



MTG announces termination by mutual agreement with HUYA of negotiations on definitive agreement for China Joint Venture and ESL investment

STOCKHOLM - January 21st, 2020 08.00am CET — Modern Times Group MTG AB (MTG) today announces that MTG and HUYA Inc. (Huya) have mutually terminated the negotiations related to the definitive agreement for the forming of a strategic Joint Venture for esport expansion into China and a minority stake investment in MTG's portfolio company ESL.

The term sheet agreement was originally announced September 2nd 2019 and has since been subject to customary due diligence and final negotiations. Differing views between the two parties on allocation of contractual risk and other key commercial terms are the primary reasons for the announced termination of the binding term sheet.

"We still believe in the logic of this transaction and its potential for both MTG, HUYA, and for the esport industry globally. However, both parties see a mutual termination of the negotiations as the only way forward for now given the status of the negotiations at this stage. With that said, expansion into the important Chinese esport market continues to be a priority for MTG and we are looking forward to seize opportunities in the near future", says Jørgen Madsen Lindemann, President and CEO of MTG.

The termination of the negotiation will have no operational impact on ESL in 2020. As previously announced, MTG plans to report its fourth quarter 2019 and full year financial results on February 6th 2020.

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 08.00 CET on January 21st 2020.

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About MTG

MTG (Modern Times Group MTG AB (publ.)) (www.mtg.com) is a strategic and operational investment holding company in esports and gaming entertainment. Born in Sweden, the shares are listed on Nasdaq Stockholm ('MTGA' and 'MTGB').



About HUYA Inc.

HUYA Inc. (NYSE: HUYA) (www.huya.com) is a leading game live streaming platform in China with a large and active game live streaming community. The Company cooperates with e-sports event organizers, as well as major game developers and publishers, and has developed e-sports live streaming as one of the most popular content genres on its platform. The Company has created an engaged, interactive and immersive community for game enthusiasts of China's young generation. Building on its success in game live streaming, Huya has also extended its content to other entertainment content genres. Huya's open platform also functions as a marketplace for broadcasters and talent agencies to congregate and closely collaborate with the Company. For further reading visit <http://ir.huya.com/>

About ESL

ESL (www.eslgaming.com) is the world's largest esports company. Founded in 2000, ESL has been shaping the industry across the most popular video games with numerous online and offline competitions. It operates high profile, branded international leagues and tournaments such as ESL One, Intel® Extreme Masters, ESL Pro League and other top tier stadium-size events, as well as ESL National Championships, grassroots amateur cups and matchmaking systems, defining the path from zero to hero as short as possible. With offices all over the world, ESL is leading esports forward on a global scale. ESL is a part of MTG, the leading international digital entertainment group. about.eslgaming.com.