

1. The Nomination Committee's motivated statement regarding the proposal for election of the Board.

MTG Nomination Committee

In accordance with the procedure of the Nomination Committee adopted by the 2017 Annual General Meeting, David Chance, Chairman of the Board of Directors, convened a Nomination Committee. The Nomination Committee is comprised of David Chance as Chairman of the Board of MTG, Cristina Stenbeck, appointed by Kinnevik AB, Erik Durhan, appointed by Nordea Funds, and Yvonne Sörberg, appointed by Handelsbanken Funds. The members of the Nomination Committee appointed Cristina Stenbeck as Chairman of the Nomination Committee at their first meeting.

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 election of Gerhard Florin as new member 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
- Joakim Andersson
- Simon Duffy
- Gerhard Florin
- Donata Hopfen
- John Lagerling
- Natalie Tydeman

The Nomination Committee's work

The Nomination Committee has held four meetings, with additional candidate interviews and Committee discussions between meetings. The Nomination Committee's work has primarily focused on the continued development of the overall Board composition with the aim to strengthen the mix of experiences and competencies present at Board level in order to increasingly match the challenges and opportunities faced by MTG as the company continues to take important steps to shape its business for the future, as manifested in MTG's intention to split in two and distribute shares in Nordic Entertainment Group to its shareholders.

In its assessment of the degree to which the current Board meets the requirements placed on it, the Nomination Committee reviewed the current Board members' ability to devote the necessary time and commitment required, as well as the balance and diversity of contributions of experiences from different areas of the broader media and digital entertainment industry. The Committee also had the benefit of an external evaluation of the Board and its individual members.

The Nomination Committee's motivated statement regarding its proposals

Having been informed of each Director's eligibility, the Nomination Committee resolved to propose the re-election of all current Board members, and identified and managed to attract Gerhard Florin, who has an established and unique track record from both the gaming and entertainment industries. In addition to his highly relevant sector expertise, Gerhard will contribute to the Board work with his experience from driving global development and expansion of fast-growing digital businesses.

Gerhard Florin has spent over 20 years in the entertainment and gaming industry, and currently serves on the Board of MTG's subsidiary InnoGames. Gerhard has previously served on the Boards of Funcom, Kobojo and King Digital Entertainment, and was Chairman of the latter between 2014 and 2016. Between 2006 and 2010, Gerhard served as an Executive Vice President and General Manager of

Publishing at Electronic Arts, being responsible for the company's worldwide publishing business, prior to which he held various positions in Electronic Arts' German and British operations. Before joining Electronic Arts, Gerhard worked at Bertelsmann Music Group and McKinsey. Gerhard holds Master's and PhD degrees in Economics from the University of Augsburg in Germany.

The Nomination Committee is of the opinion that the proposed Board will be of great support to MTG as it carries out a split into two companies, and accelerates the development of MTG's fast-growing esports, online gaming and digital video content businesses.

In its work, the Nomination Committee applies rule 4.1 of the Swedish Corporate Governance Code as its diversity policy. Accordingly, the Committee gives particular consideration to the importance of an increased diversity on the Board, including gender, age and nationality, as well as depth of experiences, professional backgrounds and business disciplines. The Committee believes the composition of the proposed Board is adequately diverse in respect of its set of experiences and solid mix of relevant skill-sets matching the priorities of MTG. However, as a part of its efforts to find the most competent Board members the Committee will increasingly pursue greater gender balance.

Finally, it is noted that the Nomination Committee has evaluated each Board member's independence in the work of preparing its proposals for the 2018 Annual General Meeting, and 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 MTG's website at www.mtg.com.

April 2018

THE NOMINATION COMMITTEE
MODERN TIMES GROUP MTG AB (PUBL)