



# MTG to split in two and distribute shares in Nordic Entertainment Group to shareholders

The Board of Directors of Modern Times Group MTG AB (publ) (“MTG”) has decided to initiate a process to split MTG into two companies – Modern Times Group MTG AB and Nordic Entertainment Group – by distributing all the shares in Nordic Entertainment Group (comprising the Group’s Nordic Entertainment, MTG Studios and Splay Networks operations) to MTG’s shareholders, and listing these shares on Nasdaq Stockholm. The Board intends to propose the distribution and listing of the shares at an Extraordinary General Meeting (EGM) of its shareholders during the second half of 2018. The Board’s final proposal will be subject to the previously announced combination of MTG’s Nordic Entertainment and MTG Studios businesses with TDC Group not being completed.

The split will create two separate companies with clear investment profiles that are well positioned to capitalise on consumer trends, capture growth opportunities, and generate sustainable value for owners, customers and employees:

- **Modern Times Group MTG AB** – will comprise MTG’s current esports (ESL, DreamHack and ESEA), online gaming (InnoGames and Kongregate) and digital video content (Zoomin.TV, Engage Digital Partners) operations, as well as other minority holdings (Comosa AG and BITKRAFT). MTG will be well funded and will focus on developing and expanding its portfolio of hyper growth global digital companies through a flexible buy and build strategy, which will be centred around key digital entertainment verticals. Jørgen Madsen Lindemann will continue as MTG President and CEO and Maria Redin will continue as MTG CFO. MTG will continue to be headquartered in Stockholm and listed on Nasdaq Stockholm (‘MTGA’ and ‘MTGB’).
- **Nordic Entertainment Group** – will comprise MTG’s current Nordic Entertainment and MTG Studios business segments, as well as Splay Networks. Nordic Entertainment Group will develop and invest in its position as a fully integrated broadcasting, digital communication and content production company. Anders Jensen, currently MTG Executive Vice President; CEO of Nordic Entertainment, will be President and CEO of Nordic Entertainment Group. A CFO will be appointed in due course. Nordic Entertainment Group will have an appropriate capital structure to fund its further expansion and shareholder returns. Nordic Entertainment Group will be headquartered in Stockholm and will be listed on Nasdaq Stockholm.



**David Chance, MTG Chairman of the Board:** “MTG has successfully transformed from a traditional national broadcaster into a global digital entertainer. Today, MTG is leading esports into the global mainstream, captivating hundreds of millions of online gamers, and creating video content that generates billions of views around the world. At the same time, the company has developed into a fully integrated broadcasting, digital communication and content production company in the Nordic region, with unique content that engages diverse audiences across multiple platforms and screens.

“Now is the right time to initiate a split of MTG into two separate and listed companies, in order to maximise the focus and potential of each group for the benefit of owners, customers and employees. The expertise and depth in our management teams enables us to split the company in this way, with Jørgen and Anders to lead the respective organisations. The full management teams and Board members of Nordic Entertainment Group will be announced in due course.”

**Jørgen Madsen Lindemann, MTG President and CEO:** “This initiative will empower each company and team to focus on its specific business requirements and opportunities. I am looking forward to accelerating the global development and expansion of our fast growing esports, online gaming and digital video content businesses, which offer next generation experiences to audiences around the world. MTG will be the only publicly traded, pure play esports, online gaming and digital video content company in the western hemisphere.”

**Anders Jensen, MTG Executive Vice President; CEO of Nordic Entertainment:** “Our Nordic Entertainment business has consistently delivered profitable growth, constant innovation and world class customer experiences. At the same time, our Studios produce and distribute some of the most popular formats, and now we will add Splay’s market leading ability to help advertisers and influencers succeed in social media. We provide the best and broadest content offering as the Nordic region’s market leading and fully integrated broadcasting, digital communication and content production company.”

### **Other information**

The Board’s final proposal will be published in an information brochure in due time before the EGM. The information brochure will include a description of the split, the distribution of shares, the MTG and Nordic Entertainment Group businesses, and the organisations for each company.

The distribution of Nordic Entertainment Group is expected to meet the requirements of *Lex Asea*, and should therefore be tax-exempt for Swedish tax purposes.



The preliminary anticipated timetable is as follows:

Date	Activities
H2 2018	<ul style="list-style-type: none"><li>• Publication of EGM Notice</li></ul>
H2 2018	<ul style="list-style-type: none"><li>• Publication of Information Brochure</li></ul>
H2 2018	<ul style="list-style-type: none"><li>• EGM</li></ul>
H2 2018	<ul style="list-style-type: none"><li>• Publication of Nordic Entertainment Group listing prospectus</li></ul>
H2 2018	<ul style="list-style-type: none"><li>• Distribution of Nordic Entertainment Group shares</li></ul>
H2 2018	<ul style="list-style-type: none"><li>• First day of trading in Nordic Entertainment Group shares</li></ul>

Please find the material that has been made public regarding the split and distribution of shares [here](#).

#### Conference call

MTG will host a conference call to present the proposed split and distribution of shares today at 09:00 CET. To participate in the conference call, please dial:

Sweden: +46 (0) 8 5065 3942

UK: +44 (0) 330 336 9411

US: +1 323 794 2093

The access pin code for the call is 5998188. The conference call will also be available live in 'listen-only' mode at [www.mtg.com](http://www.mtg.com).

Citigroup Global Markets Limited and SEB Corporate Finance are acting as financial advisers to MTG, with Gernandt & Danielsson Advokatbyrå KB acting as legal adviser.

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#### NOTES TO EDITORS

*MTG (Modern Times Group MTG AB (publ)) is a leading international digital entertainment group and we are shaping the future of entertainment by connecting consumers with the content that they love in as many ways as possible. Our brands span TV, radio and next generation entertainment experiences in esports, digital video content and online gaming. Born in Sweden, our shares are listed on Nasdaq Stockholm ('MTGA' and 'MTGB').*

*This information is information that MTG is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 07.00 CET on 23 March 2018.*

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