

1. Modern Times Group MTG AB Nomination Committee's explanatory statement regarding the proposal for election of the Board at the 2014 Annual General Meeting

MTG Nomination Committee

In accordance with the procedure of the Nomination Committee adopted at the 2013 Annual General Meeting a Nomination Committee was convened by Cristina Stenbeck in October 2013 to prepare the proposals for the 2014 Annual General Meeting.

The Nomination Committee consists of members appointed by the largest shareholders in MTG (who accepted to participate in the nomination work during this past year). The Nomination Committee for the 2014 Annual General Meeting comprised Cristina Stenbeck, Investment AB Kinnevik; Marianne Nilsson, Swedbank Robur funds and Hans Ek, SEB Funds. The members of the Committee elected Cristina Stenbeck to be Chairman of the Nomination Committee at their first meeting. The three members of the Nomination Committee are appointed by shareholders that jointly represents more than 55 percent of the votes in MTG.

The Nomination Committee's proposal for election of the Board

The Nomination Committee proposes that:

- The Board shall consist of seven members.
- The re-election of all current members of the Board.
- The re-election of David Chance as Chairman of the Board.

The Nomination Committee's proposal is thus that the following persons are elected to the Board of MTG for a term of office until the end of the next Annual General Meeting:

- David Chance, Chairman of the Board
- Blake Chandlee
- Simon Duffy
- Lorenzo Grabau
- Michelle Guthrie
- Alexander Izosimov
- Mia Brunell Livfors

The Nomination Committee's explanatory statement regarding the proposal

The Nomination Committee has held four meetings, with the customary additional contact between meetings. As the basis for its work, the Nomination Committee has had the benefit of a thorough and formal evaluation of the Board and the Chairman of the Board. In order to assess the degree to which the current Board fulfils the requirements placed on the Board and facing the Company, and in consideration of the changes in the past years, the Nomination Committee's discussion focused on areas for continued development and succession planning. The Nomination Committee has concluded that the current Board composition represents a strong mix of highly relevant backgrounds and experiences from Scandinavia, Central and Eastern Europe, Russia and Africa.

The Nomination Committee proposes the re-election of all of the current members of the Board. The Committee is of the opinion that the Board composition reflects the right skills and commitment from the individuals to take MTG forward in its next phase of investment and operational and financial performance.

In its work, the Nomination Committee has considered and discussed the importance of diversity on the Board, including gender, age, nationality, and professional backgrounds and business disciplines. In the view of the Nomination Committee, the composition of the proposed Board is fit-for-purpose in

this respect, as it reflects a wide range of nationalities and backgrounds, and a solid mix of men and women with highly relevant skill-sets to match the priorities of the Company.

Finally, it is noted that the Nomination Committee evaluates each Board member's independence in the work of preparing its proposals, and has found that the proposed Board is in compliance with relevant requirements for independence.

Information about the proposed members of the Board

Information about the proposed members of the Board, including the Nomination Committee's assessment of each member's independence, may be found on the MTG's website at www.mtg.se.

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MODERN TIMES GROUP MTG AB (PUBL)
THE NOMINATION COMMITTEE