

Buy EUR 6.40 (EUR 6.10) Price EUR 4.87 Upside 31.3 %	Value Indicators: EUR DCF: 6.40	Warburg ESG Risk Score: 2.0 ESG Score (MSCI based): 3.0 Balance Sheet Score: 2.0 Market Liquidity Score: 1.0	Description: MGI is engaged in the gaming as well as media and advertising market
	Market Snapshot: EUR m Market cap: 729.5 No. of shares (m): 149.7 EV: 766.7 Freefloat MC: 527.5 Ø Trad. Vol. (30d): 1.06 m	Shareholders: Freefloat 72.3 % Bodhivas (Remco Western.) 27.7 % Oaktree Capital Management 9.1 % Henderson Global Investors 5.5 %	Key Figures (WRe): 2021e Beta: 1.1 Price / Book: 2.4 x Equity Ratio: 41 % Net Fin. Debt / EBITDA: 0.6 x Net Debt / EBITDA: 0.6 x

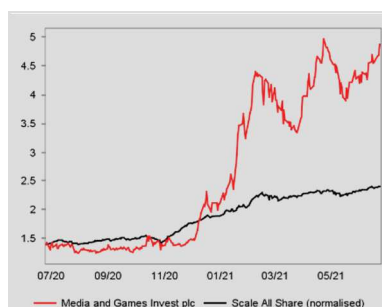
Media offers substantial re-rating potential

We are updating our model to reflect the strong organic growth we have seen so far this year and the recent capital increase.

- Media and Games hosted a seminar yesterday (23.06.21) to provide greater insight into its Media business. Most of the media revenues are Software as a Service fees (SaaS); the remainder, agency fees and ad commission. MGI's Supply Side Platform is particularly strong (67% of sales) while the Demand Side Platform and the Performance Platform account for 14% and 13% of sales respectively. The excellent outlook for the business is confirmed by a 92% retention rate among its big accounts and 37% growth of its SaaS accounts in Q1 2021. The two big closed ecosystems, Google and Facebook, control 28% and 22% respectively of global digital ad spending. The open internet, however, is highly fragmented and highly attractive in light of estimated growth rates in the low to mid-teens for global digital ad spending.
- On Monday, (21.06) MGI disclosed that it is in exclusive negotiations with Smaato, a Digital Advertisement Platform to monetize websites and apps via ad placements. Smaato reaches around 1.3bn monthly users, which would nearly double MGI's reach of 1.4bn monthly users and should generate substantial synergies. Smaato should add EUR 30 to EUR 40m revenues p.a. with an EBITDA margin of around 30%.
- The outlook for the remainder of the year remains strong. Although the Gaming division is cast against tough comparables, a couple of factors should lead to a continuation of the strong momentum. Firstly, management has invested heavily in organic growth. Secondly, although there was a big influx of new gamers to its free-to-play games last year, these new gamers have now just entered the monetization phase, which typically follows with a time-lag of several months. In the Media division in particular, growth should accelerate further in Q2 due to the low comparison base and for H2, management is targeting an EBITDA margin of 15% to 20%, i.e. a significant increase from the 11% in Q1. We are therefore increasing our full-year sales and earnings estimates.
- Since early May, Media and Games has raised around EUR 238m liquidity with a capital increase (EUR ca. 88m, 20.9m shares at SEK 43) and the upsizing of its bond (EUR 150m on June 7). Thus, the Smaato purchase price is well covered by cash on hand.

We confirm our Buy rating and increase our price target to EUR 6.4. This increase relates solely to the organic improvement and does not yet include the Smaato acquisition. Yesterday's media event underscored the positive outlook and the highly attractive valuation compared to larger US peers (e.g. APP Loving trading at EV/EBITDA 22 of 33, nearly three times MGI's multiple).

Changes in Estimates:				Comment on Changes:			
FY End: 31.12. in EUR m	2021e (old)	+ / -	2022e (old)	+ / -	2023e (old)	+ / -	
Sales	180.0	11.1 %	204.0	12.7 %	228.0	14.0 %	<ul style="list-style-type: none"> Strong organic revenue growth and margin upside in the Media segment in H2 2021 leads to higher sales and EBITDA estimates. With the inclusion of the higher share count and the interest payment of the bond in our estimates, our EPS estimates decline. However, this is only a technical effect as we cannot include the Smaato acquisition before the signing of the deal. The deal should propel EPS above our previous estimates.
EBITDA adj.	52.0	5.8 %	60.0	10.0 %	67.0	11.9 %	
EBIT	26.5	7.5 %	32.5	13.8 %	39.5	12.7 %	
EPS	0.12	-25.0 %	0.15	-33.3 %	0.20	-30.0 %	

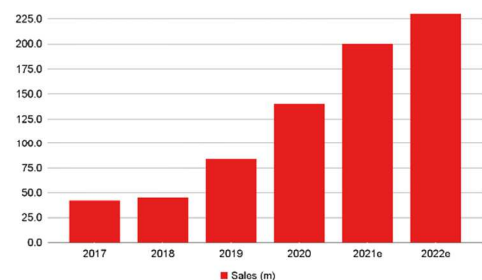


Rel. Performance vs Scale All	
1 month:	10.6 %
6 months:	103.9 %
Year to date:	105.5 %
Trailing 12 months:	178.6 %

Company events:	
30.06.21	FY 2020
31.08.21	Q2

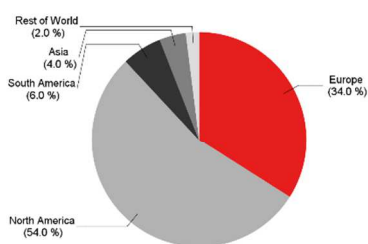
FY End: 31.12. in EUR m	CAGR (20-23e)	2017	2018	2019	2020	2021e	2022e	2023e
Sales	22.9 %	42.1	45.3	83.9	140.2	200.0	230.0	260.0
Change Sales yoy		8.0 %	7.6 %	85.2 %	67.1 %	42.6 %	15.0 %	13.0 %
EBITDA adj.		10.5	13.4	18.1	29.1	55.0	66.0	75.0
Margin	11.6 %	25.0 %	29.5 %	21.6 %	20.8 %	27.5 %	28.7 %	28.8 %
EBITDA		7.0	11.1	15.5	26.5	51.0	62.0	71.0
EBIT adj.	44.1 %	-3.4	2.6	10.5	17.5	36.4	44.9	52.4
Margin		-8.0 %	5.7 %	12.5 %	12.5 %	18.2 %	19.5 %	20.2 %
Net income	90.8 %	-5.0	1.5	-0.3	3.1	12.2	15.2	21.2
EPS	67.1 %	n.a.	n.a.	-0.01	0.03	0.09	0.10	0.14
EPS adj.	28.3 %	n.a.	n.a.	0.07	0.09	0.13	0.15	0.19
DPS		n.a.	n.a.	0.00	0.00	0.00	0.00	0.00
Dividend Yield		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCFPS		n.a.	n.a.	0.06	0.09	0.13	0.11	0.12
FCF / Market cap		n.a.	n.a.	5.4 %	7.0 %	2.5 %	2.3 %	2.5 %
EV / Sales		n.a.	n.a.	1.4 x	1.5 x	3.8 x	3.4 x	2.9 x
EV / EBITDA		n.a.	n.a.	7.8 x	7.9 x	15.0 x	12.5 x	10.7 x
EV / EBIT		n.a.	n.a.	24.1 x	18.9 x	26.9 x	21.0 x	17.0 x
P / E		n.a.	n.a.	n.a.	43.7 x	54.2 x	48.7 x	34.8 x
P / E adj.		n.a.	n.a.	16.6 x	14.6 x	37.5 x	32.5 x	25.7 x
FCF Potential Yield		n.a.	n.a.	11.7 %	10.2 %	5.7 %	7.0 %	8.1 %
Net Debt		26.1	38.1	46.1	79.8	32.2	44.7	26.4
ROCE (NOPAT)		n.a.	6.8 %	n.a.	3.3 %	7.7 %	8.5 %	9.8 %
Guidance:		n.a.						

Sales development in EUR m



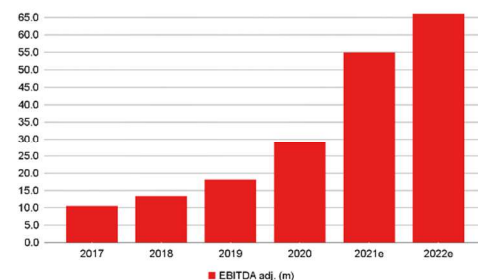
Source: Warburg Research

Revenues by regions 2020; in %



Source: Warburg Research

Adj. EBITDA development in EUR m



Source: Warburg Research

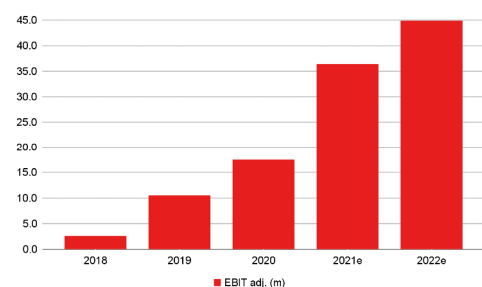
Company Background

- Media and Games Invest plc (MGI) is a corporation with a specific focus on gaming (especially via in-games purchases in MMOGs) and media advertising (agency business and programmatic ad-tech solutions)
- MGI's main asset is gamigo, a games publisher with more than 30 well-established MMOGs and 5k+ casual games. MGI holds 99.9% of gamigo (fully consolidated)
- In May 2018, the Solidate real estate holding was renamed blockescence plc. It decided to divest the real estate business and acquire an initial 35.5% stake in gamigo.
- In June 2019, the company changed its name to Media and Games Invest, to underline its commitment to the gaming and advertising market...
- ... as it acquired another 13.8% stake of gamigo and 100% of the two programmatic ad-tech companies Applift and its subsidiary PubNative and has announced its intention to acquire further gamigo shares (now at 99.9%).

Competitive Quality

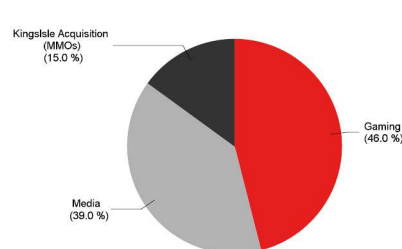
- MGI's gamigo has a relatively broad games portfolio with a focus on multiplayer games. The top-10 games account for roughly 37% of total revenues but no game accounts for more than 8%.
- Revenues are generated with loyal customers. The majority of games generate over 60% of revenues with users who have been playing the game for more than five years.
- MGI is acting as a successful consolidator in the gaming market by purchasing distressed assets (games and media) for low prices and leveraging the acquired user base with its existing infrastructure
- Successful deal history of more than 25 deals prove high quality of the management as well as deal execution ability
- Recently acquired programmatic advertising companies should benefit from existing media content from own games portfolio as well as high experience and rich data of user behaviour and monetisation potential.

adj. EBIT development in EUR m



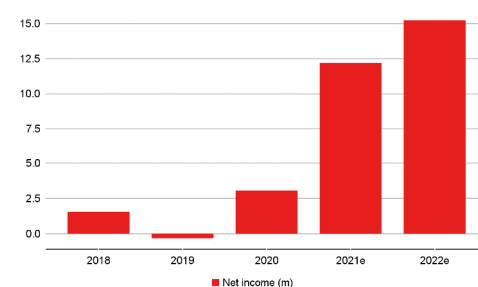
Source: Warburg Research

Sales by segments 2020 pro forma; in %



Source: Warburg Research

Net income development in EUR m



Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	
Sales	200.0	230.0	260.0	288.6	317.5	342.9	363.4	378.0	385.5	393.2	401.1	409.1	417.3	
Sales change	42.6 %	15.0 %	13.0 %	11.0 %	10.0 %	8.0 %	6.0 %	4.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %	2.0 %
EBIT	28.5	37.0	44.5	51.9	57.1	61.7	65.4	71.8	77.1	78.6	80.2	81.8	83.5	
EBIT-margin	14.3 %	16.1 %	17.1 %	18.0 %	18.0 %	18.0 %	18.0 %	19.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	
Tax rate (EBT)	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	20.0 %	22.0 %	25.0 %	27.0 %	28.0 %	28.0 %	28.0 %	
NOPAT	22.8	29.6	35.6	41.6	45.7	49.4	52.3	56.0	57.8	57.4	57.8	58.9	60.1	
Depreciation	22.5	25.0	26.5	34.6	38.1	41.1	40.0	41.6	38.6	39.3	40.1	40.9	41.7	
in % of Sales	11.3 %	10.9 %	10.2 %	12.0 %	12.0 %	12.0 %	11.0 %	11.0 %	10.0 %	10.0 %	10.0 %	10.0 %	10.0 %	
Changes in provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Change in Liquidity from														
- Working Capital	-7.0	-3.1	-0.5	6.5	3.5	2.2	0.5	0.4	0.2	0.2	0.2	0.2	0.2	
- Capex	23.5	27.0	30.5	34.6	34.9	34.3	32.7	30.2	30.8	31.5	32.1	32.7	33.4	
Capex in % of Sales	11.8 %	11.7 %	11.7 %	12.0 %	11.0 %	10.0 %	9.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	
Other	84.0	47.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Free Cash Flow (WACC Model)	-55.2	-16.9	32.1	35.1	45.4	54.0	59.1	67.0	65.4	65.1	65.6	66.9	68.2	70
PV of FCF	-52.4	-15.0	26.7	27.3	33.2	36.9	37.9	40.2	36.7	34.3	32.4	30.9	29.5	634
share of PVs	-4.36 %			36.40 %										67.96 %

Model parameter

Derivation of WACC:		Derivation of Beta:	
Debt ratio	30.00 %	Financial Strength	1.20
Cost of debt (after tax)	4.9 %	Liquidity (share)	1.00
Market return	7.00 %	Cyclicality	1.10
Risk free rate	1.50 %	Transparency	1.20
		Others	1.00
WACC	6.76 %	Beta	1.10

Valuation (m)

Present values 2033e	299		
Terminal Value	634		
Financial liabilities	126		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	0		
Market val. of investments	0		
Liquidity	151	No. of shares (m)	149.7
Equity Value	958	Value per share (EUR)	6.40

Sensitivity Value per Share (EUR)

Beta	WACC	Terminal Growth							Beta	WACC	Delta EBIT-margin						
		1.25 %	1.50 %	1.75 %	2.00 %	2.25 %	2.50 %	2.75 %			-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.36	7.8 %	4.74	4.85	4.97	5.10	5.24	5.40	5.57	1.36	7.8 %	4.69	4.83	4.97	5.10	5.24	5.37	5.51
1.23	7.3 %	5.24	5.37	5.52	5.69	5.87	6.07	6.29	1.23	7.3 %	5.24	5.39	5.54	5.69	5.83	5.98	6.13
1.16	7.0 %	5.52	5.67	5.84	6.02	6.23	6.46	6.71	1.16	7.0 %	5.56	5.71	5.87	6.02	6.18	6.34	6.49
1.10	6.8 %	5.82	5.99	6.19	6.40	6.63	6.89	7.19	1.10	6.8 %	5.90	6.07	6.23	6.40	6.56	6.73	6.89
1.04	6.5 %	6.16	6.35	6.57	6.81	7.08	7.39	7.73	1.04	6.5 %	6.29	6.47	6.64	6.81	6.99	7.16	7.33
0.97	6.3 %	6.53	6.75	7.00	7.28	7.59	7.95	8.35	0.97	6.3 %	6.73	6.91	7.09	7.28	7.46	7.65	7.83
0.84	5.8 %	7.39	7.69	8.02	8.40	8.83	9.33	9.91	0.84	5.8 %	7.77	7.98	8.19	8.40	8.60	8.81	9.02

- Our DCF approach is based on a detailed planning phase (20 -22), a transitional phase (23 -32), and a perpetuity term
- Long-term tax rate is assumed to be at 28%

Valuation	2017	2018	2019	2020	2021e	2022e	2023e
Price / Book	n.a.	n.a.	0.8 x	0.7 x	2.4 x	2.3 x	2.1 x
Book value per share ex intangibles	n.a.	n.a.	-1.93	-0.82	-0.56	-0.47	-0.34
EV / Sales	n.a.	n.a.	1.4 x	1.5 x	3.8 x	3.4 x	2.9 x
EV / EBITDA	n.a.	n.a.	7.8 x	7.9 x	15.0 x	12.5 x	10.7 x
EV / EBIT	n.a.	n.a.	24.1 x	18.9 x	26.9 x	21.0 x	17.0 x
EV / EBIT adj.*	n.a.	n.a.	11.5 x	11.9 x	21.1 x	17.3 x	14.5 x
P / FCF	n.a.	n.a.	18.7 x	14.4 x	39.7 x	43.3 x	40.0 x
P / E	n.a.	n.a.	n.a.	43.7 x	54.2 x	48.7 x	34.8 x
P / E adj.*	n.a.	n.a.	16.6 x	14.6 x	37.5 x	32.5 x	25.7 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	n.a.	n.a.	11.7 %	10.2 %	5.7 %	7.0 %	8.1 %

*Adjustments made for: -

Consolidated profit & loss

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Sales	42.1	45.3	83.9	140.2	200.0	230.0	260.0
Change Sales yoy	8.0 %	7.6 %	85.2 %	67.1 %	42.6 %	15.0 %	13.0 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	3.6	4.2	10.2	16.0	20.0	23.0	25.0
Total Sales	45.7	49.5	94.1	156.2	220.0	253.0	285.0
Material expenses	16.2	17.6	45.8	77.6	101.0	115.0	130.0
Gross profit	29.4	31.8	48.3	78.6	119.0	138.0	155.0
<i>Gross profit margin</i>	<i>70.0 %</i>	<i>70.3 %</i>	<i>57.5 %</i>	<i>56.1 %</i>	<i>59.5 %</i>	<i>60.0 %</i>	<i>59.6 %</i>
Personnel expenses	13.9	14.7	27.4	39.6	52.0	57.0	62.0
Other operating income	2.4	6.7	4.6	6.3	4.0	4.0	4.0
Other operating expenses	10.9	12.7	10.0	18.7	20.0	23.0	26.0
EBITDA adj.	10.5	13.4	18.1	29.1	55.0	66.0	75.0
Margin	25.0 %	29.5 %	21.6 %	20.8 %	27.5 %	28.7 %	28.8 %
EBITDA	7.0	11.1	15.5	26.5	51.0	62.0	71.0
<i>Margin</i>	<i>16.7 %</i>	<i>24.4 %</i>	<i>18.5 %</i>	<i>18.9 %</i>	<i>25.5 %</i>	<i>27.0 %</i>	<i>27.3 %</i>
Depreciation of fixed assets	0.7	1.5	2.8	3.0	3.0	3.0	3.0
EBITA	6.3	9.6	12.7	23.5	48.0	59.0	68.0
Amortisation of intangible assets	9.7	7.0	7.7	12.5	19.5	22.0	23.5
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-3.4	2.6	5.0	11.0	28.5	37.0	44.5
<i>Margin</i>	<i>-8.0 %</i>	<i>5.7 %</i>	<i>6.0 %</i>	<i>7.9 %</i>	<i>14.3 %</i>	<i>16.1 %</i>	<i>17.1 %</i>
EBIT adj.	-3.4	2.6	10.5	17.5	36.4	44.9	52.4
Interest income	0.0	0.0	0.1	0.4	0.0	0.0	0.0
Interest expenses	2.4	2.1	5.8	7.5	13.0	17.3	17.3
Other financial income (loss)	0.1	0.0	0.0	0.0	0.0	0.0	0.0
EBT	-5.7	0.5	-0.8	3.9	15.5	19.7	27.2
<i>Margin</i>	<i>-13.5 %</i>	<i>1.1 %</i>	<i>-0.9 %</i>	<i>2.8 %</i>	<i>7.8 %</i>	<i>8.6 %</i>	<i>10.5 %</i>
Total taxes	-0.7	-1.1	-2.0	1.2	3.1	3.9	5.4
Net income from continuing operations	-5.0	1.6	1.3	2.7	12.4	15.7	21.7
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net income before minorities	-5.0	1.6	1.3	2.7	12.4	15.7	21.7
Minority interest	0.0	0.1	1.6	-0.4	0.2	0.5	0.5
Net income	-5.0	1.5	-0.3	3.1	12.2	15.2	21.2
<i>Margin</i>	<i>-11.9 %</i>	<i>3.4 %</i>	<i>-0.4 %</i>	<i>2.2 %</i>	<i>6.1 %</i>	<i>6.6 %</i>	<i>8.2 %</i>
Number of shares, average	n.a.	n.a.	64.1	98.5	142.5	149.7	149.7
EPS	n.a.	n.a.	-0.01	0.03	0.09	0.10	0.14
EPS adj.	n.a.	n.a.	0.07	0.09	0.13	0.15	0.19

*Adjustments made for:

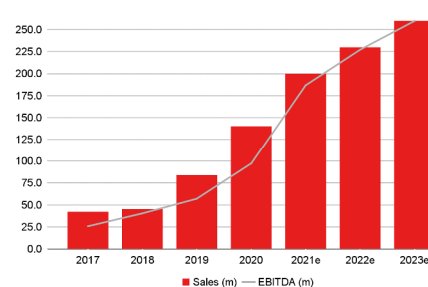
Guidance: n.a.

Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Total Operating Costs / Sales	91.8 %	84.8 %	93.6 %	92.5 %	84.5 %	83.0 %	82.3 %
Operating Leverage	-8.4 x	n.a.	1.1 x	1.8 x	3.7 x	2.0 x	1.6 x
EBITDA / Interest expenses	3.0 x	5.2 x	2.7 x	3.5 x	3.9 x	3.6 x	4.1 x
Tax rate (EBT)	11.9 %	-229.8 %	265.4 %	30.6 %	20.0 %	20.0 %	20.0 %
Dividend Payout Ratio	n.a.	n.a.	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

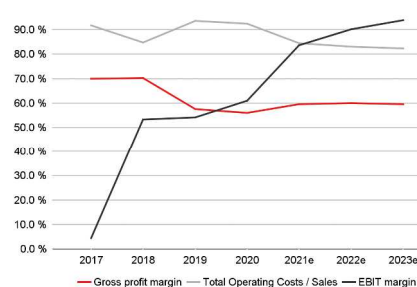
Sales, EBITDA

in EUR m

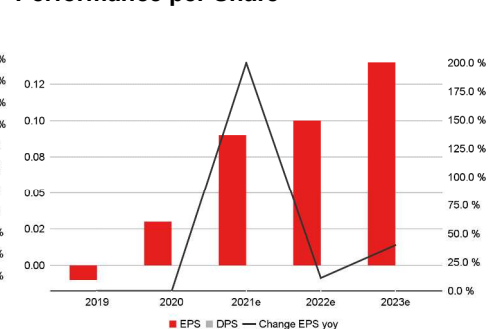


Operating Performance

in %



Performance per Share



Source: Warburg Research

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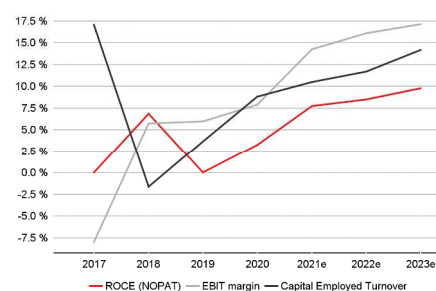
Consolidated balance sheet

In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Assets							
Goodwill and other intangible assets	47.5	204.1	233.2	272.8	386.7	387.7	390.2
thereof other intangible assets	16.7	66.7	73.7	85.4	115.9	116.9	119.4
thereof Goodwill	28.9	133.8	147.3	164.0	247.3	247.3	247.3
Property, plant and equipment	1.7	4.2	3.5	1.7	2.2	3.2	4.7
Financial assets	0.0	11.7	19.9	18.9	18.9	18.9	18.9
Other long-term assets	0.4	0.0	0.0	0.0	0.0	0.0	0.0
Fixed assets	49.5	220.0	256.6	293.5	407.8	409.8	413.8
Inventories	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	4.9	11.8	17.0	37.0	43.8	47.3	53.4
Liquid assets	1.0	4.4	33.0	46.3	283.8	271.3	289.6
Other short-term assets	11.4	0.0	5.8	9.1	9.1	9.1	9.1
Current assets	17.3	16.3	55.9	92.4	336.7	327.7	352.1
Total Assets	66.8	236.3	312.4	385.8	744.5	737.5	765.9
Liabilities and shareholders' equity							
Subscribed capital	2.3	59.9	98.1	117.1	149.7	149.7	149.7
Capital reserve	48.2	4.3	0.0	57.3	70.6	70.6	70.6
Retained earnings	-23.6	2.9	0.0	5.6	85.1	100.3	121.6
Other equity components	0.0	0.1	0.0	-3.2	-3.0	-2.6	-2.0
Shareholders' equity	26.8	67.2	98.1	176.8	302.4	318.0	339.9
Minority interest	-0.1	91.3	70.5	0.1	0.1	0.1	0.1
Total equity	26.7	158.5	168.6	176.8	302.5	318.1	339.9
Provisions	3.0	6.7	12.6	17.3	17.3	17.3	17.3
thereof provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial liabilities (total)	27.1	42.6	79.1	126.0	316.0	316.0	316.0
Short-term financial liabilities	7.0	3.6	6.7	6.1	6.1	6.1	6.1
Accounts payable	7.2	9.2	20.3	30.0	43.8	50.4	57.0
Other liabilities	2.7	19.3	31.9	35.7	65.0	35.7	35.7
Liabilities	40.1	77.8	143.8	209.0	442.1	419.4	426.0
Total liabilities and shareholders' equity	66.8	236.3	312.4	385.8	744.5	737.5	765.9

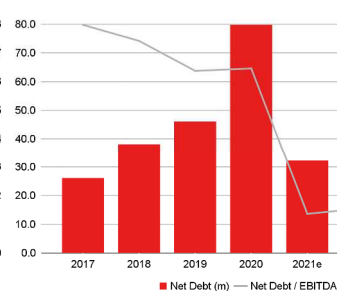
Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Efficiency of Capital Employment							
Operating Assets Turnover	-65.8 x	6.6 x	285.4 x	16.1 x	89.2 x	1619.7 x	227.7 x
Capital Employed Turnover	0.8 x	0.2 x	0.4 x	0.5 x	0.6 x	0.6 x	0.7 x
ROA	-10.1 %	0.7 %	-0.1 %	1.0 %	3.0 %	3.7 %	5.1 %
Return on Capital							
ROCE (NOPAT)	n.a.	6.8 %	n.a.	3.3 %	7.7 %	8.5 %	9.8 %
ROE	-17.0 %	3.3 %	-0.4 %	2.2 %	5.1 %	4.9 %	6.5 %
Adj. ROE	-17.0 %	3.3 %	5.3 %	6.4 %	7.9 %	7.1 %	8.5 %
Balance sheet quality							
Net Debt	26.1	38.1	46.1	79.8	32.2	44.7	26.4
Net Financial Debt	26.1	38.1	46.1	79.8	32.2	44.7	26.4
Net Gearing	97.6 %	24.0 %	27.3 %	45.1 %	10.6 %	14.0 %	7.8 %
Net Fin. Debt / EBITDA	370.8 %	345.0 %	296.4 %	300.4 %	63.1 %	72.1 %	37.2 %
Book Value / Share	n.a.	n.a.	1.4	1.5	2.0	2.1	2.3
Book value per share ex intangibles	n.a.	n.a.	-1.9	-0.8	-0.6	-0.5	-0.3

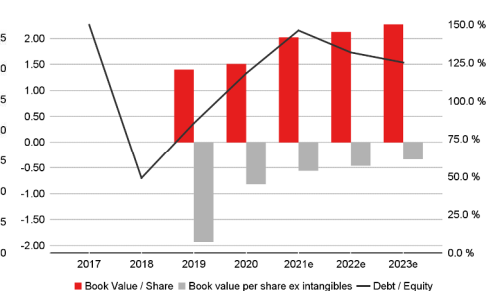
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

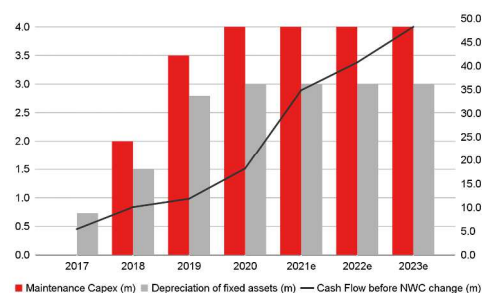
In EUR m	2017	2018	2019	2020	2021e	2022e	2023e
Net income	-5.0	1.6	1.3	2.7	12.4	15.7	21.7
Depreciation of fixed assets	0.7	1.5	2.8	3.0	3.0	3.0	3.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	9.7	7.0	7.7	12.5	19.5	22.0	23.5
Increase/decrease in long-term provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non-cash income and expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash Flow before NWC change	5.4	10.1	11.8	18.2	34.9	40.7	48.2
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in accounts receivable	0.0	0.0	-7.0	-2.8	-6.8	-3.5	-6.1
Increase / decrease in accounts payable	0.0	0.0	12.2	9.8	13.8	6.6	6.6
Increase / decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in working capital (total)	0.0	0.0	5.2	7.0	7.0	3.1	0.5
Net cash provided by operating activities [1]	5.4	10.1	17.0	25.2	41.9	43.8	48.7
Investments in intangible assets	0.0	0.0	-11.0	-15.0	-20.0	-23.0	-26.0
Investments in property, plant and equipment	0.0	-9.0	-2.0	-1.2	-3.5	-4.0	-4.5
Payments for acquisitions	0.0	0.0	0.0	-21.5	-84.0	-29.3	0.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by investing activities [2]	0.0	-9.0	-13.0	-37.7	-107.5	-56.3	-30.5
Change in financial liabilities	0.0	0.0	16.4	-2.7	190.0	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	9.0	28.5	113.2	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by financing activities [3]	0.0	0.0	25.4	25.8	303.2	0.0	0.0
Change in liquid funds [1]+[2]+[3]	5.4	1.1	29.4	13.3	237.6	-12.5	18.2
Effects of exchange-rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cash and cash equivalent at end of period	8.2	2.1	33.8	46.3	283.8	271.3	289.6

Financial Ratios

	2017	2018	2019	2020	2021e	2022e	2023e
Cash Flow							
FCF	5.4	1.1	4.0	9.0	18.4	16.8	18.2
Free Cash Flow / Sales	12.8 %	2.4 %	4.8 %	6.4 %	9.2 %	7.3 %	7.0 %
Free Cash Flow Potential	7.7	10.2	14.1	21.4	43.9	54.1	61.6
Free Cash Flow / Net Profit	-108.1 %	69.8 %	-1237.5 %	293.5 %	150.6 %	110.5 %	85.9 %
Interest Received / Avg. Cash	0.1 %	0.5 %	0.4 %	0.9 %	0.0 %	0.0 %	0.0 %
Interest Paid / Avg. Debt	8.7 %	6.1 %	9.6 %	7.3 %	5.9 %	5.5 %	5.5 %
Management of Funds							
Investment ratio	0.0 %	19.9 %	15.5 %	11.6 %	11.8 %	11.7 %	11.7 %
Maint. Capex / Sales	0.0 %	4.4 %	4.2 %	2.9 %	2.0 %	1.7 %	1.5 %
Capex / Dep	0.0 %	106.3 %	123.3 %	104.5 %	104.4 %	108.0 %	115.1 %
Avg. Working Capital / Sales	-5.0 %	0.3 %	-0.3 %	1.3 %	1.7 %	-0.7 %	-1.3 %
Trade Debtors / Trade Creditors	67.7 %	128.8 %	84.1 %	123.2 %	100.0 %	93.8 %	93.7 %
Inventory Turnover	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Receivables collection period (days)	42	95	74	96	80	75	75
Payables payment period (days)	162	190	162	141	158	160	160
Cash conversion cycle (Days)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

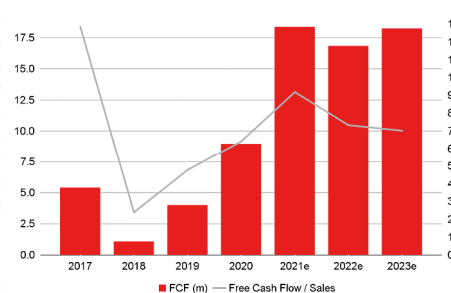
CAPEX and Cash Flow

in EUR m



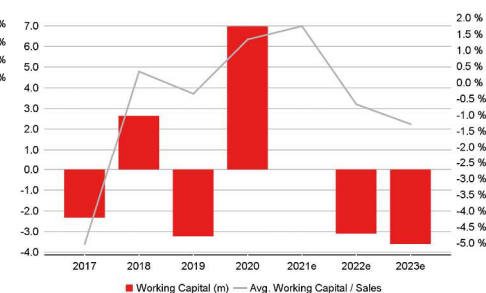
Source: Warburg Research

Free Cash Flow Generation



Source: Warburg Research

Working Capital



Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
Media and Games Invest plc	5	http://www.mmwarburg.com/disclaimer/disclaimer_en/MT0000580101.htm

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Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-B-	Buy:	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	Hold:	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	Sell:	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	Rating suspended:	The available information currently does not permit an evaluation of the company.

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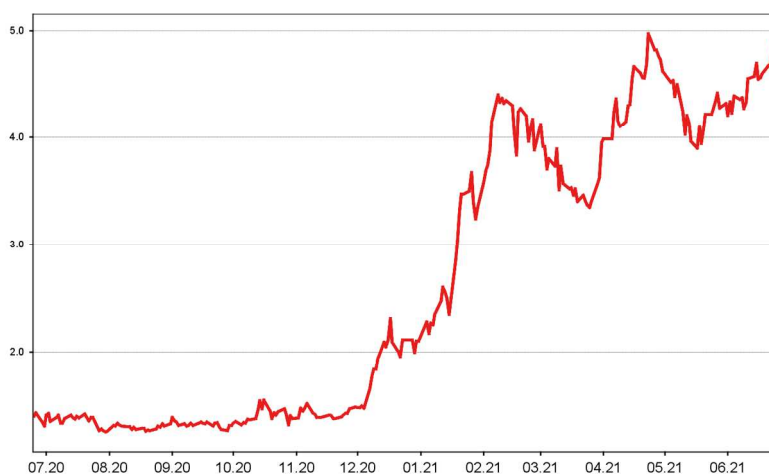
Rating	Number of stocks	% of Universe
Buy	153	71
Hold	55	25
Sell	5	2
Rating suspended	3	1
Total	216	100

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	45	88
Hold	4	8
Sell	0	0
Rating suspended	2	4
Total	51	100

PRICE AND RATING HISTORY MEDIA AND GAMES INVEST PLC AS OF 24.06.2021



Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

EQUITIES

Matthias Rode +49 40 3282-2678
Head of Equities mrode@mmwarburg.com

RESEARCH

Michael Heider +49 40 309537-280
Head of Research mheider@warburg-research.com

Henner Rüschemeyer +49 40 309537-270
Head of Research hrueschmeier@warburg-research.com

Stefan Augustin +49 40 309537-168
Cap. Goods, Engineering saugustin@warburg-research.com

Jan Bauer +49 40 309537-155
Renewables jbauer@warburg-research.com

Jonas Blum +49 40 309537-240
Telco, Media, Construction jblum@warburg-research.com

Christian Cohrs +49 40 309537-175
Industrials & Transportation ccohrs@warburg-research.com

Dr. Christian Ehmann +49 40 309537-167
BioTech, Life Science cehmann@warburg-research.com

Felix Ellmann +49 40 309537-120
Software, IT fellmann@warburg-research.com

Jörg Philipp Frey +49 40 309537-258
Retail, Consumer Goods jfrey@warburg-research.com

Marius Fuhrberg +49 40 309537-185
Financial Services mfuhrberg@warburg-research.com

Mustafa Hidir +49 40 309537-230
Automobiles, Car Suppliers mhidir@warburg-research.com

Ulrich Huwald +49 40 309537-255
Health Care, Pharma uhuwald@warburg-research.com

Philipp Kaiser +49 40 309537-260
Real Estate pkaiser@warburg-research.com

Thilo Kleibauer +49 40 309537-257
Retail, Consumer Goods tkleibauer@warburg-research.com

Eggert Kuls +49 40 309537-256
Engineering ekuls@warburg-research.com

Andreas Pläsier +49 40 309537-246
Banks, Financial Services aplaesier@warburg-research.com

Malte Schaumann +49 40 309537-170
Technology mschaumann@warburg-research.com

Oliver Schwarz +49 40 309537-250
Chemicals, Agriculture oschwarz@warburg-research.com

Simon Stippig +49 40 309537-265
Real Estate sstippig@warburg-research.com

Cansu Tatar +49 40 309537-248
Cap. Goods, Engineering ctatar@warburg-research.com

Marc-René Tonn +49 40 309537-259
Automobiles, Car Suppliers mtonn@warburg-research.com

Robert-Jan van der Horst +49 40 309537-290
Technology rvanderhorst@warburg-research.com

Andreas Wolf +49 40 309537-140
Software, IT awolf@warburg-research.com

INSTITUTIONAL EQUITY SALES

Marc Niemann +49 40 3282-2660
Head of Equity Sales, Germany mniemann@mmwarburg.com

Klaus Schilling +49 69 5050-7400
Head of Equity Sales, Germany kschilling@mmwarburg.com

Tim Beckmann +49 40 3282-2665
United Kingdom tbeckmann@mmwarburg.com

Lea Bogdanova +49 69 5050-7411
United Kingdom, Ireland lbogdanova@mmwarburg.com

Jens Buchmüller +49 69 5050-7415
Scandinavia, Austria jbuchmueller@mmwarburg.com

Alexander Eschweiler +49 40 3282-2669
Germany, Luxembourg aeschweiler@mmwarburg.com

Matthias Fritsch +49 40 3282-2696
United Kingdom mfritsch@mmwarburg.com

Maximilian Martin +49 69 5050-7413
Austria, Poland mmartin@mmwarburg.com

Christopher Seedorf +49 40 3282-2695
Switzerland cseedorf@mmwarburg.com

Sophie Hauer +49 69 5050-7417
Roadshow/Marketing shauer@mmwarburg.com

Juliane Niemann +49 40 3282-2694
Roadshow/Marketing jniemann@mmwarburg.com

SALES TRADING

Oliver Merckel +49 40 3282-2634
Head of Sales Trading omerckel@mmwarburg.com

Elyaz Dust +49 40 3282-2702
Sales Trading edust@mmwarburg.com

Michael Ilgenstein +49 40 3282-2700
Sales Trading milgenstein@mmwarburg.com

Marcel Magiera +49 40 3282-2662
Sales Trading mmagiera@mmwarburg.com

Bastian Quast +49 40 3282-2701
Sales Trading bquast@mmwarburg.com

Jörg Treptow +49 40 3282-2658
Sales Trading jtreptow@mmwarburg.com

MACRO RESEARCH

Carsten Klude +49 40 3282-2572
Macro Research cklude@mmwarburg.com

Dr. Christian Jasperneite +49 40 3282-2439
Investment Strategy cjasperneite@mmwarburg.com

Our research can be found under:

Warburg Research research.mmwarburg.com/en/index.html
Bloomberg RESP MMWA GO
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Capital IQ www.capitaliq.com

For access please contact:

Andrea Schaper +49 40 3282-2632
Sales Assistance aschaper@mmwarburg.com

Kerstin Muthig +49 40 3282-2703
Sales Assistance kmuthig@mmwarburg.com