives adopted at the annual general meeting on 18 May 2021.

As can be seen from note 21, the board has utilized the possibility in the adopted guidelines for extraordinary arrangements.

Stockholm 3 April 2024

KPMG AB

Helena Nilsson

Authorized Public Accountant

The Board's motivated statement in accordance with Chapter 19, Section 22 of the Swedish Companies Act (2005:551)

The Board's reasons for the proposals to the Annual General Meeting on 16 May 2024 regarding (i) authorisation to resolve to repurchase own Class C shares under item 21(c) and (ii) authorisation to resolve to repurchase own Class A or Class B shares under item 22 (together, the “**Repurchase Authorisations**”) being in accordance with the provisions of Chapter 17, Section 3, second and third paragraphs of the Swedish Companies Act (2005:551), are as follows:

- MTG's objectives, scope of business and risks associated thereto are set out in the Articles of Association and in the submitted 2023 Annual Report.
- The Group's and the Parent Company's financial situation as at 31 December 2023 is stated in the 2023 Annual Report, and if not stated below the calculations are based on the situation per 31 December 2023. The principles applied for valuation of assets and liabilities are also stated in the 2023 Annual Report.
- As of 12 April 2024, MTG holds 3,662,980 shares of Class B and 6,324,343 shares of Class C in treasury, corresponding to approximately 7.5 percent of the total number of shares in MTG. Further, the Board has under item 23 of the proposed agenda proposed that the 2024 Annual General Meeting resolves to reduce the share capital by way of cancellation of a maximum of 3,358,100 repurchased own Class B shares. The cost in relation to repurchase of own Class A and Class B shares depends on to which extent, if at all, the Board makes use of the Annual General Meeting's authorisation to repurchase own shares. E.g., should the Board resolve to repurchase one (1) percent of the total number of shares in MTG, this would amount to approximately SEK 114 million based on the closing price for MTG's Class B share on 12 April 2024, SEK 86.65 (the day the notice to the Annual General Meeting was made public).
- The cost in relation to repurchases of own Class C shares under item 21(c) is limited to administrative costs amounting to approximately SEK 300,000.
- The proposed Repurchase Authorisations (under the assumption that MTG repurchases one (1) percent of the total number of shares in MTG under item 22) constitutes approximately 0.83 percent of the Group's equity attributable to the Parent Company's shareholders and approximately 0.77 percent of the Parent Company's non-restricted equity. Further, the Group's equity/asset ratio amounts to 78.37 percent prior to the proposals on the Repurchase Authorisations, and will amount to 77.72 percent after these proposals have been taken into account (under the assumption that MTG repurchases one (1) percent of the total number of shares in MTG).
- As of 31 December 2023, the Group's liquidity reserve including short term investments amounted to SEK 2,956 million, and the debt/equity ratio was 28 percent.

The proposed Repurchase Authorisations do not endanger the continuation of planned investments. MTG's financial position is such that MTG can continue its business and is expected to fulfil all of its obligations on a short and long-term basis.

With reference to the aforementioned and what has otherwise been brought to the Board's attention, it is the Board's opinion that the proposed Repurchase Authorisations are justified with reference to the requirements that the nature of the operations, the scope of business and the risks associated thereto place on the Parent Company's and the Group's shareholders' equity, consolidation requirements, liquidity and position in general.

Stockholm in April 2024

MODERN TIMES GROUP MTG AB
THE BOARD

Complete performance measures and targets for MTG participants in the 2024 Incentive Plan

In the combined short-term and long-term incentive plan for 2024, proposed by the board of directors of MTG to the Annual General Meeting under item 21 of the proposed agenda set out in the notice to the Annual General Meeting, the following performance conditions shall apply for MTG participants. With respect to the performance category “Financial measures”, the performance levels are based on the full year 2024 budget for the Group.

With respect to the other performance categories (included herein for convenience), as well as the performance conditions for InnoGames and Hutch participants, no changes have been made compared to what was included in the notice to the Annual General Meeting:

MTG participants			
Performance criteria	Relative weighting	Performance threshold and maximum	Performance levels
MTG Group Revenue	25%	Threshold: SEK 5,960 million Maximum level: SEK 7,284 million	The performance levels are linked to the full year 2024 budget for the Group. The threshold level is SEK 5,960 million and the maximum level is SEK 7,284 million, and shall be adjusted for exchange rates. Between the threshold level and the maximum level there is a target level.
MTG Group Adjusted EBITDA	25%	Threshold: SEK 1,453 million Maximum level: SEK 1,776 million	The target is linked to the full year 2024 budget for the Group. The threshold level is SEK 1,453 million and maximum level is SEK 1,776 million. Between the threshold level and the maximum level there is a target level.
TSR	20%	Threshold: 5% TSR Maximum level: 20% enabling Index 150	The TSR threshold level is 5% and the maximum level is 20%. Between the threshold level and the maximum level there is a target level of 12.5%.
Strategic KPI: Group Flow Platform	20%	Threshold: 50% of target level Maximum level: 100% of target Corresponding to Index 100	Performance will be assessed through a number of KPIs related to key initiatives within the ‘Flow Platform’ that drive efficiencies and knowledge-sharing across the Group.
Diversity in Workforce	5%	Threshold: 1% improvement Maximum level: 3% improvement enabling Index 100	The threshold level is a 1% improvement of the 2023 year-end ratio of female and non-binary employees in the Group and the maximum level is a 3% improvement of the same. Improvement will be measured on an individual company level, each with equal weighting, and will be measured between 1 January 2024 and 31 December 2024 according to the 31 December 2024 headcount. Baseline may be revised due to impact from potential M&A or significant restructuring.

Data Privacy Compliance	5%	Threshold: 80% of target in buildup phase or 90% of target in maintenance phase	For companies that were part of the Group as a whole as of 31 March 2024, the threshold level is an 80% completion rate of the data privacy buildup phase or 90% of the data privacy maintenance phase. The weighting of each company will be based on its 2024 revenue contribution.
-------------------------	----	---	---
